

CANADA

HOUSE OF COMMONS DEBATES

OFFICIAL REPORT

FIRST SESSION—TWENTY-NINTH PARLIAMENT

21 Elizabeth II

VOLUME I, 1973

COMPRISING THE PERIOD FROM THE FOURTH DAY OF JANUARY, 1973,
TO THE NINTH DAY OF FEBRUARY, 1973, INCLUSIVE

INDEX ISSUED IN A SEPARATE VOLUME

Published under the authority of the Speaker of the House of Commons by the Queen's Printer for Canada

Available from Information Canada, Ottawa, Canada

25714—1½

HOUSE OF COMMONS

Thursday, January 4, 1973

FIRST SESSION—TWENTY-NINTH PARLIAMENT

The twenty-eighth parliament having been prorogued and dissolved by proclamation on the first day of September, 1972, and writs having been issued and returned, a new parliament was summoned to meet for the dispatch of business on Thursday, January 4, 1973, and did accordingly meet on that day.

Thursday, January 4, 1973

This being the day upon which parliament is convoked by proclamation of His Excellency the Governor General for the dispatch of business, and the members of the House being assembled:

Alistair Fraser, Esquire, the Clerk of the House, read to the House a letter from the administrative secretary to the Governor General informing him that the Right Honourable Gérald Fauteux, Chief Justice of Canada, in his capacity as Deputy Governor General, would proceed to the Senate chamber to open the first session of the twenty-ninth parliament of Canada on Thursday, the fourth day of January, at ten thirty o'clock.

A message was delivered by Major A. G. Vandelac, gentleman Usher of the Black Rod, as follows:

Members of the House of Commons:

It is the desire of the Honourable the Deputy of His Excellency the Governor General that this honourable House attend him immediately in the chamber of the honourable the Senate.

Accordingly, the House went up to the Senate chamber, when the Speaker of the Senate said:

Honourable Members of the Senate,

and Members of the House of Commons:

I have it in command to let you know that His Excellency the Governor General does not see fit to declare the causes of his summoning the present parliament of Canada until the Speaker of the House of Commons shall have been chosen according to law, but this afternoon, at the hour of three o'clock, His Excellency will declare the cause of calling this parliament.

• (1040)

And the House being returned to the Commons chamber:

ELECTION OF SPEAKER

MR. LUCIEN LAMOUREUX, MEMBER FOR THE ELECTORAL DISTRICT OF STORMONT-DUNDAS

Right Hon. P. E. Trudeau (Prime Minister): Mr. Fraser, no more important task will be undertaken by hon. members throughout the life of this parliament than that which is now before us. The wise choice of a wise Speaker will be reflected in every activity of this institution in the days and weeks—assuming there are weeks—ahead.

The Speaker of the House of Commons is the only one of our number who can claim our attention as of right. That the nominee for this position can claim as well our respect in his own right is an indication of the high standard with which he discharged his onerous functions in previous parliaments. It also reveals the personal warmth and affection which he has generated as an understanding member of this very human place.

[*Translation*]

The hon. member for Stormont-Dundas, the Hon. Lucien Lamoureux, has been regarded for several years both by those who have sat before him and those who have observed him from the several galleries, or have met him at the head of our parliamentary delegations abroad as embodying all the necessary qualities of an outstanding Speaker: an encyclopedic knowledge of practise and precedent, a mastery of our official languages, the skills of a parliamentarian and a chairman. Because he embodies as well those other, desirable qualities of a sense of humour, an understanding of human nature, and the dignity so becoming to one in that office, he has long since proved that he is a great Speaker, in the view of many the greatest since Confederation. It is our immense good fortune to serve in a House over which he will preside.

[*English*]

The career of Mr. Lamoureux has been one of service to the public. His association with parliament was a distinguished one even before he became Speaker of the House of Commons. He was first elected in 1962 and has been re-elected in each succeeding election: in 1963, 1965, 1968 and 1972. He was Deputy Speaker and Chairman of Committees of the Whole in the 26th parliament before serving as Speaker of this chamber in each of the 27th and 28th parliaments. The independence which he properly displays within this House has extended outside as well. In each of 1968 and 1972 Mr. Lamoureux chose to stand for re-election as an independent candidate, a decision that I welcomed and respected.

The proper and effective conduct of the business of this House, especially in a period when the flexibility of the parliamentary system will be tested and, I sincerely hope, demonstrated, will depend on a number of factors. Of them all, the one in which none of us have the slightest doubt is the impartiality and wise experience of the man I am proposing to this House for election as Speaker.

[*Translation*]

I take great pleasure in moving, seconded by the hon. the Leader of the Opposition, that the Hon. Lucien Lamoureux, member for the electoral district of Stormont-Dundas, do take the Chair of this House as Speaker.

[*English*]

• (1050)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Fraser, everybody seems happy today. This is the second

time I have had the privilege of seconding the nomination of the hon. member for Stormont-Dundas to the high office of Speaker. I said in 1968 that the choice was a happy one, and I repeat that the choice of the hon. member for Stormont-Dundas to be Speaker of the House of Commons is a very happy choice.

As the Prime Minister has reminded us, I think it was seven years ago less two weeks, on January 18, 1966, that the hon. member was first elected as Speaker after serving for three years as Deputy Speaker. The Leader of the Opposition at that time, my distinguished colleague, the hon. member for Prince Albert (Mr. Diefenbaker), noted that as Deputy Speaker Mr. Lamoureux, had "discharged his responsibilities with tact, with wisdom, with humour, and above all with a sense of impartiality to which I am very happy to pay my tribute." Those words of the right hon. member for Prince Albert were true then and they certainly remain true today. Throughout long and sometimes difficult sessions the hon. member for Stormont-Dundas has displayed in the Chair qualities that we have all grown to respect and admire.

[*Translation*]

The duties of the Speaker of this House are difficult and essential. He must be an impartial referee of the debates in this House. He is also the protector of the rights and privileges of hon. members and more so of parliament itself. For all these reasons, the Speaker of the House has to be a dedicated man, a man respectful of parliamentary traditions, a man devoted to freedom.

[*English*]

I would not want this occasion to pass without reiterating my very strong feeling that this House needs and deserves a permanent Speaker. I have urged this before and I shall certainly be doing so again. It is my profound conviction that Mr. Lamoureux will exercise his judgment and his independence of mind just as he has in the past during the very interesting conditions which we will be facing here, particularly during the next few weeks. So, Sir, it is a great pleasure and honour to second the nomination by the right hon. Prime Minister.

[*Translation*]

Mr. David Lewis (York South): Mr. Fraser, on behalf of all my colleagues and myself, it is a real pleasure for me to second the nomination of Mr. Lucien Lamoureux as Speaker of the House.

[*English*]

Mr. Fraser, every time I hear praises sung for a person who is still with us I sympathize with him in the discomfort which he must feel. I merely want to say that all of us in the New Democratic Party have learned not only to admire and respect the way in which Mr. Lamoureux has presided over this chamber but have learned to have a very deep affection for him and for his very charming wife, particularly for the way both of them have lent dignity, humour and decency not only to events in this chamber but also in their functions as heads of the House of Commons outside the chamber.

It seems to me, Mr. Fraser, that Mr. Lamoureux can approach his job in this parliament with an ease of mind. This parliament is bound to be well behaved. There will not be any wrangling. There will not be any attempt to play politics.

Some hon. Members: Oh, oh!

Mr. Lewis: Every member of the House will see to it that the functions of this parliament are carried on with an ease that will make the life of the Speaker even more pleasant, I hope, than it was during the last two parliaments. We welcome the nomination, and with pleasure and deep admiration look forward to the presidence of Mr. Lamoureux over this chamber.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Fraser, my colleagues and myself take great pleasure in joining the right hon. Prime Minister (Mr. Trudeau), the Leader of the Official Opposition (Mr. Stanfield) as well as the leader of the New Democratic Party (Mr. Lewis), to approve the suggestion that the Hon. Lucien Lamoureux be re-elected as Speaker of this House.

You will notice, Mr. Fraser, that since the last session we have moved in this House. Indeed, we are getting closer and closer to the power.

Of course, it is primarily important that our Speaker be very qualfied, and we all know that the Hon. Lucien Lamoureux has always been so. Without reducing in any way the value of previous Speakers I knew in this House, that is about six of them at least, I believe that the hon. Lucien Lamoureux is probably the most qualified one to reach agreements and listen to the claims of hon. members of any party.

If it is advisable to recall a minister to order, the Speaker does not hesitate to do so and this with great impartiality. The Speaker's job is not easy: he must try to do justice to all hon. members but Mr. Lamoureux has always managed to do so with remarkable tact. Of course there were controversies because we are all humans, not angles, no more so than the Speaker himself. Yet agreement and understanding are always possible and I think that the Speaker in the House, resorting to humour or a little rigidity depending upon the moment's needs, has rendered wonderful services to the House, this Canadian democratic institution which enables hon. members to express their electors' will.

Mr. Fraser, we are very pleased to second the right hon. Prime Minister's proposal that the Hon. Lucien Lamoureux be again appointed Speaker of the House of Commons.

[*English*]

The Clerk of the House declared the motion carried in the affirmative, *nemine contradicente*, and Lucien Lamoureux, Esquire, member for the electoral district of Stormont-Dundas, duly elected to the Chair of the House.

Mr. Lamoureux was conducted from his seat in the House to the Speaker's chair by Right Hon. P. E. Trudeau and Hon. Robert L. Stanfield.

• (1100)

Mr. Speaker: Hon. members, I beg to return my humble acknowledgements to the House for the great honour you

have been pleased to confer on me by choosing me to be your Speaker.

Humbly and very sincerely, may I thank the right hon. the Prime Minister (Mr. Trudeau), the hon. Leader of Her Majesty's Loyal Opposition (Mr. Stanfield), the hon. member for York South (Mr. Lewis), and the hon. member for Témiscamingue (Mr. Caouette) for their all too kind words. I am grateful also to the members of the House for their generosity in supporting the motion for my appointment to the high office of Speaker of this House.

Even in the best of circumstances the role of Speaker, though rewarding, of course, can also be very challenging. Most will agree that, from the Speaker's standpoint at least, the present situation can hardly be described as the best of circumstances. More than ever, therefore, the Speaker and those who share with him the responsibility of the office will have to rely upon the good will and co-operation of hon. members. Indeed, the work of the House will proceed with order and reasonable dispatch to the extent only that members endorse the rules of procedure and accept the usages, practices, customs and traditions of parliament as interpreted by the presiding officers elected for this very purpose by the House itself.

[*Translation*]

To deserve that co-operation from the members, the Speaker must certainly discharge his responsibilities, upholding parliamentary tradition with strict fair-mindedness. The members cannot expect less from those to whom they entrust the conduct of our proceedings. I hope that under all circumstances, it will be possible for me to justify the confidence of my colleagues. At all times, they may rely on my good faith and good will.

I again thank the House for the great honour bestowed upon me. It is an honour which I share not only with my wife and my family, but with all my constituents of Stormont-Dundas which I proudly represent in this parliament.

[*English*]

Again, with humility, I thank hon. members and wish them well in the dispatch of their reponsibilities in the House and in their endeavours on behalf of their constituents and the people of Canada.

Some hon. Members: Hear, hear!

SITTING SUSPENDED

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I suggest that this sitting be suspended until three o'clock this afternoon.

Mr. Speaker: The House has heard the suggestion made by the right hon. the Prime Minister. Is it agreed?

Some hon. Members: Agreed.

Mr. Speaker: This House stands suspended until three o'clock this afternoon.

At 11.08 a.m. the sitting was suspended until 3 p.m. this day.

Opening of Session

SITTING RESUMED

The House resumed at three o'clock.

* * *

• (1510)

OPENING OF THE SESSION

Mr. Speaker read a communication from the Governor General's secretary announcing that His Excellency the Governor General would proceed to the Senate chamber at three o'clock on this day, for the purpose of formally opening the session of the dominion parliament.

A message was delivered by Major A. G. Vandelac, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, it is the pleasure of His Excellency the Governor General that this honourable House attend him immediately in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber. Then the Hon. Lucien Lamoureux, Speaker of the House of Commons, said:

May it please Your Excellency,

The House of Commons have elected me their Speaker, though I am but little able to fulfil the important duties thus assigned to me.

If in the performance of those duties I should at any time fall into error, I pray that the fault may be imputed to me, and not to the Commons, whose servant I am, and who, through me, the better to enable them to discharge their duty to their Queen and country, humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to Your Excellency's person at all seasonable times, and that their proceedings may receive from Your Excellency the most favourable construction.

The Honourable the Speaker of the Senate, addressing the Honourable the Speaker of the House of Commons, then said:

Mr. Speaker, I am commanded by His Excellency the Governor General to declare to you that he freely confides in the duty and attachment of the House of Commons to Her Majesty's person and government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants and upon all occasions will recognize and allow their constitutional privileges.

I am commanded also to assure you that the Commons shall have ready access to His Excellency upon all seasonable occasions, and that their proceedings, as well as your words and actions, will constantly receive from him the most favourable construction.

Then His Excellency the Governor General was pleased to open parliament by a speech from the throne.

And the House being returned to the Commons Chamber:

• (1610)

Mr. Speaker: I have the honour to report that, the House having attended on His Excellency the Governor General in the Senate Chamber, I informed His Excellency that the choice of Speaker had fallen upon me, and in your names, and on your behalf, I made the usual claim for your privileges, which His Excellency was pleased to confirm to you.

[*Translation*]

OATHS OF OFFICE

Right Hon. P. E. Trudeau (Prime Minister) moved for leave to introduce Bill No. C-1, respecting the administration of oaths of office.

Motion agreed to and bill read the first time.

• (1620)

SPEECH FROM THE THRONE

Mr. Speaker: I have the honour to inform the House that when the House did attend his Excellency the Governor General this day in the Senate chamber, His Excellency was pleased to make a speech to both Houses of parliament. To prevent mistakes, I have obtained a copy which is as follows:

Honourable Members of the Senate:

Members of the House of Commons:

I have the honour to welcome you to the First Session of the 29th Parliament of Canada, with a special word of greeting to those who are entering for the first time upon their important duties as legislators.

The New Year promises much of special interest to all of you, in common with other Canadians. Her Majesty The Queen and His Royal Highness The Duke of Edinburgh will visit Canada twice. In late June and early July they will take part in celebrations marking the Centenary of the entry of Prince Edward Island into the Canadian Confederation, the Tercentenary of the City of Kingston, founded in 1673 by Le Comte de Frontenac, and the 100th anniversary of the founding of the Royal Canadian Mounted Police. I speak for Canadians generally when I say how pleased we shall all be to have Her Majesty and His Royal Highness with us for these national celebrations.

In August Canadians will again welcome Her Majesty, not only as their Queen but in her role as Head of the Commonwealth. She and the Duke of Edinburgh will be present in Ottawa for the Meeting of the Heads of Government of the Commonwealth. The Government, which will be host for the first time for these periodic meetings, attaches much importance to the Commonwealth and its common traditions, institutions and language. In this connection I note that not two years have passed since Canada was host to a Conference of l'Agence de Coopération culturelle et technique which brought together representatives of many countries of French expression. These two successive events illustrate the richness of Canada's linguistic duality and the special world associations that we derive from it.

Multilateral Preparatory Talks for the long-awaited Conference on European Security and Co-operation are now under way. Canada has urged that the main conference, to which Canada will be a party, give due weight to the questions of freedom of movement of people, of trade, of information and of technology between East and West.

Separate from the Conference on Security and Co-operation in Europe, but closely connected with it, the second round of the Strategic Arms Limitation Talks between the United States and the Soviet Union is now under way, and talks on Mutual and Balanced Force Reductions between the nations of the North Atlantic Alliance and the Warsaw Pact are projected.

As one of the world's great trading nations Canada is sensitive to every development in world trading patterns and world monetary arrangements. The Government is participating actively in the Committee of Twenty established for the reform of the International Monetary System. For three years now the Government has been pressing upon the nations of the enlarged European Common Market the need to be outward-looking and is actively engaged in consultations aimed at strengthening trade and other relationships between Canada and the Common Market. This was a principal subject of discussion when the Prime Minister visited the Prime Minister of Britain last month. The Government has just announced the appointment of an ambassador solely accredited to the European Economic Communities.

As we set about strengthening our long-established economic, cultural and political ties with Europe we do not lose sight of our closest ally and our primary market beyond our borders, the United States. The Government will continue its discussions with the United States to settle certain difficulties that have arisen in our trading arrangements with that country, and to maintain and expand our trading opportunities there.

Access to foreign markets for exporters will receive particular emphasis. A new round of multilateral trade negotiations under the General Agreement on Tariffs and Trade is planned for the fall of 1973. The Government will participate vigorously in these negotiations.

At home, the Government remains fully committed to two pre-eminent goals, national unity and equality of opportunity for all Canadians.

In pursuit of these goals, the Government assigns the highest priority to two policy areas:

—economic policy, to reduce unemployment, contain inflation and strengthen the economy generally
—social policy, to bring about, in consultation with the Provinces, a re-organization of existing social security programs.

In the area of economic policy, the Government has four main objectives:

First, to expand job opportunities at a rate that will bring about as rapid as possible a decline in the numbers of unemployed
Second, to promote stable economic growth at a rate that will sustain rising standards of living for all our citizens and provide for more satisfactory realization of the potential of the economy
Third, to attain reasonable price stability
Fourth, to ensure that all regions of the country benefit from the prosperity brought about by the expanding economy.

To attain its economic objectives, the Government has set in motion a two-part program.

The first part consists of measures to provide more jobs immediately by strengthening and broadening existing programs. These measures have been announced and are already taking effect:

—increased funding for the Local Initiatives Program
—increased funding for on the job training
—a substantial seasonal capital works project to be undertaken in co-operation with the Provinces and municipalities
—special funding to increase direct employment by the Federal Government in labour-intensive projects.

The second part consists of measures that will add to the fundamental strength of the economy, can be acted upon this session and can be expected to have effect with a minimum of delay:

—amendments to the Income Tax Act, the Excise Tax Act and the Customs Tariff, reintroducing measures announced earlier
—major revision of the General Adjustment Assistance Plan, to enable industry to take advantage of opportunities for increasing our foreign trade
—aid to small businesses through new initiatives to strengthen management and consulting services and to improve access to financing facilities
—extension and improvement of the Industrial Development Bank
—measures to assist in the development of the tourist industry in Canada
—amendments to the Export Development Act, increasing the capital of the Export Development Corporation and raising the financial ceilings for lending, guarantees, export insurance and foreign insurance operations
—assistance to cooperatives and credit unions
—renewed measures to reduce deeply-entrenched regional economic disparities. The Department of Regional Economic Expansion will be decentralized to a greater degree to be in a better position to identify opportunities for economic development
—review of research and development incentive programs to improve their effectiveness in promoting innovation in the private sector of the economy, including examination of patenting, licensing and other policies related to technology
—measures to ensure further control by Canadians over their economy by the screening of foreign takeovers of Canadian-owned business; measures respecting the transfer of technology from abroad and access to it by Canadian entrepreneurs; measures to increase Canadian participation in the ownership and control of resource projects; and, in consultation with the Provinces, measures dealing with new direct foreign investment and the sale of land to foreigners
—measures that will restructure the Canada Corporations Act, including a requirement that a majority of directors of federally incorporated companies be Canadians
—the Government will meet with the provincial governments in the five regions of the country, to examine the impact of freight rates on economic development and consumer prices. The railways have agreed to participate in these meetings.

Taken together these measures will contribute to the development and elaboration of a coherent set of industrial policies for Canada.

In the area of social policy, the Government considers that Canada's total social security system—including both federal and provincial elements—must be reconsidered and reorganized, and made more sensitive to the needs of people in different parts of the country.

The Government intends that this reorganization should be based on five principles which, taken together, comprise a statement of the Government's commitment in respect of social security.

First, the social security system must assure to people who cannot work, the aged, the blind and the disabled, a compassionate and equitable guaranteed annual income.

Second, the social security system as it applies to people who can work must contain incentives to work and a greater emphasis on the need to get people who are on social aid back to work.

Third, a fair and just relationship must be maintained between the incomes of people who are working at or near the minimum wage, the guaranteed incomes assured to people who cannot work, and the allowances paid to those who can work but are unemployed.

Fourth, it must be recognized that Provinces may wish to have the structures of social security vary in accordance with the social needs, income standards and the cost of living in different communities.

Finally, it must be accepted that the reconsideration of Canada's social security system must be conducted jointly by the Federal Government and the Provinces. A better social security system can only be realized if a reasonable consensus can be reached between the Governments of Canada and the Provinces. To this end, the Government will invite provincial representatives to a conference of welfare ministers in April.

Certain immediate steps will be taken by the Government, consistent with the principles proposed above. In respect of people who can work but are temporarily unemployed, legislation will be introduced to clarify certain aspects of the Unemployment Insurance Plan and to prevent abuses that have not been overcome by the administrative action already taken.

A fair and equitable regime of family allowances is fundamental to an efficient social security system. A new family income security program will be proposed that will particularly take into account the needs of the lower income families. Legislation will be introduced to improve the economic situation of old age pensioners.

Subject to the appropriate agreement being reached with the Provinces, changes to improve the Canada Pension Plan will be introduced to provide higher pensions for widows, widows with dependent children and the disabled and to make other needed amendments.

In another area of social policy, the field of housing and urban development, the Government proposes the following action, in co-operation with the Provinces:

—assistance in the provision of low-cost housing and other accommodation for senior citizens
—home-ownership assistance to low and moderate income families
—new incentives for housing provided by co-operatives and non-profit corporations
—assistance in the rehabilitation of older neighbourhoods
—a land assembly program to assist in the creation of new communities and to check urban sprawl
—encouragement to investors to make more money available to meet housing needs
—a warranty system to protect the purchasers of new houses
—assistance in the relocation of railway tracks and other facilities
—study of the Government's responsibilities with regard to urban transportation generally.

In response to the increasing importance of fitness for the well-being and health of Canadians and the need for greater opportunities for people to participate in sports activities, it is proposed over the next three fiscal years to more than double the current level of expenditures under the Fitness and Amateur Sport Program. Plans for a greatly expanded and a strengthened program will be announced.

Inflation is a world-wide problem. The Government is determined to contain inflation in Canada to protect the purchasing power of the Canadian dollar in the hands of the Canadian people and to protect Canada's position in world trade. While food prices in Canada have steadied slightly in the last month or so, the Government is concerned about possible future effects of the world-wide trend toward higher food prices and will propose the setting up of a Joint Committee of the Senate and the House of Commons to make a special study of this problem.

Efficient communications between all parts of the country are essential to the unity and prosperity of Canada. Technological developments can have a pervasive effect on the social and economic well-being of all Canadians. The Government will, in the near future, submit to Parliament proposals for a national communications policy, and for resolving problems arising from the growing interaction between broadcasting and other forms of telecommunication, giving due weight to the interests and concerns of the Provinces.

The Government will introduce legislation establishing a competition policy to preserve and strengthen the market system upon which our economy is based. The new policy will be in harmony with industrial policies in general and foreign investment policy in particular.

Speech from the Throne

World-wide demand for our agricultural products is strong, in particular for our wheat and other grains. The Government will concentrate its attention upon transportation, storage and handling problems to ensure efficient and timely movement and delivery of grain and other agricultural products.

You will be asked to amend the Crop Insurance Act to allow the Government to reimburse the Provinces to a maximum of fifty percent of premiums paid under contracts of insurance, thereby reducing costs of insurance to individual farmers.

The Government supports the principle of an equitable relationship of prices of feed grain to livestock feeders in various areas of Canada. It is the intention of the Government to implement before the next crop year, procedures that will ensure the optimum development of the feed grain and livestock industries within Canada.

Measures to protect the natural environment and to enhance the productivity of Canada's renewable resource industries will be laid before you. In addition to amendments to the Fisheries Development Act, you will be asked to consider an Environmental Contaminants Act and a Canada Wildlife Act.

To preserve the ecological integrity of Canada's coastal and maritime areas, further preparations will be made for the Third United Nations Law of the Sea Conference. The Ministry of State for Science and Technology, in co-operation with the Department of the Environment and other interested departments, will recommend a national program of research and development in the field of Marine Science and Technology.

The Government will continue its efforts through national, bilateral and multilateral measures to overcome the continuing menace posed by aerial hijacking. In particular, you will be asked to amend the Aeronautics Act to provide for strict security measures to be taken at airports, including the search of persons and property.

You will be asked to consider legislation amending the Immigration Act, to curb abuses including the exploitation of the provisions allowing visitors to apply for immigrant status while in Canada. You will also be asked to amend the Immigration Appeal Board Act to provide for the rapid and equitable disposition of outstanding immigration appeals and prevent the recurrence of large-scale appeal backlogs.

The growing complexity of our society calls for increasing coordination of federal and provincial government programs. The Prime Minister will propose a meeting in the spring with the provincial First Ministers to plan further steps in the harmonization of goals, policies and programs for the benefit of all Canadians, particularly in fields that bear on the responsibilities of both levels of government.

Federal-provincial meetings at the ministerial level are also projected on a range of urgent matters, including:

—financial and economic policy
—the Report of the Economic Council of Canada
—health care programs
—post-secondary education
—housing
—restrictions upon foreign ownership of land
—income security
—industrial policy.

The Government will propose to the Governments of British Columbia, Alberta, Saskatchewan and Manitoba that they join with it in the convening of a conference on western economic opportunities. Such a conference would be a unique venture in the history of federal-provincial relations in Canada. It could be jointly planned, and held in the West in the course of the summer. Its purpose would be to explore potentials for economic and social development and, specifically, to consider concrete programs for stimulating and broadening the economic and industrial base of western Canada.

Among such concrete programs, the Government would propose for discussion the possible establishment of new regionally-based financial institutions better able to serve the financing needs of business enterprise and industrial development in western Canada.

A second suggestion for joint study would be improvement in the total transportation system, so basic to overcoming the problems of distance: in the region, from other parts of Canada and from ocean ports. The development needs of the northern frontier areas in all four Provinces could also be explored.

The Government recognizes that western Canadians wish to build industrial strength on top of their region's great resource and energy base. As the whole economy continues to grow a greater measure of decentralization of industrial activity will be necessary to achieve this desired regional objective.

The Government believes these and other issues would rank high on an agenda for western development. It would seek as well views and suggestions with regard to the continuing mechanisms for federal-provincial consultations on policies for western expansion, within an over-all framework of national growth.

The Government intends to widen the area of service to Canada open to personnel in the Canadian Armed Forces. In addition to maintaining a high degree of military capability as the primary and most essential role of the Forces, new emphasis will be placed on the many areas in which the varied skills and training of this large number of dedicated Canadians can contribute to the achievement of national goals.

You will be asked to amend the Public Service Staff Relations Act and the Public Service Employment Act.

Parliament will be asked to confirm the basic principles of the Government's program for bilingualism in the Public Service.

The Government will continue to work in furtherance of the objectives of the Official Languages Act. Further assistance will be offered to the Provinces to help ensure that to the extent possible:

—Canadians can educate their children in the official language of their choice
—Canadian students can learn, as a second language, the other official language
—Provincial governments can develop an increased capacity to serve their citizens in both official languages, as may be required.

The Government will continue to encourage through its multicultural policy the development of a society in which individuals and groups can develop and express their own cultural identity. An Advisory Council to the Minister of State responsible for multiculturalism will be established.

Measures will be introduced directed at reform of the penal and parole systems to improve prisoner rehabilitation and the protection of the public.

The five-year trial period in which imposition of the death penalty has been limited to cases involving the killing of policemen and prison guards has come to an end. You will be asked to decide, by a free vote and as a matter of urgency, upon the future of the death penalty in the Canadian law enforcement system.

Proposals dealing with conflicts of interest as they may affect Members of Parliament, Ministers of the Crown and Public Servants will be laid before you.

You will be asked to consider an Election Expenses Bill.

The Government will recommend to the House of Commons the broadcasting, by radio and television, of all or a part of its proceedings and the proceedings of its Committees.

You will be asked to consider other legislative proposals.

Members of the House of Commons,

The Government intends to present a budget early in the session. It is timely to provide to Parliament a full report on Canada's financial and economic situation, and to propose fiscal and other measures for the effective management of the economy.

You will be asked to appropriate the funds required to carry on the services and expenditures authorized by Parliament.

[Mr. Speaker.]

Honourable Members of the Senate,
Members of the House of Commons,
May Divine Providence guide you in your deliberations.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister) moved:

That the speech of His Excellency the Governor General delivered this day from the throne to the two houses of parliament, be taken into consideration at the next sitting of the house.

[*English*]

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

Mr. Lewis: Mr. Speaker—

Mr. Speaker: The hon. member for York South.

Mr. David Lewis (York South): Mr. Speaker, I rise to raise a matter in relation to the traditional motion which the Prime Minister (Mr. Trudeau) has just placed before the House. The debate on the Speech from the Throne, sir, is obviously important, particularly in this parliament. However, in the past few weeks the conscience of the world has been shocked by the resumption of the bombing of North Viet Nam by United States forces.

It is in this connection, Sir, that I wish to suggest to the Prime Minister, through you, that the first order of business tomorrow, before the mover and seconder of his motion speak, should be the presentation and adoption of a resolution on the Viet Nam situation. I would hope that the Prime Minister himself, or the Secretary of State for External Affairs (Mr. Sharp), would present it to the House. I offer him the full co-operation of this party in expediting the adoption of such a resolution with the least possible debate. I am encouraged to make this suggestion by news reports that the Secretary of State for External Affairs has expressed the hope or intention that an appropriate resolution may come before parliament.

We believe, Mr. Speaker, as we said in a statement yesterday, that it is the duty of this parliament, at the earliest possible moment to express its abhorrence of the destruction already produced and to appeal to the President and Congress of the United States to end unconditionally all bombing in North and South Viet Nam, to sign the treaty negotiated last fall and to bring an end to all military action on both sides. I urge, Mr. Speaker, that precisely because of our country's long-standing friendship with the United States we have a duty to speak out. The recent bombing was barbaric in its severity and in its inhuman destruction of heavily populated urban centres in Viet Nam. I suggest that this parliament cannot in conscience ignore the misery and destruction to which the Vietnamese people have been subjected.

Finally, Mr. Speaker, I draw the attention of members of this House to the fact that last fall the hopes of the world for peace in Indo-China were raised and then were brutally shattered by the bombing. I urge on behalf of my colleagues and myself that we add the voice of this parliament to those of the many nations, and indeed to the voices of the growing numbers in the Congress as well as among the people of the United States itself, in a demand that the senseless and cruel war in Indo-China be brought to an end immediately.

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, the government, of course, is aware of the very deep importance of this question and has already made its views known to some of the people at various levels engaged in the peace negotiations. It is the intention of the government to have this matter debated in the House and, indeed, a motion has been presented on behalf of the government by the Secretary of State for External Affairs (Mr. Sharp), notice of which has already been given to the table. We, of course, are very agreeable that this motion be debated at a time found opportune by all parties in this House. Our suggestion, Mr. Speaker, would be that this matter could be discussed between the House leaders of the various parties. It would seem that we might make progress on both fronts if we could, for instance, proceed tomorrow with the speeches by the mover and seconder and subsequently, later in the day, proceed with the discussion on this motion if the House wants to give its consent. I repeat, we have already given notice to the table but the usual rules would apply unless there were consent to proceed at once.

Mr. Lewis: On a point of order, Mr. Speaker, I would like to inquire whether we could see a copy of the motion to which the Prime Minister has referred today, although it may not be printed, so that our House leaders may try to assist in the expedition of the discussion of that motion. It really makes no difference to us whether it is before or after the mover and seconder to the address have spoken.

Some hon. Members: Hear, hear!

Mr. Speaker: Before I call on the hon. member for Peace River (Mr. Baldwin), who I see wants to rise on this matter, perhaps I could advise the hon. member for York South that it would be quite easy to have copies made of the said notice and have them distributed through the usual distribution service of the House of Commons later today.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I simply want to say that we would like to look at the motion and review our position in light of this apparently well prepared and well orchestrated duet to which we have listened today.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Speaker: The motion has been put to the House. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Mr. Speaker: Carried.

Motion agreed to.

The Late Right Hon. L. B. Pearson

[*English*]

THE LATE RIGHT HON. LESTER BOWLES PEARSON

TRIBUTES TO FORMER PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, within the past week Canadians and millions of persons around the world were grieved by the death of the Right Honourable Lester B. Pearson. It is my sad duty today to pay tribute to his memory and to a remarkable lifetime of service. Part of that life was devoted to a distinguished career in this House, as the member for Algoma East from 1948 to 1968, contesting in that period eight separate elections, as Secretary of State for External Affairs, as Leader of the Opposition and as Prime Minister. In this place he was the initiator and guide of many measures that have contributed to the strength and purpose of Canada—our flag, some of our most outstanding social legislation, the recognition in various ways of the diversity of Canada and of the historic rights of its peoples.

[*Translation*]

The great prestige Mr. Pearson had earned for himself was due, in great part, to his activities on the international scene. But it was in his own country that he found his deepest concern as well as his most genuine commitment. To the fulfillment of national unity, he devoted most of his energies. He worked steadfastly for the creation of real ties between federal and provincial governments and to that end he opened, in 1968, the Conference on the Constitution and emphasized the partnership existing between our two great language communities through the establishment of the Royal Commission on Bilingualism and Biculturalism and legislation following its recommendations.

[*English*]

In the world beyond our borders he worked increasingly for an international community which respected the rights of the smaller countries, of the less developed countries, of the individual. His energy and skill and imagination in the quest for peace brought him many honours, among them the Nobel Peace prize and Her Majesty the Queen's Order of Merit.

• (1630)

Mr. Pearson's effectiveness in the institution of Parliament and in world councils was largely the result of the same human qualities which endeared him to all who were fortunate enough to make his acquaintance, the qualities of humility, of friendliness, of humour. These attributes made him at once a figure inspiring both attention and affection. Those of us who had the privilege to serve in his ministry will forever remain indebted to him for the increased love of Canada and Canadians which he cultivated in us.

The Nobel Prize citation described Mike Pearson—the statesman, the diplomat, the man—as one who had a "strong faith in the final victory of the good forces of life". There can be no finer tribute to a man whose loss makes Canada and the world a poorer place. To Mr. Pearson's family I offer, on behalf of us all, our sincere condolences.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am pleased to associate myself with the Prime Minister (Mr. Trudeau) in paying tribute to the Right Hon. Lester B. Pearson, a very distinguished son of Canada. Many tributes have been paid to Mr. Pearson with respect to his contribution to this country and many tributes have been paid to him abroad. He was a man who inspired human warmth and affection in those who knew him, whether they agreed with him politically or found themselves in opposition to him. He was a warmhearted man. I know that hundreds and hundreds of tributes have been paid to him, and they have truly come from the heart.

He had many accomplishments, but I like to think of his principal accomplishments, his principal efforts, as attempts at bringing people together. He understood and respected the differences in people and the different attitudes of various people. I believe Mr. Pearson wanted others in Canada and in the world to understand and respect the differences in other people and, understanding the differences in others, work them out or, failing that, live together and respect other people's differences.

[*Translation*]

To him, Canada was a country to love and to build. He worked sincerely and at great length for the cause of unity in this country.

[*English*]

As the Prime Minister said, all who worked with him and knew him liked and revered him. He was a man who spent his life in the service of his country and in the service of world peace. He spent it with zest and good humour. I am proud and pleased to associate myself and the party I have the honour to lead in the tribute paid to that great Canadian statesman, Mike Pearson. May I also, on my behalf and on behalf of my party, add my expressions of sympathy to Mrs. Pearson and the family.

Mr. David Lewis (York South): Mr. Speaker, there is not much that one can add after the eloquent tributes which have just been paid. My colleagues and I would feel remiss in our duty if our appreciation of Mr. Pearson's life and work were not on the record. Mike Pearson was a world statesman and, as such, was mainly responsible for easing the Suez crisis in 1956 and for introducing the peacekeeping force in the Middle East. For those international activities he received, as everyone knows, the Nobel Prize.

I was always struck by the fact that his concern for peace and international understanding never ceased. He had the courage of his convictions. I recall in 1965, in a speech in the United States on the eve of talks with former President Johnson, he made an outspoken appeal for the cessation of air strikes against North Viet Nam, knowing, as was borne out by what eventually happened, that President Johnson would not appreciate his gesture very much.

No sooner had he given up his duties as prime minister of this country than he undertook a heavy international duty involving a study and a report in the realm of international economic aid to developing nations of the world. The report which was produced under his guidance will remain for long an important and inspiring guide to those concerned with this urgent international problem.

At home, Mr. Speaker, Mr. Pearson's two minority governments of 1963 and 1965 produced important social

measures, the Canada Pension Plan, Medicare and the Canada Assistance Plan. Also, as the Prime Minister (Mr. Trudeau) indicated, it was during his regime that we witnessed the debate on—and it was not always a happy debate—the acceptance of a distinctive Canadian flag.

[*Translation*]

Mr. Pearson was well aware of the problem of national unity. It was he, an Anglophone Prime Minister, who introduced a policy of bilingualism within the public service, expressing the wish that the careers of employees be protected. He also proposed a review of the Canadian constitution in an effort to find answers to the problems that make federal-provincial relations difficult and bitter. He sought to achieve within Canada the peace and co-operation which were his objectives in the international field.

I remember that in his inaugural speech on the occasion of the First Constitutional Conference in 1968 Mr. Pearson stated:

> Everything that is possible in the world is possible here.

He recognized Canada's immense wealth and the possibility for the people of Canada to achieve social justice and equality for all, given the required courage and imagination. He had confidence in Canada and the Canadian people, and was proud of them.

[*English*]

Yet it is really as a man, as a human being, that I will best remember Mr. Pearson. I will remember him, as many Canadians will, for his personal qualities of warmth, humanity, deep compassion, and for that humility which is rare in men who wield great power. I always believed that under his easy going exterior there was firm resolve and great courage. I am confident that the history of Canada will record Lester B. Pearson as one of the great prime ministers and leaders of this country.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my colleagues and I wish to join the members from the other parties and extend to Mrs. Pearson and her family our deepest sympathy on the occasion of Mr. Pearson's passing.

I have known Mr. Pearson as far back as 1946, under the administration of the late Right Honourable Mackenzie King, a little later under that of the Right Honourable Louis St. Laurent and still later when he moved into politics. He always was as we have all known him: a great Canadian, a man having at heart his country's interests and working with all his energy towards peace between nations.

In addition to his efforts aimed at reconciling conflicting views between nations, Mr. Pearson has given Canada the best of himself. Before being a politician he was a diplomat, a man of peace forever advocating good will. Even in this House, Mr. Pearson has always been a smiling, kind and available man.

And I would like to add in English:

• (1640)

[*English*]

Mr. Pearson worked for national unity in Canada. He never said anything in the west against the east or in the east against the west. He always tried to convince the Canadian people, whether they spoke French, Ukrainian, Italian, English or any other language, that their first duty was to be genuine Canadians. Everyone admits the important and vast role played by Mr. Pearson while Prime Minister of this country and while working for peace in the whole world.

[*Translation*]

Mr. Speaker, we wish to extend to Mrs. Pearson and her family our most sincere condolences. We have lost a true Canadian.

[*English*]

Mr. Maurice Foster (Algoma): Mr. Speaker, I want to say a few words in tribute to Lester B. Pearson, especially on behalf of the people of Algoma East whom he represented in the House of Commons. He represented this constituency for some 20 years, from the fall of 1948 to the spring of 1968. Although he carried the responsibilities at various times during this period of Secretary of State for External Affairs, Leader of the Opposition and finally Prime Minister, he looked after the needs of his constituents well.

He came to Algoma East in 1948 as a professional in diplomacy but as an amateur in politics. He proved to be a capable politician as well by handily winning the Algoma riding and going on to the highest elected office in our land. However, it was his humility, compassion and personal interest in his constituents which won the hearts of the people of Algoma. This interest in people and their problems was extended to communities throughout Manitoulin Island and the North Shore area. When communities such as Elliot Lake faced serious economic problems, they were helped by Mr. Pearson. He took a personal interest, as well, in native people and their problems in the several Indian reserves located in the riding.

Mr. Pearson had a special interest in and appeal to young people. When he was Prime Minister he regularly sponsored several senior high school students to visit the nation's capital and to have dinner at 24 Sussex Drive. People of my generation who were in high school in the late 1940s and early 1950s were thrilled by his leadership internationally at the United Nations. He made us proud to be Canadians. I am told that of the thousands of people who visited the Hall of Honour last Saturday and Sunday to pay their last respects, at least one-third were young people. This is so fitting for a man who had such a special interest in youth.

I want to express the gratitude of the people of Algoma for his representation of us in this chamber for so many years. I wish to express our sympathy to Mrs. Pearson and the family.

When I was first elected to the House of Commons, many people told me that if I were to represent the constituency that Lester B. Pearson had represented, I would have big shoes to fill. I consider it a great honour to have

walked where he walked. We mourn the passing of this great Canadian.

* * *

THE LATE HON. GEORGE DREW

TRIBUTES TO FORMER LEADER OF THE OPPOSITION

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this day has been further saddened by the death just a few hours ago of the Hon. George Drew. His service to Canada and to parliament was so outstanding that all members would wish to join with me today in paying tribute to him. Mr. Drew came to this House from the legislature of Ontario where he had served as member and premier. He was first elected to parliament in 1948 and was re-elected in two subsequent elections. His record as leader of the opposition was an outstanding one for he brought to the debates in this chamber experience gained in a number of areas—as a soldier, as an author and as a barrister.

His public service career did not conclude with his resignation as leader of his party but was furthered during his term in office as Canadian High Commissioner in London and through his immense contribution to the Geneva Law of the Sea Conferences.

Mr. Drew's sense of honour and his devotion to Canada were matched only by the warmth of his personality and the courtesy which he exhibited in his relations with all who were fortunate enough to know him. His loss is a great one, and I extend condolences to his family.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I join the tribute to the Hon. George Drew who served our country with such distinction in peace and in war. He had a distinguished record in World War I and was invalided home.

Many of my generation who during the 1920s were boys first learned of George Drew in connection with his writings, in particular his book about Canada's fighting airmen. This created great pride in all of us for the skills and courage of Canadians, and did much to create pride among all Canadians in the accomplishments of these brave men.

George Drew was active in many aspects of public life. He was an alderman and mayor of his native city of Guelph. He became the leader of the Ontario Conservative Party and the premier of that province in a minority position in 1943. He moved into the leadership of a strong provincial government and entered federal politics in the fall of 1948, about the same time that Mr. Pearson entered this House as the member for Algoma East and Secretary of State for External Affairs. Mr. Drew was a vigorous man and a vigorous leader, a man of great energy, courage and devotion to duty. In fact, I think of him particularly in terms of courage and integrity.

If I may speak personally, Mr. Drew was a very kind friend to me. I became the party leader in the province of Nova Scotia a short time after Mr. Drew became the national leader of the Conservative party. He was a constant source of encouragement and good advice. I would like to pay tribute to his kindness and friendship to me.

[Mr. Foster.]

Because of distinguished service to his native city, his province and this country as a statesman, diplomat and soldier, I am pleased to associate myself with the tribute paid by the right hon. Prime Minister (Mr. Trudeau). I join him, on behalf of my party, in extending sympathy to Mrs. Drew and the members of the family.

Mr. David Lewis (York South): Mr. Speaker, it is a sad day when members of this House have to mourn the death of two leaders of Canada's major parties. I did not know Mr. Drew as well as I knew Mr. Pearson, but I did know him personally. No one who knew him could fail to be impressed by his great human kindness and friendship toward people. As the Leader of the Opposition (Mr. Stanfield) has said, he had a great reputation for courage and integrity.

If my memory serves me correctly, Mr. Drew became premier of Ontario in 1943. I think he was mainly responsible for laying the foundation for the continuing success of the Conservative party in the province of Ontario to this date. Although I was not a Member of Parliament at the time, I remember reading the debates of this House in connection with the pipeline argument in 1956. I was impressed by his parliamentary expertise and his determination to fight what many people at the time thought was a dangerous undertaking of the then government.

On behalf of my colleagues and myself, I join the Prime Minister (Mr. Trudeau) and the Leader of the Opposition in extending condolences to Mrs. Drew and the family.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, Mr. Drew's death has taken everybody by surprise, even if the former statesman was already hospitalized. Mr. Drew was a Canadian citizen whom I had the privilege to know during the years 1946, 1947 and 1948.

I first met him when he was the Ontario premier and then when he succeeded the Hon. John Bracken as Leader of the Opposition in 1948 under Mr. St. Laurent's government.

Mr. Drew, we must admit, lived up to his convictions. He was a true Canadian, but since he had the courage of his convictions, we did not always agree on certain points, nevertheless he had Canada's interests at heart and he wanted to see it develop and reach as soon as possible its present status.

Therefore, Mr. Speaker, my colleagues and myself join with the Prime Minister (Mr. Trudeau) and the other members to extend to Mrs. Drew and his family our heart-felt sympathy.

• (1650)

[*English*]

Mr. A. D. Hales (Wellington): Mr. Speaker, perhaps I may say a word or two as the member for Wellington, the constituency in which the city of Guelph, the birthplace of the late Colonel George Drew, is situated. It is rather significant that we in North America should now be mourning the loss of three great contemporary men in the persons of Mr. Truman, Mr. Pearson and Mr. Drew who have passed away within the last two weeks.

Mr. Drew was born in Guelph. He received his education there and was one of the youngest mayors of that city. He will be greatly missed in Guelph, as he will be missed throughout the country, for the part he has played as a great Canadian. He was a great soldier, having joined the militia at the earliest possible age. I think he was 60 years in the militia and served as active and as honorary colonel of the 11th Field Regiment.

He was an author of renown and a diplomat of great repute, having been, as was stated earlier, Canadian High Commissioner to the United Kingdom. Therefore, on behalf of the people of the area, and in particular of the city of Guelph, I am pleased to add my words to those already spoken. I close simply by saying that the light he leaves behind will shine upon the paths of men.

* * *

INTERNAL ECONOMY COMMISSION

Right Hon. P. E. Trudeau (Prime Minister) presented the following message from His Excellency the Governor General:

The Governor General transmits to the House of Commons a certified copy of an order in council appointing the Hon. Allan Joseph MacEachen, President of the Queen's Privy Council for Canada, the Hon. Charles Mills Drury, President of the Treasury Board, the Hon. Jean Chrétien, Minister of Indian Affairs and Northern Development, and the Hon. Donald Stovel Macdonald, Minister of Energy, Mines and Resources, to act with the Speaker of the House of Commons as commissioners for the purposes and under the provisions of chapter H-9 of the Revised Statutes of Canada, 1970, intituled: An act respecting the House of Commons.

* * *

[*Translation*]

STANDING COMMITTEES

Right Hon. P. E. Trudeau (Prime Minister) moved:

That, according to the provisions of Standing Order 65, a Striking Committee be appointed to prepare and report list of members to compose the standing committees of this house and that such committee be composed of Messrs. Baldwin, Bell, Fortin, Knowles (Winnipeg North Centre), Lefebvre and MacEachen; and that the provisions of Standing Order 65(1) not apply with regard to the number of members on such committee.

Motion agreed to.

* * *

HOUSE OF COMMONS

APPOINTMENT OF CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have the pleasant duty to recommend to the House a candidate to the position of Deputy Speaker and Chairman of Committees of the Whole House. Under different circumstances, Mr. Speaker, this motion would have been put without comments, but, with your kind permission, I would like to make a few this time. As a matter of fact, I would blame myself if I failed today to draw the attention of the House not only to the qualifications of the candidate, but also to the exceptional character of the occasion.

[*English*]

The qualities which I mentioned earlier this day as being necessary in the occupant of the office of Speaker are, of course, equally necessary in the person of his deputy. We are fortunate that the hon. member for Halifax-East Hants (Mr. McCleave) displays these qualities in large measure. Mr. Robert McCleave is a veteran member of this House, having come here first in 1957 and having been successful in seeking re-election on five subsequent occasions. He is no stranger either to this House or to adjudicating its business.

Only once before in the history of this place has a member of the opposition been Deputy Speaker. That was more than half a century ago and the occasion was made necessary by circumstances quite different from those which prompt me to move Mr. McCleave's name for this important office. I wish only to add that those of us on this side of the House have every confidence in the wisdom and impartiality of Mr. McCleave and intend to support his nomination and his tenure without hesitation.

[*Translation*]

Therefore, I move, seconded by the Hon. Leader of the Opposition (Mr. Stanfield), that Mr. Robert McCleave, member for the electoral district of Halifax East Hants, be appointed Chairman of Committees of the Whole House.

[*English*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I welcome the nomination of Mr. McCleave as Deputy Speaker. I expressed the hope, in a similar situation back in 1968, that some time in the future the deputy speaker might be selected from the opposition side of the House. It gives me particular pleasure to second the nomination of a member of my own party who has grown continuously in stature since he first entered this chamber in 1957.

• (1700)

He is experienced on both sides of the House: on the government side as a member, as chairman of the miscellaneous private bills committee and as a parliamentary secretary; on the opposition side he has had a series of posts in which it has been his duty to cast his eye over various governments.

He has, as well, had professional experience as a lawyer and as a broadcaster, and perhaps he will now be involved in the hottest "hot line" he has ever had. His reputation, then, is fully justified and I know it will be appreciated by all members of the House. He will be fair and he will bring great distinction to his office. I take great pleasure in seconding the motion.

Mr. David Lewis (York South): Mr. Speaker, I will be very brief. I want to say on behalf of my colleagues and myself that we enthusiastically support the well-orchestrated arrangement that has been come to between the Prime Minister (Mr. Trudeau) and the Leader of the Opposition (Mr. Stanfield). I have had the pleasure of working with the hon. member for Halifax-East Hants (Mr. McCleave) and have found him a decent human being, very fair and very gentle, and emphasizing the first word of his party's name I therefore welcome him.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the motion that the hon. member for Halifax-East Hants (M. McCleave) be appointed Chairman of Committees of the Whole House and Deputy Speaker, is agreeable to us. We have known the hon. member for Halifax-East Hants for many years and we know that he has taken an active part in all debates in this House. Therefore all the members of my group and myself will be happy to co-operate with him in all circumstances. We hope that like Mr. Speaker he will be impartial towards all hon. members.

So we wish him good luck and we support the motion of the Prime Minister (Mr. Trudeau).

Motion agreed to.

APPOINTMENT OF DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wish to move yet another resolution for the appointment of the Deputy Chairman of the Committees of the Whole. Being suspected by everybody of having orchestrated an arrangement with the Progressive Conservative and the New Democratic Parties, I would readily agree to have the motion seconded by the hon. member for Témiscamingue (Mr. Caouette) if he wishes to do so; if not, I will withdraw it and amend its content. I see that he accepts; very well then, the orchestration is complete.

I therefore move, seconded by Mr. Caouette (Témiscamingue), that the member for Beauharnois-Salaberry (Mr. Gérard Laniel) be appointed Deputy Chairman of the Committees of the Whole.

Motion agreed to.

[*English*]

APPOINTMENT OF ASSISTANT DEPUTY CHAIRMAN OF COMMITTEES OF THE WHOLE

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I move, seconded by the President of the Privy Council (Mr. MacEachen):

That Prosper Boulanger, Esq., member for the electoral district of Mercier, be appointed Assistant Deputy Chairman of Committees of the Whole House.

Motion agreed to.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think this is the last item of business for today. So I move, seconded by Mr. MacEachen:

That the House do now adjourn.

Motion agreed to.

[*English*]

Mr. Speaker: This House will stand adjourned until eleven o'clock tomorrow morning.

Motion agreed to and the House adjourned, at 5.08 p.m.

HOUSE OF COMMONS

Friday, January 5, 1973

The House met at 11 a.m.

PRIVILEGE

MR. REILLY—DISTRIBUTION OF SPEECH FROM THE THRONE PRIOR TO DELIVERY

Mr. Peter Reilly (Ottawa West): Mr. Speaker, I rise on a question of privilege affecting all members of the House. Yesterday Your Honour admonished members of the House to co-operate with you by observing, among other things, the traditions of the House. Within minutes of that admonition, "flacks" from the Prime Minister's office were distributing in the press gallery copies of the Speech from the Throne fully four hours before the members of this House were to be apprised of its contents. Indeed, the contents of that speech were in print in at least one Ottawa newspaper fully one hour before the appointed time at which members of the House gathered in the other place to hear its contents.

I suggest to Your Honour that, far from reflecting a chastened or different attitude on the part of the government, this is evidence of the most palpable kind that the government continues to hold this House in contempt.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Reilly: In the last parliament members had to walk at least 50 paces off the Hill before becoming nobodies. Now they can achieve nonentity by staying in their appointed places. I believe that the Prime Minister (Mr. Trudeau) owes the members of this House an explanation and an apology.

Mr. Speaker: Of course, the hon. member has not proposed a motion and so the matter cannot be pursued further. According to tradition and custom, certainly the Prime Minister or a minister or a member of the House who is particularly involved in the proposed question of privilege is given the right to reply briefly. I believe that the right hon. Prime Minister is seeking the floor for this purpose. However, I have to repeat that since there is no motion before the House the matter cannot be discussed further.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, anything I say would be mainly by way of seeking guidance. I understand that this practice has been going on—

Mr. Diefenbaker: Never.

An hon. Member: It's the same old bunch.

Mr. Trudeau: —for at least 20 years, so we did not initiate anything new here. It has been the frequent policy of various succeeding governments to inform the press of certain documents. I know it is done with the budget on a lock-up basis.

Mr. Diefenbaker: Not at all. That statement is false; that is not the practice.

Mr. Hees: It is done on a lock-up basis only, and the Prime Minister knows it.

Mr. Trudeau: I wish the hon. members would get together.

Mr. Hees: We are talking about the budget, and you know that.

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, I have a point of privilege.

Mr. Speaker: Order, please. The right hon. gentleman on a point of order.

Mr. Diefenbaker: Mr. Speaker, we do not have to get together because the statement made by the Prime Minister has no basis in truth whatsoever.

Mr. Speaker: Order, please.

ROUTINE PROCEEDINGS

AGRICULTURE

CROP DAMAGE, NORTHERN ALBERTA AND BRITISH COLUMBIA—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in this new year I wish to move the first motion under Standing Order 43. The urgent and pressing necessity that impels me to make this application for unanimous consent relates to the situation in parts of northern Alberta and British Columbia where extraordinary weather conditions led to approximately one million acres of crop being under snow before the harvest was completed. If unanimous consent is given I would therefore move, seconded by the hon. member for Prince George-Peace River (Mr. Oberle):

That this House does not regard federal assistance to farmers of northern Alberta and British Columbia as adequate and urges the government to review its program and provide immediate cash acreage payments and rearrange mortgage payments and interest.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be proceeded with.

* * *

THE LATE HARRY S. TRUMAN

TRIBUTES TO FORMER PRESIDENT OF UNITED STATES

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the past few days have witnessed the death of three men whose public contributions have made them well known to Canadians. Yesterday this House paid tribute to the memory of two of them, the former Prime Minister Pearson and the Honourable George Drew. It is appropriate today, however, to mourn the passing of another important figure, the late President Harry S. Truman of the United States.

The years in which President Truman occupied his office were among the most turbulent and eventful in recent history. We are all in his debt for the calmness, decisiveness and spirit of generosity with which he approached problems of immense importance, and for the friendliness with which he regarded this country. Few heads of government have faced such momentous decisions as those that were required of President Truman during his tenure. Some of them will be debated by historians for many years. Others rank without question among the most enlightened acts of modern statesmen. In this latter category falls the inception of the Marshall Plan which brought such remarkable restoration to the war-stricken countries of western Europe.

As a measure of Canadian respect for President Truman, and to convey Canadian condolences to the Truman family, Senator Paul Martin is attending the memorial services which are in progress at this moment in the Washington National Cathedral in Washington, D.C.

• (1110)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am very pleased to associate myself and the members of the Official Opposition with the tribute proposed by the right hon. Prime Minister (Mr. Trudeau) to the memory of President Truman. President Truman had grave decisions to make. As the Prime Minister has said, historians may discuss the pros and cons of some of those decisions, but he certainly was a man who talked frankly and acted energetically and courageously for his country when he thought the situation warranted such words or deeds. He was most courageous. He rose from a relatively minor position in the life of his country to the highest office of that nation and achieved universal respect.

President Truman was a vital president and a friend of Canada and all Canadians. As president he was able to identify himself with what we might call the ordinary man of his own country. I think it is very fitting for us to honour the memory of President Truman on the same day that he is being honoured in a memorial service by the people of his native country.

I should like to take this opportunity to join with the Prime Minister in offering my sympathy to Mr. Truman's family and to all our good friends and neighbours, the people of the United States.

Mr. David Lewis (York South): Mr. Speaker, I and my colleagues want to join in paying tribute to the late President Truman. There are some things for which his presidency was responsible that have shaken the world and its future and about which there will be great and serious argument in the future. I refer, of course, to the use of the atomic bomb to end the second world war. There are other things for which President Truman was responsible about which there is undoubtedly universal agreement and admiration, particularly the introduction of the Marshall Plan which did so much to rebuild a devastated Europe.

Therefore it is my pleasure on behalf of the New Democratic Party to extend sympathy to Mr. Truman's family and to the people of the United States, and to join with those who have already spoken in paying tribute to a man who started as practically an unknown and surprised the world with his capacity for decisiveness and leadership.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my colleagues and myself join with the Prime Minister (Mr. Trudeau) to extend our sympathy to the family of the former President of the United States, Mr. Truman.

Mr. Truman was President of the United States during difficult years, yet he managed to lead that country to some unexpected heights not only in wartime, but also in peacetime.

We are therefore pleased to join with the other members to extend our heartfelt sympathy to the Truman family.

* * *

[*English*]

BUSINESS OF THE HOUSE

PROCEDURE FOR MOTION ON VIET NAM WAR

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I should like to refer, if I may, to a matter raised yesterday in respect of proposing the resolution having to do with hostilities in Viet Nam.

Hon. members will have noticed that on the notice paper today there is notice of a motion by the Secretary of State for External Affairs (Mr. Sharp). It is to be found on almost the last page of the Order of Business and Notices.

Under the rules of the House the motion cannot be proceeded with, without unanimous consent, in the absence of 48 hours' notice. It would not be my intention to interrupt the debate on the Speech From the Throne in order to deal with this matter.

However, it may be possible by consent of members to deal with this item of business now on motions without debate or to reach some other agreement by which we can deal with it briefly this afternoon following the speeches of the mover and seconder of the address in reply to the Speech from the Throne. I have not been able, because of the number of meetings House leaders have had to attend this morning, to consolidate an agreement. So I raise the matter now in the hope that we may be able to find some

common ground upon which we can deal with this resolution quickly.

Mr. Baldwin: Mr. Speaker—

Mr. Speaker: Order, please. I regret to have to interrupt the hon. member but the hon. member for Lotbinière has a question of privilege.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, in view of the importance of the subject raised by the President of the Privy Council (Mr. MacEachen), I should like to point out to him that the simultaneous interpretation system is not working, which complicates matters since we are unable to understand what is being said concerning this question of procedure.

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, like the government House leader, I have been engaged for two hours in a number of discussions mainly dealing with the serious economic problems of the country. The government House leader was kind enough to telephone me and I received the message just before the House met. I have not had an opportunity to have the fullest and widest consultation that normally might take place. However, if a motion of this kind is to be of any value it must be disposed of in the same way as the House disposed of the motion dealing with the Amchitka matter. When the parliament of one country contemplates dealing with the affairs of another country, I think the degree to which there is unanimity and swiftness of passage of any motion has much to do with its effectiveness. If there is a disposition in the House at this time to accept the suggestion of the government House leader to bring this motion forward for disposition without debate as an indication of the views of the House, I personally think that is all right. As far as I know, it would, hopefully, be acceptable to all members of the House.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, we are anxious that this motion be dealt with by the House and we would like to see it dealt with today. We feel, however, it would be useful to have a brief statement by at least one spokesman from each party. We would be prepared to agree to such a limitation and we would even be prepared to agree to a special time limitation on their speeches, such as 10 or 15 minutes, but we feel the issue is so important that the motion should not be passed without anything at all being said. If we could agree now or before the Orders of the Day are reached, the House would know what the schedule is to be. At any rate, our suggestion is that some time during the morning there be consultation among the House leaders in the hope that we can deal with this matter this afternoon on the basis of one speaker for each party.

[*Translation*]

Mr. Fortin: Mr. Speaker, I shall go along with the hon. member for Peace River (Mr. Baldwin) and the hon. member for Winnipeg North Centre (Mr. Knowles) that there should be a meeting of the House parliamentary leaders in order that this priority subject may be debated today with only a limited delay.

[*English*]

Mr. Baldwin: As I understand it, the position of the hon. member for Winnipeg North Centre (Mr. Knowles) is that there should be a discussion among the House leaders. He has imposed some additional conditions in respect of speeches, but his suggestion is that the House leaders might discuss this matter and see what, if anything, might come out of this meeting of men of wisdom.

Mr. Speaker: Obviously we cannot arrive at a conclusion without further consultation. It appears to be the consensus of the House that there should be consultation between the House leaders, following which a decision might be taken by the House concerning how and when this matter might be considered.

• (1120)

ORAL QUESTION PERIOD

BUSINESS OF THE HOUSE

REQUEST FOR LIST OF BILLS AND INDICATION OF LEGISLATIVE PRIORITIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, it was my impression and I expected that, as in recent years, the government would present a list of proposed bills along with the Speech from the Throne. Will the Prime Minister inform the House whether it is the government's intention to present such a list of proposed bills for the session and, if so, when we may expect to receive such a list?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe that this practice was initiated by our government four years ago. It is not more ancient than that. We did it at the time because the throne speech itself was couched in slightly different terms than the present one.

Some hon. Members: Oh, oh!

Mr. Hees: That is the understatement of the week. You did not write it with such a trembling hand in those days.

Mr. Trudeau: So I think the reasons are obvious.

Mr. Stanfield: In the absence of such a list and any over-all statement with regard to the legislative priorities of the government in this session, will the Prime Minister indicate to the House the first four or five legislative items in terms of the government's legislative timetable and priorities and also indicate whether he can now give us the date when we may expect to receive a budget?

Mr. Trudeau: It will be our intention to indicate, through the House leader, as many bills as are necessary in the coming week to permit the House to see the business ahead of it.

Mr. Hees: Be specific.

Mr. Trudeau: As to the second part of the question, we expect that the Minister of Finance will be announcing the date of the budget—

Mr. Hees: In due course.

Mr. Trudeau: —in due course.

Some hon. Members: Oh, oh!

Mr. Hees: Same old gang. No change.

* * *

INCOME TAX

GOVERNMENT POSITION RESPECTING INCREASE EFFECTIVE JANUARY 1, 1973

Hon. Robert L. Stanfield (Leader of the Opposition): In view of the answers given by the Prime Minister to previous questions and in view of the confusion that exists in the country with regard to what the government proposes to recommend, if it is in a position to make a recommendation, with regard to the 3 per cent increase in personal income tax that became effective on the first day of this year, will the Prime Minister now clarify this matter and tell the House definitely that the government is prepared to recommend to the House that the 3 per cent increase that has gone into effect will be eliminated?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think that this is obviously a statement which will be made in the context of a budget, and we have said in the Speech from the Throne that the budget will be brought in at a much earlier date than usual.

INCREASE EFFECTIVE JANUARY 1, 1973—INSTRUCTION TO EMPLOYERS NOT TO DEDUCT FROM EMPLOYEES' PAY

Mr. David Lewis (York South): Mr. Speaker, may I follow up the last question asked by the Leader of the Opposition and ask the Minister of Finance whether he and the Minister of National Revenue discussed and was the Department of National Revenue instructed to inform employers across the country that the 3 per cent cut which was to end at the end of last year was to continue in the deductions which employers make from the pay of employees?

Hon. John N. Turner (Minister of Finance): Yes, Mr. Speaker, we did, and of course the Minister of National revenue had to make some administrative decisions quite apart from whatever policy may or may not be decided by the government later on.

Mr. Lewis: In view of the fact—and I really bristle at the minister's answer—that this cannot be an administrative decision and in view of the fact that, so far as the law is concerned, the 3 per cent cut was to end on December 31, 1972, will the minister tell the House—

Some hon. Members: Oh, oh!

Mr. Lewis: Perhaps the Leader of the Opposition could tell his yahoo friends to be quiet for a minute.

[Mr. Hees.]

Some hon. Members: Hear, hear!

Mr. Hees: You are getting mad, Dave.

Mr. Lewis: Mr. Speaker, may I ask the Minister of Finance on what authority he and the Minister of National Revenue decided to make this change in the law, particularly by the end of last year, unless it is his intention to change that law as soon as possible this year in this session?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I cannot accept the preamble to the hon. member's question. When it comes to the matter of the administrative responsibility for collection of taxes, that lies within the jurisdiction of my colleague, the Minister of National Revenue. If the hon. member wants to pursue the administrative aspects of that a little more closely, perhaps he might direct the question to my colleague.

Mr. Lewis: Mr. Speaker, may I ask the Minister of Finance a related question. Was the Economic Council of Canada given a reference by him, by the Governor in Council, or by the Prime Minister to make a study of unemployment and, if so, can he inform the House what progress has been made?

Mr. Speaker: Order, please. I am sure the hon. member will recognize that that is not a supplementary question. He himself said he was asking a related question. He can ask a supplementary question, but it seems to me that we have now gone quite far away from the first question asked by the Leader of the Opposition. In fact, I have some doubts whether the hon. gentleman's second or third question was supplementary to the first one. I suggest that we might continue the first round of questioning, and return to this important issue after we have heard the first question from the representative of the other party to my extreme right.

Mr. Lewis: Mr. Speaker, yesterday I said I was sure all hon. members would want to co-operate with you. I cannot do other than that myself.

* * *

[*Translation*]

REGIONAL ECONOMIC EXPANSION

CLOSING OF CIP PLANT IN TEMISCAMING—DISCUSSION WITH QUEBEC AUTHORITIES RESPECTING REOPENING

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

Is his department now negotiating with the government of the province of Quebec concerning reopening of the CIP plant in the town of Temiscaming? If so, what is the nature of these negotiations?

[*English*]

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, initial negotiations with my counterpart in the province of Quebec were held this morning. I anticipate that there will be meetings with him

early next week, and in the interim I am undertaking a detailed study of the proposals in question to see whether or not anything can be done about this particular industry.

* * *

EXTERNAL AFFAIRS

BOMBING OF NORTH VIET NAM—REQUEST FOR TABLING OF NOTES SENT TO UNITED STATES GOVERNMENT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, in view of the most unusual nature of the resolution in connection with the bombing of North Viet Nam that the government has in mind to introduce, and in which this parliament will be asked to criticize our great neighbours to the south, would the government table this morning the notes, if any, that have been sent either to the President or the State Department of the United States so that we may have some appreciation of what the government has done in this connection?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the right hon. gentleman has said, we have made representations to the United States at all levels on this question. Of course, it is not customary in exchanges of this kind between governments to publish such communications except with the consent of the other government. This is not what we contemplate doing in any event, but we will be quite happy to inform the House, perhaps during today's debate or otherwise, of the nature of the representations we have made.

Mr. Diefenbaker: Mr. Speaker, it is no more unusual than the unusual course being suggested, which in my opinion represents the first time that this nation has chosen to criticize another nation in a resolution of parliament.

An hon. Member: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, the hon. gentleman has not been here long enough to be dry behind the ears. If the minister, during the course of the discussion later, is prepared to give a summary of the exchanges, why can he not do it now?

Mr. Speaker: Is there a supplementary?

Mr. Diefenbaker: Mr. Speaker, I have asked that question, and there should be no pussyfooting about it either.

Some hon. Members: Hear, hear!

• (1130)

Mr. Sharp: Mr. Speaker, I think it would be more appropriate to give the answers during the debate on the resolution.

Mr. Diefenbaker: A pussyfooting statement was made.

Oral Questions

UNEMPLOYMENT INSURANCE

COST FOR 1972—REQUEST FOR STATEMENT AND EARLY INVESTIGATION BY STANDING COMMITTEE

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration responsible for unemployment insurance. Has he had an opportunity to delve into the actual cost of this scheme in view of the fact that the figures bandied about have reached some $2 billion? This matter must be clarified. Can he let the nation know just what the scheme cost Canadian taxpayers and the private sector last year? Can the minister make that statement right now?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the final benefit payments made to claimants in 1972 as of the end of December amounted to $1,879 million. The portion chargeable to the employer-employee account is estimated at $1,000,100,000 and the administrative cost to be charged to the employer-employee account is estimated at $120 million. These figures are very close to those I released about a month ago.

Mr. Baldwin: How about the maladministration costs?

Mr. Alexander: I am pleased that the minister did not say that it is only a drop in the bucket. I should like now to ask the minister when he will be in a position to give the House a definitive statement on why the government was so wrong in its initial statement regarding the cost of the scheme?

Mr. Speaker: Order, please. I am not sure whether the suggestion of the hon. member is that the minister should make a statement now but if he is to make a statement it should be done on motions.

Mr. Alexander: Mr. Speaker, I hope the minister has taken that as notice and I trust he will make a statement in the near future. In view of the importance of this matter, would the minister consult with the government House leader and see that the Standing Committee on Labour, Manpower and Immigration is struck immediately in order that this whole matter may be probed in an effort to find answers to the problems and in order that the Canadian people may be aware of the mess we are in right now?

Mr. Speaker: Order, please. The hon. member for Trinity on a supplementary question.

Some hon. Members: Hear, hear!

NUMBER RECEIVING BENEFITS IN DECEMBER, 1972, IN RELATION TO NUMBER OF UNEMPLOYED

Hon. Paul Hellyer (Trinity): Mr. Speaker, it is a related question—

Mr. Speaker: Order, please.

Mr. Hellyer: It is also supplementary as I am sure you will agree, Mr. Speaker, after you have heard it. Can the minister give the House an indication of the number of

people who actually drew unemployment insurance benefits last month and can he tell the House whether that number exceeded the total number of unemployed in the country as was the case in the first five months of the year?

Mr. Speaker: Order, please. Hon. members know that they cannot ask questions that require the giving of statistics. I allowed the first question because it was perhaps general. It is always difficult to judge, until the question is asked, whether statistical information is required from a minister. Perhaps the question might be allowed and if the minister will reply we will then go on to the next supplementary question.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, with respect to the hon. member's question and your remarks I would prefer and would ask to be given an opportunity to obtain precise figures which I will be very pleased to give the House at the earliest opportunity. I do not have the exact figures for that month available right now.

Mr. Hellyer: At the same time would the minister give an explanation to the House of how it is possible for more people in fact to be drawing unemployment insurance than Statistics Canada lists as being unemployed?

TIME OF INTRODUCTION OF AMENDMENTS TO ACT

Mr. Frank Howard (Skeena): Mr. Speaker, I have a supplementary question. Could I ask the Minister of Labour to tell the House precisely when he will be introducing proposals to amend the Unemployment Insurance Act?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, on those amendments—

Mr. Howard: Mr. Speaker, I chose the wrong minister. The shuffling of that deck of jokers makes it difficult to remember. May I ask that question of the Minister of Manpower and Immigration, if he is the appropriate minister?

Mr. Andras: Mr. Speaker, without accepting the premise of the hon. member's comment about jokers or decks, I hope to offer to the House the views of the government on amendments to the Unemployment Insurance Act in the very near future, and I think that will be a subject for immediate discussion with the House leader with regard to timing and procedures.

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

Mr. Speaker: The hon. member for Fundy-Royal rises on a question of privilege.

Mr. Fairweather: Mr. Speaker, may I say through you how unusual and pleasant it is to have the ministers grace us with their presence today. I hope it is a resolution that will be maintained.

Some hon. Members: Hear, hear!

[Mr. Hellyer.]

PROVISION OF ASSISTANCE TO CLAIMANTS AT LOCAL LEVEL

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of nation-wide concern, can the minister inform the House what steps are being taken to provide the type of assistance on the local level to UIC claimants that used to be available and which is sadly lacking at the present time?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I would be glad to describe the measures that have been taken but I think the reply would exceed the time limit for an answer to a question. However, I believe that early in this session we will have an opportunity to examine all aspects of unemployment insurance including those questions already raised about the cost of the scheme and measures taken to improve the services as well to eliminate abuses.

[*Translation*]

MEASURES TO ELIMINATE DELAY IN PAYMENT OF BENEFITS

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

Since the minister has just announced that he will as soon as possible introduce amendments to the Unemployment Insurance Act, could he state whether, meanwhile, steps will be taken to improve the administration of the act so as to avoid undue delays and unjustifiable errors which now occur?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker, I am satisfied that there is an increasing improvement in the administration of the commission's activities although unquestionably it leaves a lot to be desired yet.

Some hon. Members: Oh, oh!

REQUEST FOR MORE LOCAL OFFICES TO EXPEDITE PAYMENT OF CLAIMS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I have a supplementary question. Will the minister open more local UIC offices in order to speed up payment of legitimate claims and to at least stop the drain on the fund?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, without accepting the premise of the question I might say that we are opening additional offices and providing facilities in manpower offices to deal with unemployment insurance matters. We have many more arrangements that I will be glad to detail to the House.

Mr. Grafftey: Is the minister aware of the cruel hardships that current delays are imposing on many Canadians? They are going on welfare.

Mr. Speaker: Order, please.

CONSUMER AFFAIRS

TIME OF SETTING UP OF JOINT SENATE-COMMONS COMMITTEE TO INQUIRE INTO FOOD PRICES

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. In view of the pre-new year jump in beef prices to the consumer, rising as high as 11 per cent in British Columbia, what is the earliest date at which the government can set up its announced Senate-Commons committee to inquire into food prices?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am sure that this is a matter on which the House leaders will want to consult and I am sure they will look upon it as a matter of urgency with regard to the legislative program.

Mrs. MacInnis (Vancouver-Kingsway): A supplementary, Mr. Speaker. In view of the government's oft-repeated claim that it wants more communication with the Canadian public, what is the reason for keeping secret the possible date of the setting up of this committee?

Mr. Gray: Mr. Speaker, this is a decision for the House, not for the government, and I hope that the House will make such a decision at an early date.

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, I have supplementary question. I really cannot believe that this House, in the critical situation that we have—

Some hon. Members: Order, please!

Mr. Lawrence: —can the minister—

Some hon. Members: Order, please!

Mr. Lawrence: Can the minister—

Mr. Speaker: Order, please. Would the hon. member kindly resume his seat?

Some hon. Members: Oh, oh!

Mr. Speaker: Would the hon. member resume his seat? The hon. member may ask a question but he should not argue.

Mr. Lawrence: A supplementary question, Mr. Speaker. Can the minister tell the House what action the government has taken since the election, what action it is taking today and what action it is going to take tomorrow other than this dillydallying manoeuvre of a parliamentary inquiry—

Mr. Speaker: Order, please. The hon. member for Yorkton-Melville.

An hon. Member: You have no respect for parliament.

Mr. Lawrence: On a point of order, Mr. Speaker—

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

Mr. Lawrence: On a point of order, Mr. Speaker, there was a reference earlier to yahoos and I did not hear the minister's reply.

Mr. Speaker: The Chair did not allow the minister to reply because the hon. member, I suggest, did not ask a question.

Some hon. Members: Hear, hear!

Mr. Speaker: I believe the hon. member for Yorkton-Melville has a supplementary.

• (1140)

Mr. Lawrence: Mr. Speaker, may I rephrase the question?

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Yorkton-Melville. I will return to the hon. member in a moment.

FOOD PRICES—SCOPE OF TERMS OF REFERENCE OF JOINT COMMITTEE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my supplementary question is for the Minister of Consumer and Corporate Affairs. In view of the government's expressed intention to set up a joint committee to study the prices of food in this country, can the minister say whether or not the government will be giving that committee terms of reference that will require it to recommend action as well as study the increase in the prices of food?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not in a position yet to outline the terms of reference that will be in the proposed motion. I hope they will be wide enough to permit the committee to do a useful job for the parliament of this country and the population as a whole.

Mr. Nystrom: A further supplementary question, Mr. Speaker. Can the minister say whether there will be any interim action or any immediate action before the committee is established?

Mr. Gray: Mr. Speaker, the government is continuously keeping these matters under review and I am sure will be prepared to take appropriate action.

Mr. Allan Lawrence (Northumberland-Durham): My question is still a supplementary one, Mr. Speaker. Can the minister, or the Minister of Finance, or perhaps even the Prime Minister, indicate whether the government's position has changed since the Minister of Finance, during the election, announced that the government could do nothing with respect to price escalation in this country?

Mr. Alexander: Surely one of the three can answer.

FOOD PRICES—SUGGESTED TIME LIMIT ON DELIBERATIONS OF JOINT COMMITTEE

Mr. W. B. Nesbitt (Oxford): I have a supplementary question, Mr. Speaker. Can the minister tell the House

whether he will be agreeable to putting a time limit on how long the joint committee may sit, such as two or three weeks, even though they have to sit all day so that we can get some action?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think that is a decision for the House.

* * *

TAXATION

POSSIBILITY OF REPEAL OF TAX ON BUILDING MATERIALS TO LOWER COST OF HOUSES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the minister responsible for housing and urban affairs, or maybe the question ought to be answered by the Minister of Finance, whether, as it is stated in the Speech from the Throne that one of the problems of the government is that of supplying low cost housing, it is the government's intention to repeal the 11 per cent sales tax which is keeping houses at such high prices that few people can afford to buy them?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, that is properly a budgetary question and is within the purview of my colleague the Minister of Finance.

Mr. Woolliams: Mr. Speaker, may I address my question to the Minister of Finance. He has heard the question in reference to the 11 per cent sales tax. I am sure he is aware that the provision of low cost housing is referred to in the Speech from the Throne. Has there been a discussion about this tax, will it be considered and will it be repealed?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, there was no implication in the Speech from the Throne relating to the 11 per cent sales tax.

* * *

HOUSING

WHITSON GARDENS SUBDIVISION, CHELMSFORD, ONT.—ACTION TO MAINTAIN VALUE OF HOUSES NOT SUBJECT TO FORECLOSURE

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I should like to put a question to the Minister of State for Urban Affairs. Is the minister aware of the problems facing the purchasers of homes in the Whitson Gardens subdivision in Chelmsford, Ontario? Is the minister prepared to take steps to ensure that those homeowners in the subdivision who are not directly affected will be guaranteed by CMHC that the houses foreclosed by the Toronto-Dominion Bank will be used so as to maintain the former value of houses in the subdivision?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, I am aware of the problem and have asked for a full report from Central Mortgage and Housing Corporation. I have instructed the corporation to co-operate fully in the investigation being carried on by the Department of Consumer Affairs of the government of Ontario. When I have all these reports I will take note of the hon. member's representation to assure that people, in so far as it is within the power of Central Mortgage and Housing Corporation to do so, are not adversely affected.

Mr. Rodriguez: Will the minister consider discussing with the Ontario Housing Corporation the best possible use of the houses foreclosed by the Toronto-Dominion Bank so that the former value of the other houses in the subdivision may be maintained?

Mr. Basford: Yes, Mr. Speaker, I would be happy to do so.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

INQUIRY RESPECTING DIFFICULTIES OF AN ANNOUNCER IN EUROPE

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Secretary of State.

Is he aware of representations made by friends of Mr. Gaétan Barrette, an announcer employed by the CBC, who is now encountering some difficulties in Europe? If so, would the minister state what he proposes to do concerning this case?

[*English*]

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I am not aware of these representations but I will look into them and bring back a report.

Mr. Baldwin: In due course, of course.

* * *

INCOME TAX

SUGGESTED EXTENSION OF DEADLINE FOR FILING RETURNS IN LIGHT OF NEW FORMS

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to address my question to the Minister of National Revenue. In view of the very difficult, complex and comprehensive new income tax forms that must be filled out by Canadian taxpayers, is the minister giving consideration to extending the time by which those returns must be completed and returned?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, from the experience with preliminary forms which have already been filed by many people leaving the country or on behalf of estates—

Some hon. Members: Oh, oh!

Mr. Stanbury: There will be many more people filing who will be coming into the country.

An hon. Member: Illegally.

Mr. Stanbury: There appears to be no unusual difficulty in completing these forms and there has been no representation on any wide-scale basis for an extension of time. Perhaps hon. members will want to stimulate it, but I do not think it will be necessary. We will certainly keep our minds open—

Mr. Baldwin: That will be a change.

Mr. Stanbury: —so that citizens will have every opportunity to take advantage of the excellent benefits that are available under the new income tax law.

Some hon. Members: Oh, oh!

* * *

AGRICULTURE

CROP DAMAGE IN NORTHERN ALBERTA AND BRITISH COLUMBIA—ADDITIONAL ASSISTANCE TO FARMERS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a question for the Minister of Agriculture. I think he knows the nature of the question. In light of the extraordinarily heavy incidence of damage sustained by thousands of farmers in northern British Columbia and Alberta as a result of unique weather conditions, is the government giving consideration to providing assistance over and above to what has already been announced in the form of cash acreage payments and protection against foreclosure in order to assist the farmers? I know the minister has been there and is aware of the very grave situation that exists.

Some hon. Members: Hear, hear!

Some hon. Members: Speech, speech!

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, after I say what we have done or intend to do, perhaps the applause will not be all that great.

Some hon. Members: Oh, oh!

Mr. Whelan: We have made the announcement that we are going to assist farmers in the transportation of the forage and feed that they need for their cattle. We will assist both British Columbia and Alberta with respect to those frozen out areas with vegetable crops, those areas which have suffered from drought, hail, rain and snow, with 50 per cent based on the grant that the provinces are going to give. We are going to give the farmers 50 per cent also. We announced this yesterday, Mr. Speaker.

Mr. Baldwin: I saw the announcement. That is why I asked the question.

Mr. A. P. Gleave (Saskatoon-Biggar): I have a supplementary question, Mr. Speaker. I read the announcement the minister made. May I ask whether the amount of payment referred to in the statement has been decided upon after agreement with the two provinces, British Columbia and Alberta? Second, since it appears that the acreage payment is contingent upon those provinces making a payment, if they decide not to make an acreage payment will no payment be made?

Mr. Whelan: Mr. Speaker, perhaps I am being presumptuous but, as a result of the proposal that was made by both the Minister of Agriculture of British Columbia and the Minister of Agriculture of Alberta, I feel quite sure that they are going to make payments. Our payments will be made according to the claim forms submitted by those people in those provinces to the provincial Minister of Agriculture in each province. We will work from that—how do you say it—

An hon. Member: Hypothesis.

Mr. Whelan: —that claim basis.

Mr. Gleave: Am I to take from the statement of the minister that he had not reached agreement with those provinces as to the amount of acreage payment to be made prior to making this announcement? Has he any agreement? Does he not know what they are going to do?

Mr. Whelan: Mr. Speaker, I am pretty sure I know what they are going to do. They are going to make acreage payments, I think up to $4 per acre, and we have agreed to make payments up to $400 or 50 per cent of the payments that the provinces are going to make.

• (1150)

Mr. Hees: Mr. Speaker—

Mr. Gleave: A supplementary question.

Mr. Hees: Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. If there are to be further supplementaries, I will first recognize the hon. member for Saskatoon-Biggar and then go to the hon. member for Prince Edward-Hastings.

Mr. Gleave: Mr. Speaker, I return to the question I would like the minister to answer. Does he or does he not have an agreement with those two provinces as to the amount of the acreage payments that are going to be made?

Mr. Whelan: Mr. Speaker, we had proposals from them that were submitted to us for our consideration. We worked from the proposals that were made to us by each province.

CROP DAMAGE IN NORTHERN ALBERTA AND BRITISH COLUMBIA—ACTION TO FORESTALL FORECLOSURES BECAUSE OF FARM CREDIT CORPORATION LOANS

Mr. Paul Yewchuk (Athabaska): Mr. Speaker, I have a supplementary question. Is the minister contemplating any action to forestall foreclosures in respect of Farm Credit Corporation loans and things of that nature?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, my understanding, and I am quite sure it is right, is

that we have stopped all foreclosures on any farm credit loans in that area that are behind in payment.

* * *

INQUIRY OF THE MINISTRY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to address a question to the Prime Minister. I wish to ask him whether he is now prepared—

Some hon. Members: Oh, oh!

Mr. Hees: Quiet, please.

Some hon. Members: Hear, hear!

Mr. Hees: Is he now prepared to give a rendition of the theme song of this new parliament entitled "Those nobodies are somebodies now"?

Some hon. Members: Hear, hear!

An hon. Member: Sing it.

Mr. Hees: I will sing it with him.

Mr. Speaker: Order, please.

* * *

SPORTS

MONTREAL OLYMPIC GAMES, 1976—CIRCUMSTANCE OF SALE OF TELEVISION RIGHTS TO AMERICAN BROADCASTING COMPANY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I do not want to destroy the harmony, but I have a question for the Minister of National Health and Welfare whose transition from the black to the green chamber I congratulate and welcome. Has the minister investigated the reasons for and the circumstances of the sale of United States television rights for the 1976 Montreal Olympic Games to the American Broadcasting Company whereas a seemingly better proposal from Bobby Orr Enterprises was not even considered?

Some hon. Members: Oh, oh!

Hon. Marc Lalonde (Minister of National Health and Welfare): The answer is no, Mr. Speaker, as this is not a matter under my administrative responsibilities.

* * *

TRANSPORT

SUGGESTED FREEZE ON RAILWAY FREIGHT RATES PENDING REGIONAL CONFERENCES

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Transport. Is it the intention of the minister to place an immediate freeze on freight rates until such time as the regional conferences on freight rates, proposed in the Speech from the Throne, can take place?

[Mr. Whelan.]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think the hon. member will have to tell me under what authority or law I can do that.

Mr. Speaker: Order, please. The minister and the member know that that question cannot be asked. Perhaps the hon. member has a supplementary.

Mr. McGrath: Can the minister give an undertaking to the House that he will take this up with his colleagues in cabinet in order to have an order in council placing an immediate freeze on freight rates because of the devastating effect that freight rates are having on the cost of living in Canada?

Mr. Marchand (Langelier): Mr. Speaker, I think this is a very important problem.

Mr. McGrath: Then why don't you do something about it?

Mr. Marchand (Langelier): We are following very closely what is being done. We hope the railways will understand—

Some hon. Members: Oh, oh!

Mr. Marchand (Langelier): They have the authority to increase their freight rates. I hope they will not.

* * *

INCOME TAX

TIME OF CONSIDERATION OF BILLS NOT DISPOSED OF AND TO BE REINTRODUCED

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance. In view of the indication that the bills left over from his old budget relating to income tax, corporation income tax and so on will be reintroduced, is it the intention of the minister that the House consider these bills immediately or that they should be considered at the time he presents his new budget in 1973?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I have every intention of bringing in an early budget, subject to looking for House time in consultation with the Prime Minister and the House leader and after obtaining the views of the provinces at the meeting with the provincial Ministers of Finance on January 18 and 19. Subject to those qualifications, I hope to have an opportunity to bring in an early budget for the consideration of the House. At that time we are committed to reintroducing the substance of the budget bills that followed my budget of May 8. The form and timing of the reintroduction of the substance of those bills will be discussed by me with the House leader. In view of the fact that I anticipate an early budget, I think it may make sense to combine all the bills after consultation with the House leader.

INDUSTRY

AUTOMOBILES—DISCUSSIONS WITH INDUSTRY ON PRICE INCREASES ON 1973 MODELS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the new Minister of Industry, Trade and Commerce. In view of the fact that after the existence for seven years of the auto pact Canadian consumers are still paying an average of about $300 more per car than they should be paying, can the minister report to the House on the success of his talks with General Motors and the Ford Corporation concerning their unjustified price increases for the 1973 models?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I will be very pleased to do that. The first point that has to be emphasized is the government's commitment to the whole question of narrowing that price differential. There are two aspects of the pricing that should be understood. They are important.

An hon. Member: Oh, oh!

Mr. Gillespie: If you want an answer to the question, you will have to give me time to reply. There are two aspects, those that are associated with safety and emission controls and those that are associated with economics. I think the second point is the one that is important to the House. The United States has a price commission. The United States price commission—

Mr. Speaker: Order, please. I apologize to the minister for interrupting. I have to take into account the nature of the question asked by the hon. member, which was very general in nature. I assume it would be somewhat difficult for the minister to answer that question without making a statement on motions. I hope the minister can reply briefly because we will be running short of time very soon. The minister might indicate whether he proposes to give the information on motions on some other occasion.

Mr. Gillespie: Mr. Speaker, I think I can give a quick answer.

Some hon. Members: Hear, hear!

Mr. Gillespie: In my speech during the debate on the Speech from the Throne I can elaborate on this. The point is that the United States okayed an increase with respect to costs of safety and emission controls for the United States. This was followed by the United States companies' subsidiaries in Canada announcing an increase. The second application for a price increase in the United States is with respect to economics. This has been made to the United States Price Commission. Three per cent has been requested.

Mr. Speaker: Order, please. I have to interrupt the minister's short reply.

Some hon. Members: Hear, hear!

Mr. Broadbent: I have a supplementary question. I see that the spirit of the Hon. Jean-Luc Pepin remains in the House.

Some hon. Members: Hear, hear!

Mr. Broadbent: In view of the minister's failure to get any concessions from the companies, can he inform the House whether the cabinet discussion on the removal of the duty between Canada and the United States for importing cars has led to a final rejection of that proposal as one means of bringing down prices or is the government still considering that as one means?

Mr. Gillespie: On the contrary, Mr. Speaker, we did get a commitment. That is the point I was making. The two Canadian companies, General Motors and Ford, have given me a commitment that there will not be any increase with respect to economics regardless of how much that increase may be in the United States. That is a firm commitment.

Some hon. Members: Hear, hear!

Mr. Broadbent: Mr. Speaker, I rise on a point of order. The minister has misinformed the House. My question concerns the announced increases which have already taken place. They have not gone back on that. My understanding is they told the minister they were going to maintain the prices they announced some weeks ago.

• (1200)

Mr. Speaker: Order, please. That is hardly a point of order. It is a point of debate between the minister and the hon. member. As I said, we are running short of time and we should try to get in a few brief questions and brief replies. I recognize the hon. member for South Shore.

* * *

ENERGY

GAS AND OIL RESERVES OFF EAST COAST—INQUIRY AS TO AGREEMENT WITH ATLANTIC PREMIERS ON DIVISION OF REVENUES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I am not sure whether I should direct my question to the Prime Minister or to the Minister of Energy, Mines and Resources but possibly one or the other might reply. In view of increased evidence that reserves of gas and oil off the east coast are larger than originally anticipated, has the federal government reached any formal agreement with the premiers of Atlantic Canada concerning an equitable division of royalties between the provinces and the federal government?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): The House will recall that in August of last year a committee of officials was established by the federal government and the four Atlantic provinces and Quebec to explore this and related complex questions. The committee has met several times but the final report has not yet been completed. We anticipate there will be further meetings for that purpose.

Oral Questions

CAPE BRETON DEVELOPMENT CORPORATION

INTENTION RESPECTING AGREEMENTS TO ASSIST CAPE BRETON MUNICIPALITIES

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the new Minister of Regional Economic Expansion. I trust he will show his usual energetic enthusiasm in this field during the short period of time he will be here. May I ask the hon. gentleman whether it is the intention of the Cape Breton Development Corporation to enter into agreements to render assistance, both financial and otherwise, to municipalities on Cape Breton Island similar to the assistance provided in other parts of the country through DREE? Here, I refer to that overworked word "infrastructure".

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): I would have to ask the president of Devco where he has any plans in that connection. I will be glad to do so and convey the information to the hon. member.

Mr. Muir: In view of the fact the president of the Cape Breton Development Corporation has already stated that he has no part in this, and in view of the fact the former minister responsible for Devco stated that the legislation is indeed flexible enough to encompass anything DREE might do, would the minister give serious attention to this question?

Mr. Jamieson: Yes, Mr. Speaker. I have already indicated we are examining the various implications of the DREE program but if this is one which commends itself to the hon. member, to the area and to myself, perhaps we could work something out.

Mr. Donald MacInnis (Cape Breton-East Richmond): Would the minister mind answering the note I sent over to him at the beginning of the question period?

Mr. Jamieson: Could I see you as soon as possible? Of course. Any time you wish.

Mr. MacInnis (Cape Breton-East Richmond): Is the hon. gentleman not aware that ministers are not allowed to ask questions of backbenchers?

Some hon. Members: Oh, oh!

Mr. Speaker: Orders of the day.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Would the government House leader mind my asking at this time what is to be the course of business next week?

Mr. MacEachen: Yes, Mr. Speaker. I am happy to advise the House that we shall continue with the debate on the address.

Mr. Bell: May I address a supplementary question to the Prime Minister in the interest of getting things done? May we be assured that the roster system has now been finally scrapped? If not, we want our copy so we may know when the ministers are going to be here.

* * *

[Translation]

SPEECH FROM THE THRONE

ADDRESS IN REPLY, MOVED BY MR. J. J. BLAIS AND SECONDED BY MR. ROD BLAKER

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

Mr. J. J. Blais (Nipissing): Mr. Speaker, I have been told that I did not have to speak too loud this morning because the interpretation facilities are available. However, I would like to say that I am a young Canadian, at least I think I am, and I have asked myself more than once what led the kind people of Nipissing to send me here to sit in on the proceedings of the House. I am indebted to the right hon. Prime Minister who has confirmed their choice by asking me to move the Address in reply to the Speech from the Throne. Such an honour reflects first of all on my constituency and I wish to thank him most sincerely.

I wish also, Mr. Speaker, to congratulate you on your reelection which was a foregone conclusion due to the expertise you have shown in the past and also due to the confidence which your impartiality and good judgement have initiated. I am sure that all Canadians join with me to congratulate you because they have been made aware of your qualifications during discussions in the national media in connection with the appointment of a permanent Speaker.

I would also like to congratulate the new ministers who have no doubt been chosen for a most difficult task. In fact, it will involve not only the administration of government measures initiated by the twenty-eighth parliament but also the adoption of the bills which will be introduced during this session.

Yesterday's Speech from the Throne includes an enormous amount of legislation to be passed and I think the ministers will have to realize the scope of their responsibilities.

[English]

I would also pray, Mr. Speaker, that when presenting the Address to His Excellency you convey my personal feelings of affection and loyalty, and, I am sure, those of Canadian citizens wherever they may be. I would also ask Your Honour to convey to him my thanks, even at this belated date, for having so graciously, in the summer of 1965, received my wife, Maureen Ahearn as she then was, in New Delhi, while he was Canadian High Commissioner to India. She assures me that this occasion remains among her most cherished memories.

Canada is indeed blessed in having as head of state, not merely a typical Canadian but, indeed, an ideal Canadian. In an age in which human imperfection is constantly brought to our attention by the retelling in the press of stories in which intolerance, jealousy, hatred, violence and man's inhumanity to man are the principle actors, the

Governor General, because of his office, because of his strength of character and of limb, has been divested by the Canadian people of all these human imperfections; he has been idealized as a Canadian par excellence. As an institution, the Governor General, as was stated by His Excellency in his inaugural address, has come to represent the Canadian people as a whole and now symbolizes for Canadians the stability and the continuity of their national life and institutions. In a House divided, as this House finds itself, we must be constantly aware of the importance of these institutions. We must remind ourselves that we are here not to achieve power and to exercise it wisely, but to assure the stability and the continuity of Canadian national life and Canadian institutions. We must preserve them, cherish and ensure them. Mr. Speaker, I wish you to convey to His Excellency the fact that each member of this House recognizes his obligation to the body politic of which His Excellency is the head.

[*Translation*]

May we ask you, Mr. Speaker, to convey our sympathy to His Excellency on the passing away of a friend and one of his most distinguished Prime Ministers. Lester Bowles Pearson will be remembered as the father of the new Canadian era. The praise bestowed upon him both by the national and international communities will not change what is recorded. He was the man of his time. His experience of international conciliation and his awareness of the viability of the Canadian entity, as well as his acknowledgment of the principle of unity in diversity, have impelled a strong and tolerant Canada and a country which is sure of its future.

Also, I am positive that when he was my own age he certainly did not intend becoming the leader or head of a minority government.

In his book entitled The Prime Ministers of Canada Bruce Hutchison had this to say about Mr. Pearson:

• (1210)

[*English*]

He had no plan for his life but his professors noticed that whatever he undertook was pushed to a conclusion, and perhaps a few of them detected here the makings of a philosophy. Not to plan ahead but to accept every task as it appeared and to do it as well as possible; not to shine in competition but never to fail if he could possibly succeed; not to violate his moral code but not to quarrel with anyone either if he could help it. Such were the instincts of the boy and the methods of the man.

[*Translation*]

He took office at a time when Canada, in its entity, was becoming aware of its identity. It was a period of intense analysis, when history, the cultural background and the inheritance made our country unique in the world. Everybody was looking for a precedent; nobody found it. This has been the source of often heated debates on the viability of Canada. He himself took part in these debates. And then, finally, we witnessed the birth of a Canadian awareness which resulted in the adoption of the flag which is the symbol of unity, and in the celebration of a centennial which has been unequalled so far.

We are therefore assured of Canada's fate, Mr. Speaker. Through his good-fellowship, his good humour, the flexibility of his dispositions and the firmness of his principles Mr. Pearson has assured us our second century.

[*English*]

Those are the qualities which, if practiced in this House, will make this parliament a memorable, indeed a fruitful, one. I cannot be deemed to be optimistic if I reflect upon the longevity of the twenty-ninth parliament. Just judging from the questions asked this morning, if the same number need to be answered from day to day we are bound to be here eternally.

October 30, 1972 provided us with a full House, jokers included. This House has received 264 men and women who represent all parts of Canada. There is no need to hedge since we have received a legislative program through the Speech from the Throne which indeed is massive in content. There is meat in that particular document for constructive deliberation of the type in which the people of Nipissing elected me to participate when, through their ballot, they indicated that I should attend this particular assembly. They instructed me to come here to participate in the debate and in the passage of legislation. I am sure that no member of this House was directed by his or her constituents to come to the House to squelch debate. If one were to hold such a statement to be true one would be going directly against the type of parliamentary debate which I have been led to believe honours this House and which is at the basis of the existence of this House. Some members have indicated that they were going to defeat Her Majesty's loyal government immediately upon coming to the House, even before they saw the throne speech or received any information as to what it contained. Surely, to adopt such an attitude is to defeat the purpose of this honourable institution.

I have spoken of my constituents and I now wish to speak of my constituency. My constituency is named Nipissing, and if that offers some difficulty, then for the enlightenment of the members of the House I should like to spell it out for them. It has one "n", an "i", one "p", another "i", two "s's", a third "i" and an "ng". It is a riding that is 240 miles northwest of here and is the southernmost riding of what we refer to as "glorious northern Ontario".

Some hon. Members: Hear, hear!

Mr. Blais: The word "Nipissing" is neither French nor English but was coined by the Indians long before Europeans of whatever background came to these shores. It was in 1615 that Samuel de Champlain, known to all, visited my riding, and lo and behold he made notes along his particular vein. If I may, Mr. Speaker, I should like to refer to the words of Samuel de Champlain as they have been related to me at this late date. As I have said, this was in 1615, on July 25, so it was not yesterday.

[*Translation*]

Pursuing our way by land and leaving the said Algonquin river—

[*English*]

That is "the Ottawa river" for those who are not too familiar with this historical background.

[*Translation*]

—we crossed several lakes, the savages carrying their canoes, until we entered the lake of the Nipisierinj—

[*English*]

The first time it was used as a written word.

[*Translation*]

—at a latitude of forty-six degrees and a fourth. And on the twenty-sixth day of the said month, after travelling both over land and through the lakes twenty-five leagues, or therebouts, we reached the huts of the savages, where we stayed with them two days. They received us very well and were in a goodly number; they are people who till the earth very little.

[*English*]

I should like to make a little comment on that. Perhaps that was the best way of dealing with government in those days. Certainly, we would not need a minister of agriculture and would be able to save ourselves a great deal of trouble, I suspect.

[*Translation*]

The said people were seven to eight hundred in number, who ordinarily live on the lake, where there is a great number of very pleasant islands. The north side of the said lake is very attractive, with fine meadows for the grazing of cattle and several small rivers flowing into the lake.

They did their fishing in a lake abounding in a variety of fish, among which one is excellent, having a length of one foot—

[*English*]

I take it he is referring to the very popular northern Ontario pickerel which abound in Lake Nipissing.

[*Translation*]

The lake is some eight leagues in width—

[*English*]

That is approximately 24 miles.

[*Translation*]

—and twenty-five in length—

[*English*]

He was overshooting by about 10 miles; it is not 75 but only 65 miles long.

[*Translation*]

—and into it flows a river coming from the north west—

[*English*]

That is the Sturgeon River.

[*Translation*]

—which they take to barter the goods which we give them in exchange for pelts, and that with the inhabitants who make a living out of hunting and fishing in a country abundantly stocked with wildlife, birds as well as fish.

This is what he said.

• (1220)

[*English*]

I should like to indicate that he was well received when he returned, but we do not have any record of what he said then. I would advise you all to do as Champlain did, as shown by history, and visit Nipissing, each and every one of you individually, not all at the same time.

The period from 1881 to 1891 was a period of railway construction. Another thing that never ceases to amaze me about the ignorance that is manifested concerning my riding, is the lack of knowledge that Nipissing was the jumping off place for the transcontinental railroad. It was in Nipissing that the great ribbon that tied British Columbia to the rest of the country was commenced. You will recall, Mr. Speaker, that there was debate as to whether the railroad should go through a portion of the United States to gain access to the great northwest or whether it should take a northerly route. The hon. member for Sudbury (Mr. Jerome) and the hon. member for Nickel Belt (Mr. Rodriguez), along with everybody in northern Ontario, are very thankful for this decision to follow the northerly route, otherwise we might not even exist there.

At any rate, as the railroad proceeded, it touched North Bay which is now a city of 50,000 people. It proceeded west through the western regions of my riding and in its path it created many small, charming villages including Cache Bay, which is on the lake, Verner, which straddles the Veuve River, one of the lake's tributaries, and the village of Warren. It also created the town of Sturgeon Falls, that town closest to my heart. I mention this town because I am sure that name has not been mentioned too often in the debates in this assembly. The town of Sturgeon Falls is the town in which I was born, and also the town which saw the birth of my parents. It is a lively town on the banks of the Sturgeon River. It was at one time one of the major posts of the Hudson's Bay Company in that particular area, and I speak now of the early 1800's.

Throughout the history of Canada, Nipissing has been a point of reference. At the time of that faux pas, which in the history books is referred to commonly as the battle of the Plains of Abraham, all of that area including the southern reaches of Lake Nipissing was ceded to England. The rest was kept by France.

The next reference to Nipissing in the history books occurs after the revolutionary war, when the Americans decided they wanted to establish the boundaries of the United States at the southern limit of my riding. The British commissioner of that time agreed, indicating the depth of his interest in York. However, the British Parliament refused to ratify that agreement. I often wonder whether that was not an error on their part, because if that agreement had been ratified we might have been rid of that pesky York area which has now reached Torontonian proportions. We would, of course, have lost something in tourist revenues as a result of the absorption of Niagara Falls by the United States, although the advantages might have greatly outweighed the disadvantages. Perhaps we would now have more attention paid to us, as North Bay might then have become the major port of entry into Canada. Of course, we would not have the problem of redistribution we are now facing.

As an aside, if I might speak to redistribution at this time, the commissioners have indicated that northern Ontario will lose two seats and Ontario will gain five because, as we speak of it, Ontario is everything south of North Bay. I suggest that this is something of a paradox.

At a time when we are speaking of a country which wishes to evolve and gain more importance through increased population and occupation of territory, instead of giving that particular region, which needs attention, greater representation, we are reversing the trend and taking away representation. We do not need fewer northerners in this House, we need more. Perhaps I have taken too long to bring to this House the true meaning of Nipissing.

[*Translation*]

If I have taken so much time to show everyone that the Nipissing area is, historically, an integral part of Canada essential in fact to its life, it is because I firmly believe that if we want it to continue to grow as an autonomous country, we must develop our northern areas. The scenery in the North is spectacular and I refer not only to Northern Ontario, but to Northern Canada.

We must change our attitude towards those areas. It is not good enough to introduce merely a few measures meant to please those hon. members who clap on their desks. We must change the whole attitude of the country. I do not merely refer to a vision of the North—such is not my purpose—but rather, we must realize that this is an emergent area fit to live in and in need of incentives. This is the reason why I have devoted so much time to describe my dearly beloved country.

[*English*]

Mr. Speaker, at this time I would like to refer to the past servants of this House who came from Nipissing. Hon. members will remember Jack Garland, who died in 1964 and who was at that time the Minister of National Revenue. His death necessitated the by-election which saw the admission into this House of Carl Legault who retired last year. Both gentlemen devoted their entire time to the service of their constituents and their adequate representation in this House. I am sure this House will bear witness to their presence and the competence they manifested.

[*Translation*]

On the occasion of my maiden speech and heartened by the experience of my predecessors, I would like to undertake, Mr. Speaker, to always endorse pieces of legislation which will seem to me most likely to promote justice, social welfare, prosperity and peace, for every citizen and the country itself.

Therefore, with this purpose in mind—

[*English*]

It is in that spirit that I move, seconded by the hon. member for Lachine (Mr. Blaker), that an Address be presented to His Excellency the Governor General of Canada, the text of which is as follows:

To His Excellency the Right Hon. Roland Michener, Chancellor and Commander of the Order of Military Merit upon whom has been conferred the Canadian Forces' Decoration, Governor General and Commander-in-Chief of Canada.

May it please Your Excellency:

We, Her Majesty's most loyal and dutiful subjects, the House of Commons of Canada, in parliament assembled, beg leave to offer our humble thanks to Your Excellency for the gracious speech which Your Excellency has addressed to both Houses of Parliament.

• (1230)

Mr. Rod Blaker (Lachine): Mr. Speaker, may I join my colleague the hon. member for Nipissing (Mr. Blais) in paying respect to the family of Mr. Pearson.

[*Translation*]

He and many others both from Canada and abroad have, over the past few days, expressed their sympathies to the family of Mike Pearson, and their admiration for the life of the former Prime Minister of Canada. I would add only a single personal thought—that Mike Pearson was probably the personification of Canada as we know it—gentle, humourous, patient and tough. He left us a legacy of pride in him, of commitment to public service, and of concern not only for his fellow citizens but for all the peoples of the world.

[*English*]

It has been a custom of those who move and second the Speech from the Throne to, with the patience of this House, say a few words with respect to their ridings. I should like to observe that custom only briefly, and largely because it relates to another matter which has a great deal of importance for Canada at large. Each member of this House carries with him, of course, a certain pride in the history and geography, the people and the cultures he represents. It is a singular pleasure to represent the riding of Lachine for a number of reasons.

[*Translation*]

Historically, this House will recognize in Lachine the origins of our nation; the headquarters of the Hudson Bay Trading Company; the canal itself; the days of the voyageurs, when seven and eight hundred of those incredibly tough and adverturesome men headed out by canoe in the spring, for the waterways of Canada, to return months later laden with furs which were the original basis of the colony's economy.

The famous adverturer and explorer LaSalle was granted the seigniory in 1666, and rumour has it that some of his men, with a view to teasing him a bit about his determination to find the route to China, established the name of the seigniory as Lachine.

[*English*]

Members of this House who may be sticklers about translation may therefore choose to refer to the member for Lachine as a member of parliament for China. Four years later in 1670 the Sulpicians built a fort some distance away, the Fort de la Presentation. The area is now the modern city of Dorval and its airport. The present-day area of Pointe Claire began its existence in the late 17th century. Canada has been good to these three cities; today Lachine is said to be the most highly industrialized city on earth. Dorval and Pointe Claire combine with Lachine to form a remarkable trio of cities, containing 700 corporations doing extensive business as well as residential areas of calm and beauty. I have described this riding as a prelude to a subject which should never have become an issue in this past election, but which did in fact become an issue and I believe to the regret of many people.

[*Translation*]

In Lachine we are a bilingual community. Side by side and interspersed with one another, in combination with

other ethnic groups which form the mosaic of Canada, the two official languages of Canada meet and intertwine.

[*English*]

It will not have escaped the notice of members of this House that the hon. member for Nipissing, who has just moved the acceptance of the throne speech, is a Francophone from Ontario. He is, therefore, a member of a minority language group in his own province. I, too, am a member of a minority in the province of my residence, the Province of Quebec. However, together we agree that our nation is built of two founding language groups; that each linguistic group must be able to deal with the federal government in the language of its choice. In view of the results of the past election, I should like to go even further.

[*Translation*]

My colleagues and I from the Province of Quebec have not come to this House of Commons to preside over or take part in any discussion as to the right of either language group to address itself to and to communicate with its federal government in the language of his choice. It is not a matter to be discussed. It is a matter of right.

It is not a privilege to be accorded by one government or another, it is an absolute moral and legal right on the part of French Canadians, just as it is on the part of English Canadians, to make use of their language when communicating with this government.

[*English*]

There are those who claim that the bilingualization of the public service has gone too far too fast. May I say with great respect to the members of this House that it has proceeded not too quickly, but altogether too slowly. None the less, the government in its wisdom has seen fit to stress, again because of the confusion,—and I sometimes wonder if the confusion has not been deliberately cultivated and exploited by those opposed to bilingualization—that the process of bilingualization of the Public Service of Canada is limited in scope and absolutely protective of the rights of all members of the public service.

In due course a number of positions—a relatively small number, some 25,000 out of a total of 300,000 public service positions—will be designated as being of a bilingual character. Approximately half of those 25,000 positions are occupied by people who are bilingual. Those holding such positions will have the option of learning a second language or of transferring laterally into positions of equal pay and status and equal opportunity for advancement.

I take this matter to be of the utmost seriousness. Many of us had thought that the great debate on Canadian unity was over; that the issue was at least settled in the sense that Canadians from one coast to another, had accepted the fact that we are a bilingual bicultural nation. It is quite apparent that the subject is not settled, that in the minds of some people there are grounds for further discussion and delay.

[*Translation*]

My colleagues and I from the Province of Quebec do not come to ask this privilege of the government of Canada; we are not here to debate this principle; we shall not debate it. It is an absolute right without which there is no meaning to the word Canada as we know it now.

[*English*]

Bilingualism in the federal government is the primary requisite to the unity of Canada. If there are those in our nation who believe that accessibility to government service in both languages is too much of a problem, then permit me as a Quebec Anglophone to assure those of you who feel that way that you shall soon be presiding over the redrawing of the map of Canada.

The people of Canada recently, through the last election, made a statement. That statement has been interpreted in many ways, more often to suit the needs of the interpreters than to suit the needs and the message of the people. A government today is faced with the obligation of assisting those who need assistance, and giving the widest latitude to those who, not hindered by ill health or economic disaster, can handle their own problems and wish to do so. The programs of this government over the past four years have in many cases been designed to assist those in need. Canadians, I think, are sufficiently charitable and solicitous of their neighbour that they would encourage parliament to provide every opportunity for less fortunate Canadians to overcome obstacles not of their own creation.

The abuse of any program of public assistance must be stopped without delay, lest those without conscience misuse the generosity of the nation. Steps have been taken already to cure such abuse, not by denying our less fortunate citizens the right to our assistance but by ensuring that the few—and there are a very few—cannot abuse the generosity of the Canadian people.

Canadians have also underlined another right, namely the right of every individual to succeed; the right to expect the maximum possible benefits from his work, whether intellectual or physical; the right to assume that agressiveness in the market place is and remains in Canada a talent to be rewarded by success and material comfort. The problem of government is to assure a sense of moral justice that we, as Canadians, help our less fortunate neighbours in every way possible while at the same time assuring the entrepeneur and the employee that their efforts and ingenuity will result in increasing material comfort.

• (1240)

[*Translation*]

To assist those who have a moral claim upon all of us, the Speech from the Throne proposes a modified guaranteed annual income to assist the unemployed, the aged, the blind, and the disabled.

[*English*]

It is of particular gratification, I think, to every member of this House that the elderly, the people who worked to put this country together so that the younger generation might enjoy it and its benefits, shall be further recognized and compensated for their lives of contribution to Canada.

[*Translation*]

Recognizing that there are regional disparities, it is proposed that various provinces shall have the right to impose variations within the social programs set forth, to better assist those in need in their respective areas of jurisdiction. In matters of urban affairs, those who—and they are the majority of Canadians—pass their lives in cities and metropolitan areas are recognized as having special problems.

[*English*]

With land assembly programs and rehabilitation of older neighbourhoods, we should be able to assure Canada that its cities will not be desecrated as have so many others throughout the rest of the world by unplanned expansion. With co-operation between the federal government and the provinces in matters economic, the recommendations of the Economic Council, proposals in the fields of health and education, the foreign ownership of land, together with a suggested western Canada conference on the economic future of the area as well as an extensive set of programs to assist business and the Canadian private entrepreneur, there is every reason to expect that Canadians will enjoy an economy which leaves no man downtrodden by ill luck or disadvantage occurring through no fault of his own and, at the same time, an economy which encourages the businessman, both extensive and small, to develop his business and to show a profit for his ingenuity and capacity.

[*Translation*]

Mr. Speaker, I am honoured to have been given this opportunity to second the motion of the hon. member for Nipissing. May I thank the Prime Minister and his cabinet, as well as yourself, for your courteous patience with a freshman Member of Parliament.

[*English*]

I take pleasure in seconding the Address in Reply to the Speech from the Throne.

On motion of Mr. Stanfield the debate was adjourned.

* * *

BUSINESS OF THE HOUSE

PROCEDURE FOR MOTION ON VIET NAM WAR

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, may I turn now to the question of the resolution standing in the name of the Secretary of State for External Affairs (Mr. Sharp). Our consultations have resulted in an agreement that would permit the House to deal with this resolution at 2 p.m. and that the debate be confined to one spokesman per party with a time limit of 15 minutes. We could then complete that debate at the end of an hour and dispose of the question. I should like to suggest that this agreement be put in the form of a House order and that we resume at two o'clock.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is agreed and so ordered. Is it the wish of the House that I call it one o'clock?

Some hon. Members: Agreed.

Mr. Speaker: It being one o'clock, I do now leave the chair.

[*Translation*]

The House will resume at 2 p.m.

[*English*]

AFTER RECESS

The House resumed at 2 p.m.

EXTERNAL AFFAIRS

VIET NAM WAR—CONTINUATION OF HOSTILITIES

Hon. Mitchell Sharp (Secretary of State for External Affairs) moved:

That this House

1. Has noted with grave concern the continuation of hostilities in North and South Viet Nam as well as in Cambodia and Laos, and deplores the recent large-scale bombing in the Hanoi-Haiphong area;

2. Is aware of the possibility that Canada will be called upon to play some new supervisory role following cessation of hostilities in Viet Nam;

3. Welcomes the resumption of the negotiations for a cessation of hostilities in Viet Nam;

4. Welcomes the cessation of the bombing of the Hanoi-Haiphong area;

5. Requests all the parties involved in the conflict to refrain from acts of a warlike nature that could jeopardize the success of the present negotiations;

6. Requests the government of the United States to refrain from a resumption of the aerial bombardment of the Hanoi-Haiphong area;

7. Requests the Government to convey the text of this resolution to the participants in the Paris negotiations on Viet Nam.

He said: Mr. Speaker, the Canadian people, this House and the government have for many years now been distressed by the continuation of hostilities in Indo-China and by the suffering that events there have wrought upon all those concerned. As I said on December 17 last, when the negotiations between the United States and North Viet Nam appeared to have broken down, the Canadian government deeply regretted that the negotiations had not yet reached a successful conclusion. We welcome the fact that those negotiations have resumed this week.

In the interval, however, we were shaken by the large scale bombing in the Hanoi-Haiphong area. We found it very difficult to understand the reasons for that bombing or the purpose which it was intended to serve. We deplore that action and we have communicated our view of it to the United States authorities.

When at the end of December the United States government decided to stop the bombing in the Hanoi-Haiphong area, we welcomed that. We said so to the government of the United States and we expressed our hope, as friends and neighbours, that the bombing would not resume. That bombing, terrible as it is, is only part of a larger situation

which deeply troubles the Canadian people and which equally concerns the government. There continues to be a high level of hostility and violence on both sides in Viet Nam, and we deplore that as well.

We have not lost sight of North Viet Nam's continued military intervention in the affairs of Cambodia, Laos and South Viet Nam, and in particular the abhorrent disregard for innocent human life displayed in the almost routine attacks against the civilian populations of those countries.

It is, I think, more than a pious hope to say that the issues which have led to a generation of conflict in Viet Nam, and indeed in all of Indo-China, should not be resolved by violence; they should be resolved by negotiations. To all those who believe that, it is distressing to observe the violence which continues while negotiations take place and to contemplate the possibility that the continuation of such violence could endanger the progress of negotiations. Since 1965 when the bombing of North Viet Nam began, Canadian governments have consistently taken the view that resort to force in this form was counter productive in the Viet Nam context.

Canada has a special interest in this matter, and not only because we are close neighbours of the United States. We have been involved in the past 18 years in the thankless task of supervising an earlier settlement and of trying, without success, to make that supervision effective. Beyond that we have been given clear indications of the possibility of our being asked to accept a further role.

It has been indicated to us that Canada would be acceptable to all the parties as one of the members of a new international body which it is expected the present negotiations will create when, and if, they are successful. Canada has not yet been formally invited to participate in this new international presence; indeed, I anticipate that no such invitation will be addressed to any of the potential members until an agreement is concluded. We have, however, been asked to consider the possibility and we have done so most carefully.

Canada would, of course, wish to play a constructive role in assisting a peaceful political settlement if the parties wished it to do so, if that role were within Canada's capabilities and resources and if it held the promise of success. The government has long wished to see military violence end in Viet Nam and to see its friend and neighbour, the United States, disengage itself from that military conflict.

If the parties to that conflict invite Canada to play a role in which we could effectively contribute to a cessation of hostilities there and which would help the United States to end its military involvement in Viet Nam, we would of course consider the invitation sympathetically and constructively. There is no question, however, of Canada, as a part of a new commission, attempting to maintain peace through the use of arms. The implementation of the ceasefire would be the responsibility of the belligerents, and the role being contemplated for a new international commission would be to observe and report on the implementation of those parts of the ceasefire agreement which the commission is asked to supervise.

In considering the invitation to participate in a new commission, however, we would have an obligation to the people of Canada, to this House and to those Canadians who would be asked to go to Viet Nam to implement our role there which, I should emphasize once again, would not be a military role but would involve only observation and reporting, to ensure that Canada's contribution could be a real and effective one and to ensure that Canada's attempt to contribute to peace not be reduced once again to impotence as it has been in the supervisory arrangements in Indo-China that emerged from the 1954 and 1962 Geneva Conferences.

Having our past experience very much in mind, in our discussions with the American authorities and in communications with the other parties to the Paris negotiations, as well as in public statements, the government has developed a number of conditions and criteria on which it would base its judgment on whether Canada should participate in a new international commission for Viet Nam. The first condition, and indeed the ultimate one, is that the provisions for the operation of the new organization, when taken as a whole, should be workable and offer real prospects of being effective.

Moving from the general to the particular, we have also stipulated that all the present belligerent parties, the United States, the Republic of Viet Nam, North Viet Nam and the Viet Cong, should be bound by the agreement the implementation of which the new commission would observe and report upon. In this same category we have required that there would be a "continuing political authority" which would assume responsibility for the settlement as a whole and to which the commission or any of its members would have access through reports or consultations. We would prefer it if such an authority could be provided for in the original agreements, but failing that we consider that it could be established by the international conference which, as we understand it, will be convened 30 days after the ceasefire.

• (1410)

We also have insisted that the proposed new commission should have the freedom of movement and observation within the demilitarized zone and in South Viet Nam necessary to achieve a proper exercise of its functions. Moreover, we have required that Canada should be invited to be a member of the new commission by all of the parties concerned.

In addition to these specific and essential considerations we have, from our broad experience in Viet Nam, put forward a number of other suggestions and requests. The extent to which they were met would also constitute elements in our assessment of the viability of the operation as a whole. As an additional condition we have stated that if all the essential criteria I have already mentioned were satisfied except that which relates to the existence of a "continuing political authority", we would be prepared to consider serving on the commission for a minimum of 60 days during which we would assess the outcome of the international conference with particular reference to the establishment of a "continuing political authority". If no such authority was created or if, once created, it ceased to exist, Canada would have to reserve the right to withdraw at any time, even after the initial two-month period. In

any event, the government would not accept a commitment beyond two years, although some other formula for opting out on shorter notice might be acceptable.

We have also said that we assumed that the necessary logistic support for the new commission would be available from the outset to make its operation substantive and effective or even possible. The government has also urged that unrealistic demands should not be placed upon the new commission in the initial stages particularly, and that no unrealistic expectations should be vested in it. For example, the commission should not be expected to begin functioning in any part of Viet Nam before a ceasefire has been established locally by the belligerents themselves.

In respect of the international conference, it has been our view that it should be free to establish its own relationship with the commission or indeed with other provisions of the agreement or its protocols. The government has also taken the view that participants in the new commission should pay the salary and allowances for their own personnel but should not otherwise be expected to contribute to the general overhead and expenses of the organization. This was an idea originally put forward, that the members of the commission should also pay part of the infrastructure. We took the strongest exception to it.

Should Canada decide to participate, it would signify its acceptance by a formal unilateral communication to the parties. At the same time, the government would also communicate any reservations it may have in respect of the documents embodying the settlement or in respect of the commission or Canada's participation in it.

When all the texts are available, the government will examine them in the light of these criteria, conditions and viewpoints and make its own determination on the viability of the operation and on the existence of a suitable role for Canada. The government is conscious of the fact that there are several possible forms of response open to it between a simple refusal to take part at all to a full and unconditional involvement. The government's assessment of the relevant texts will also take into account the importance of contributing to a scaling-down of hostilities in Viet Nam and to the disengagement of American forces and the return of their prisoners of war. It is conceivable that the result of this examination might suggest a participation limited to certain aspects of the agreement or a participation for a limited period of time rather than an outright refusal or an unqualified undertaking to serve. If so, the parties concerned will be so advised, and if they found this acceptable Canada could take part on a limited basis.

Also drawing on our experience, we are conscious of the dangers of allowing ourselves to be frustrated as a member of the new international organization through the possible application of a rule of unanimity. One way in which this risk could be minimized would be by regarding the new body not as a diplomatic conference held under the normal rules of confidentiality but as an international forum where the proceedings are normally open to the public. Consequently, we would not regard the new commission's proceedings as confidential or privileged in any way unless there was in any particular instance a unanimous decision of all the members to the contrary. We would, instead, consider ourselves free to publicize the proceedings in any way we saw fit to ensure that our view of events and, if necessary, the difference between our view and that of others were publicly available.

In putting forward our conditions it was, of course, not our desire or intention to raise unnecessary difficulties or to seek any special position for ourselves. The fact is that Canada is in an excellent position to judge, from its own experience, what is necessary to a successful operation in international supervision, whether or not we become members of the proposed commission. Some of Canada's experience has been positive. Some of it, notably in Viet Nam, Laos and Cambodia where for 18 years we have tried to make international supervision work, has been profoundly disappointing. From that disappointment we have learned a good deal, and it is the light of what we have learned there that we have arrived at the position I have just described which we believe essential to the success of the operation in which we may be invited to participate.

Because of the possibility that we will be invited to accept a new supervisory role in Viet Nam and because of our long involvement in the Viet Nam problem, Canada, apart from the fact that it shares the interest of the whole world in the settlement of the Viet Nam war, has a particular interest in current developments there and in the negotiations which we all hope will bring an end to the conflict. This House embodies that interest, and I think it would be fitting that the House make known its view of the situation. For that reason we have proposed the motion which appears on the order paper. It is in terms which I believe deserve the support of all sides of the House. I conclude by saying, Mr. Speaker, that it is directed to all the parties in the Viet Nam conflict.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, you can well imagine that it is not without genuine emotion that, as the representative of the people of Saint-Hyacinthe, I rise for the first time in this House, in the company of such distinguished colleagues and facing colleagues no less distinguished. Mr. Speaker, that emotion is all the greater because of the profound importance of the resolution we are concerned with, in regard to which I have the honour to speak on behalf of the Leader of the Official Opposition (Mr. Stanfield) and of all members of our caucus.

I must say, Mr. Speaker, that I should have much preferred, and I know my colleagues would have much preferred, that our first speech in this House should deal immediately with urgent problems, the economic problems that are besetting the people of Canada because we are most anxious to deal as soon as possible with unemployment, cost of living, old age pensions. We were elected to alleviate the anxiety of the Canadian people. Mentioning this anxiety may make our friends across the room laugh, but it certainly does not make the people laugh.

Mr. Speaker, despite our national problems, we are not indifferent to what is taking place elsewhere. We have no right to be. We identify with all our fellow humans, those who are suffering and we must remember that. Therefore,

on behalf of the Leader of the Official Opposition, on behalf of all my colleagues, I am anxious to support the resolution before us. We are aware of the importance of the war in Viet Nam, in Indochina. Human and ecological damages inflicted by air raids are terrifying. To date, there have been over six million casualties of all kinds: killed, wounded, refugees or homeless. This number is said to include at least, some four and half million civilians.

Studies have established that from 1968 to 1972 more tons of bombs have been dropped over Viet Nam than during the Second World War and the Korean War together, four million tons of bombs or the equivalent, it is said, of an atom bomb every five days. Immense areas have been sprinkled with bombs, rockets and mines, tto such an extent that their capacity to sustain a population is jeopardized. So the economic and social structures have disintegrated in a great many villages.

With such facts and many others there is reason to worry and to publicly intervene on behalf of the whole population. Fundamentally, the Viet Nam war is raising a moral issue for all men. How can we as human beings go peacefully to sleep every night with a clear conscience while so many of our brothers have to suffer the pangs of war? How can we be proud of ourselves if we fail to attempt to put an end to this holocaust probably the greatest in the world history?

• (1420)

[*English*]

There can be no doubt, Mr. Speaker, that Canada would gain little from a position adopted by this parliament that tended in a disproportionate way to side with one or the other sides of the conflict. My party is concurring in the motion because we want to side with humanity.

While there may be those in this House who relish any opportunity to attack our neighbours to the south—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Wagner: —that is not a pastime in which we should indulge, and it is not a pastime that is either productive or necessary.

Some hon. Members: Hear, hear!

Mr. Wagner: One thing, Mr. Speaker, must be clear. There is never a good side in war for the civilians affected by the conflict. Some wars may be necessary, some may even be just; but for the innocent civilian, war means inhuman suffering and pain. It means incalculable loss.

With regard to Viet Nam I prefer to avoid making distinctions between the North Vietnamese civilians suffering under heavy bombings and the South Vietnamese civilians being victimized by terrorism of the worst order. Vietnamese on both sides of the demilitarized zone have suffered for too long. Their crops have gone unharvested; children have gone without education: indeed, their education has been that of war and suffering for too long. Therefore, Mr. Speaker, we concur in the motion. We concur because we believe that both sides have the capacity to bring about a just peace and, indeed, a lasting one.

We happen to believe that as friends of the United States we have a duty to make our humanitarian concerns known and understood as clearly as possible. No friendship, even between two countries, can thrive if one of the partners in that friendship is anything less than honest about those things that are important to its people.

We believe, as well, as a nation that began under the stewardship of my colleagues, the hon. member for Prince Edward-Hastings (Mr. Hees) and the hon. member for Qu'Appelle-Moose Mountain (Mr. Hamilton), the type of trade partnership with members of the communist bloc from which both sides have benefited, that we can articulate to the communist bloc our desire that it bring its full weight to bear so that the suffering in Indo-China can come to an end.

Mr. Speaker, I believe that all Canadians desire the suffering in Indo-China to halt. I believe it is in Canada's national and quite selfish interest for long drawn-out wars anywhere in the world to be ended quickly and with no more bloodshed. It is in that frame of mind, and with the desire to have parliament move on to the pressing and important domestic problems that threaten the quality of life of Canadians from coast to coast, that I express my party's support for this motion.

[*Translation*]

Therefore, Mr. Speaker, having in mind the solidarity of our oppressed fellow human beings and a true humanitarian feeling, and not because of any anti-Americanism, we second the motion which does provide that all parties to the conflict refrain from military operations which are likely to be prejudicial to the actual and complete success of the negotiations now taking place.

Mr. Speaker, this position taken by our party is an answer to an invitation which was given to men two thousand years ago and which said: "Peace to men of good will".

• (1430)

[*English*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I would first like to express my congratulations to the hon. member for Saint-Hyacinthe (Mr. Wagner) for his impressive maiden speech in this House and to say that we in this party welcome him as a colleague in the House.

Some hon. Members: Hear, hear!

Mr. Brewin: Mr. Speaker, the New Democratic Party will support the motion moved by the Secretary of State for External Affairs (Mr. Sharp). We do so, not because we would have drafted a resolution in the same language or indeed in the same tone; we feel so passionately about the immense tragedy of the war in Viet Nam and its barbarities that we would like the language to be more emphatic. However, we think it important that the people of Canada through their elected representatives should speak as far as possible with one voice on this matter which is affecting the conscience of the world. We do not propose to move any amendments to the resolution.

It is entirely appropriate that Canadians, who by their proximity to the United States have a special and friendly relationship with that country, should speak out at a time when the senseless and cruel destruction of heavily populated urban centres of North Viet Nam by American aircraft has caused horror and revulsion throughout the civilized world, and not least on the part of many Americans.

It is not the enemies of the United States who feel most strongly on this subject. The good name of the United States of America is involved, and it is the friends of the United States who have believed that the United States is a great and generous nation who most deeply regret seeing the good name of that country besmirched by the action we are discussing.

Some hon. Members: Hear, hear!

Mr. Brewin: We in this party have consistently expressed our vigorous opposition to the American intervention in southeast Asia. We have done so when it has not been politically expedient to do so. We have from time to time condemned the silence and the evasion of our own government on this issue; therefore, all the more we welcome the fact that this resolution has been brought forward by the government.

We have felt that intervention was totally unjustified by international law. It flew in the teeth of the Geneva agreement of 1954 accepted by the community of nations. Its professed purpose was the defence of the right of self-determination for South Viet Nam. In fact, its result has been the imposition of an increasingly repressive dictatorship. The war has had disastrous consequences, not only through massive loss of life and devastation of a whole country but in its implications for the people of the United States itself and, indeed, people throughout the world.

It is fitting that Canada should join leaders of countries such as Sweden and, happily, our fellow members of the Commonwealth, Australia and New Zealand, in expressing what we do today and what has been stated by the Secretary General of the United Nations and religious leaders throughout the world. The leader of the British Labour Party, who is by no means unfriendly to the United States, has seen fit to cancel a lecture tour in that country, to try to impress upon them the feelings of other people on this subject.

We call upon the Congress of the United States to exercise to the full its powers to end the conflict. Just a few weeks ago an official American spokesman used the expression "peace is at hand", yet in a futile effort to influence these negotiations, massive terror has been directed at the civilian population of North Viet Nam. What a Canadian described as "carpet bombing" has been rained down on residential areas, hospitals and embassies. There has been no serious pretence that the bombing has been confined to military targets.

James Reston, the editor of the New York *Times*, a distinguished American writer, has called what happened "power without pity". Even a Republican senator, Senator Saxbe, has said that the U.S. administration has taken leave of its senses. I do not expect the government to make any such statement but I think we in this House are entitled to echo what has been stated by a Republican senator.

Some years ago a famous U.S. general, General Curtis Lemay, said that American policy should be to bomb North Viet Nam back into the Stone Age. At the time, this was thought to be the mere ranting of an extremist but it now appears to have become the policy of the American administration. We, therefore, welcome the clause in the resolution that deplores the recent large-scale bombing. In our view, however, the resolution would be improved if it called for the cessation of bombing altogether. The present resolution limits this to welcoming the cessation of the bombing of the Hanoi-Haiphong area. We think all the bombing should stop, and we would prefer to see the resolution amended in that light. As I have explained, we do not propose to make any formal amendment but we suggest that the resolution could be strengthened in this way. While we welcome the resolution, we wish it dealt with the question of signing the treaty negotiated in October, thus bringing hostilities to an end.

I do not wish to comment on internal political affairs of the United States, but the confidence expressed before November 4 that peace was at hand and the subsequent actions of the administration seem, to say the least, strangely inconsistent. As far as this party is concerned, we wish to state that all military action should be brought to an end and all U.S. troops and military personnel withdrawn from Indo-China. In our view they should never have been there in the first place, and after these many years of savage and barbaric war the only effective answer is complete withdrawal. The President of the United States has spoken of "peace with honour". There can be no honour without peace.

We hope, although the resolution does not mention it, that our government will raise this matter at the United Nations. It is our view that the United Nations is used too infrequently: it is the conscience of mankind and is an instrument that should be used by mankind in crises of this sort. The Secretary General has expressed his deep concern about the situation, and no doubt an overwhelming majority of the nations of the world deeply deplore the continuation of this war and the barbaric way in which it is being conducted. Surely an expression of world conscience, through the United Nations, would have a powerful impact upon the United States where, as I have said, fortunately a number of powerful voices have been raised against the policy that has been adopted by the administration.

I do not wish to delay the vote by making a lengthy speech on the subject; the sooner this resolution is passed, the better. I conclude by repeating the conclusion of a statement on Viet Nam made by our caucus a few days ago: in the name of humanity, the killing must stop.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Gérard Laprise (Abitibi): It is a great pleasure for me to take part in this important debate. I must immediately inform the House that our group support this motion in view of the useless massacres taking place every day in that part of the world. We believe it is important to end this killing which has lasted far too long.

Viet Nam War

However, on reading yesterday's Hansard, I was surprised to find the following statement made by the member for York South (Mr. Lewis), in the next to the last paragraph, left column, page 7:

> We believe, Mr. Speaker, as we said in a statement yesterday, that it is the duty of this parliament, at the earliest possible moment to express its abhorence of the destruction already produced and to appeal to the President and Congress of the United States to end unconditionally—

—and I underline "unconditionally"—

> —all bombing in North and South Viet Nam, to sign the treaty negotiated last fall and to bring an end to all military action on both sides.

Mr. Speaker, I was greatly surprised by this statement, because whether it be a simple scuffle, a street brawl or a war, it takes at least two to fight, and I am yet to be convinced that the United States of America were the only country thrusting itself upon Viet Nam.

I am sure that there is a third party in that war. And when I see demonstrations and hear dissenters like the hon. member for York South shouting in the streets, everywhere: "Yankees go home", I think they should also add "Russia go home, China go home".

I cannot believe that a country as weak as North Viet Nam is said to be can stand up alone to a military power as strong as the combined forces of the U.S. and South Viet Nam. That is impossible.

There has been ample evidence that Russian or Chinese armaments have been found on battlefields. This is an indication that the North Viet Nam communists are having strong support in this war which aims at establishing communism in the whole of Indochina.

• (1440)

Mr. Speaker, in the past wars were often waged for the love of a woman. The ladies will excuse me but this is a fact. On the other hand our modern wars are rather wars for nylon, polyethylene or oil and the Indochina war is an oil war itself and those who will benefit from the huge oil deposits which exist there will have their say since they will control this part of the world.

Mr. Speaker, this nation is composed of seven separate sections and, in my opinion, an additional section should have been inserted between sections six and seven and should read as follows:

> That this House requests North Viet Nam to put an end to subversion by guerilla warfare and requests the U.S.S.R. and Communist China to withdraw from this conflict simultaneously with the U.S.A.

Any war is obviously terrible and if we want this war to end soon each party involved should show enough goodwill in their negotiations and actions to prove that it is possible to grant the Vietnamese people, whether from North or South Viet Nam, complete liberty to choose their own government. Thus the neighbouring countries will be reassured, mainly Laos and Cambodia which are quite aware that as soon as the American forces withdraw from Indo-China, communism will extend to their own territory.

Mr. Speaker, as a member country of the International Control Commission in Vietnam, we are not quite sure until now of the importance of our participation as was the case for about all our previous participations of this kind and Canada, through the Secretary of State for External Affairs (Mr. Sharp), has stated that, if required, we were prepared to provide a control commission with all possible assistance to see that cease-fire is enforced.

Mr. Speaker, this control commission of which Canada would be a member should have free access to all information. After the cease-fire, it should have carte blanche to have it respected by the parties concerned, otherwise it will not be able to fulfil its task.

So, Mr. Speaker, it is obvious that, for humanitarian reasons, we must make the necessary recommendations and accept this resolution so as to stress, not only to the Americans but also to the other party concerned, the necessity, the urgency and the wish that this war cease as soon as possible.

[*English*]

Motion agreed to.

On motion of Mr. MacEachen the House adjourned at 2.50 p.m.

HOUSE OF COMMONS

Monday, January 8, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

MISCELLANEOUS ESTIMATES

PRESENTATION OF REPORT OF STRIKING COMMITTEE

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I have the honour to present the first report of the Striking Committee. As I would like to move concurrence in this report on motions I should like to read it. It is very brief and reads as follows:

Your committee recommends that the Standing Committee on Miscellaneous Estimates be composed of the following members: Messrs. Alexander, Balfour, Caouette (Charlevoix), Clermont, Comtois, Demers, Gauthier (Ottawa East), Grafftey, Langlois, Leblanc (Laurier), Lundrigan, Mather, McGrath, Nielsen, Orlikow, Poulin, Reilly, Roy (Laval) and Woolliams.

CONCURRENCE IN REPORT OF STRIKING COMMITTEE

Hon. Allan J. MacEachen (President of the Privy Council) moved that the first report of the Striking Committee, presented this day, be concurred in.

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

Motion agreed to.

* * *

SUPPLEMENTARY ESTIMATES(A), 1972-73

A message from His Excellency the Governor General transmitting Supplementary Estimates(A) for the financial year ending March 31, 1973, was presented by Hon. C. M. Drury (President of the Treasury Board) and read by Mr. Speaker to the House.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, pursuant to Standing Order 59 I move:

That the Supplementary Estimates(A), 1972-73, tabled this day, be referred to the Standing Committee on Miscellaneous Estimates.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, of course this is not a debatable motion, but on a point of order I should like to say that while we accept this motion we do so without prejudice to our right to assert when the estimates are considered by the committee that they include Governor General's warrants. In accepting the motion now we reserve the right, if necessary, to take exception to the use of Governor General's warrants which are payments urgently required for the public good. Our acceptance now is without prejudice to that right being asserted later.

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

Some hon. Members: Agreed.

Motion agreed to.

* * *

TRADE

IMPOSITION BY UNITED STATES OF DUTY ON MICHELIN TIRES IMPORTED FROM CANADA—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I rise under the provisions of Standing Order 43 to ask leave of the House to move a motion on a subject of urgent and pressing necessity. In view of the wide repercussions of the recent duties imposed by United States authorities on Michelin tires manufactured in Canada, raising consequent questions about our regional economic development policies, I move, seconded by the hon. member for Central Nova (Mr. MacKay):

That the Minister of Industry, Trade and Commerce and the Minister of Regional Economic Expansion meet immediately with their United States counterparts for the purpose of ascertaining whether the Americans would rescind these duties until multilateral trade talks between our two nations take place.

Mr. Speaker: Motions under Standing Order 43 require the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity so the motion cannot be put and debated at this time.

ORAL QUESTION PERIOD

TRADE

IMPOSITION BY UNITED STATES OF DUTY ON MICHELIN TIRES IMPORTED FROM CANADA

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. In view of the worrisome precedent set by United States authorities in imposing a duty on Michelin

tires, with possible international repercussions and a direct effect on Canadian regional development policies, will the minister now say whether this in fact is an isolated case as he indicated earlier?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I did not make any such direct assertion that it was an isolated case. I said at that time I hoped it would be, and that continues to be the case.

Mr. MacKay: Mr. Speaker, is the minister now aware that two of seven Canadian pulp companies which were recently hit by United States tariffs in respect of their products were also in receipt of DREE aid, and how does he propose to deal with this situation in the general context of regional development policies?

• (1410)

Mr. Jamieson: Mr. Speaker, I think that question is so broad in scope it would be impossible for me to answer it in terms that you would permit. I would be glad, however, to discuss it with the hon. member, obtain more specific data from him and try to give him an answer.

Mr. Lloyd R. Crouse (South Shore): I have a supplementary, Mr. Speaker. Since both the federal and provincial governments have large sums of money committed in the form of grants or loans to Michelin, is any co-ordinated action being undertaken by the federal government and the premier and government of Nova Scotia toward having the special import duty on Michelin tires reviewed or rescinded?

Mr. Jamieson: The answer is yes, but perhaps my colleague the Minister of Industry, Trade and Commerce, who is more directly concerned with what I might describe as foreign trade matters, might be able to amplify.

Mr. Lewis: Mr. Speaker, I should like to ask a supplementary question.

Mr. Crouse: Mr. Speaker, the Minister of Industry, Trade and Commerce should be allowed to reply to my question.

Mr. Speaker: Order, please. Perhaps the hon. member for York South might be recognized now. The minister might be allowed to reply to the question on this subject asked by the hon. member for South Shore, but I have recognized the hon. member for York South. We might allow him to ask his question and then come back to the other question.

MICHELIN TIRE COMPANY—PROPOSED PLANT IN UNITED STATES—MAINTENANCE OF CANADIAN PRODUCTION

Mr. David Lewis (York South): Mr. Speaker, I wish to direct my question to the Minister of Industry, Trade and Commerce on this same subject. In view of the fact, as already stated, that both the federal and provincial governments have made large grants to Michelin and in view of the company's announcement that it intends to build a plant in the United States, will the minister inform the House whether the government has obtained assurances from Michelin that it will continue to produce and export the number of tires it undertook to produce and export at the time the DREE grant was applied for and received by the company?

Mr. Speaker: The Minister of Industry, Trade and Commerce in replying to this question might at the same time reply to the question of the hon. member for South Shore which I believe was substantially the same.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, on the first question, representations will be made to the United States authorities—

Mr. Baldwin: Will be made or have been made?

Mr. Gillespie: Representations have been made, but additional representations will be made in view of the finding now made by the United States administration. On the second point of the hon. member for York South, the question of assurances, so far as I am concerned the commitment stands.

Mr. Lewis: I have a further supplementary, Mr. Speaker. I should like to ask the minister whether in any representations made to the government of the United States the minister or any other member of the government is seeking assurances from Washington that this unilateral action in the case of Michelin tires and in the case of some other products will not be continued in respect of any other exports from other firms receiving government grants in this country?

Mr. Gillespie: Mr. Speaker, the answer is yes.

Mr. Lewis: Is that part of the trade negotiations continuing with the United States government? Are those negotiations in fact continuing and is the auto pact part of those negotiations as well as this problem?

Mr. Gillespie: The question of negotiations with the United States will after confidence is given to the government by the House. I would expect discussions to start shortly thereafter. With regard to the particular point of Michelin, we would hope it is an isolated situation. I think it is worth pointing out to the House that this was not an initiative of the United States government but was in response to a complaint by the United States rubber manufacturers.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the minister's statement that he does not intend to do anything about this matter until there is a vote of confidence I should like to ask him whether he believes a government that sits back and does nothing about this matter deserves a vote of confidence?

Some hon. Members: Hear, hear!

MICHELIN TIRE COMPANY—INQUIRY AS TO REMISSION OF DUTIES ON IMPORTS INTO CANADA

Mr. Lewis: I have a further supplementary question, Mr. Speaker, this time to the Minister of Finance. In view of the statement made by Michelin to the United States Com-

missioner of Customs that the company had been promised by the previous Minister of Finance, Mr. Benson, that there would be tariff remissions on Michelin tires imported into Canada, will the Minister of Finance inform the House whether such a promise was in fact made and whether that promise is still in effect or whether, as I hope is the case, the government has had enough sense to rescind it?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I cannot accept the preamble to the question because I was not party to any negotiations that might have taken place between my predecessor and Michelin Tire, but I can assure the hon. member that there has been no remission of duty.

CANADA-UNITED STATES—INCLUSION OF MICHELIN TIRE PROBLEM IN DISCUSSIONS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Can he tell the House whether the question of countervailing duties and our regional economic policies is one of the irritants in the continuing negotiations that will evidently resume after the vote in the House?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Not as far as I am aware, Mr. Speaker. As my colleague said, this action arose out of a complaint by a United States manufacturer; it was not instituted by the government of the United States.

Mr. Nowlan: Does the Secretary of State for External Affairs intend to add this matter to the list of subjects for discussion between the United States and this country when and if he decides to enter into such discussions again?

Mr. Sharp: Yes, Mr. Speaker. Like all members of the House, we hope that the question of assistance to various regions in this country will not be frustrated by action of that kind.

* * *

[*Translation*]

AGRICULTURE

DAIRYING—SUGGESTED INCREASE IN SUBSIDIES

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, may I direct a question to the Minister of Agriculture?

Since there is an increased demand for dairy products, will the minister advise the Canadian Dairy Commission to increase subsidies for the next dairy year?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we are having a meeting with the Dairy Commission one day this week, at which time this will be discussed.

QUEBEC—LOANS TO FARMERS—INQUIRY AS TO AGREEMENT WITH PROVINCE TO PAY HALF OF LENDERS' LOSSES

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Can he inform the House whether he has signed an agreement with the Quebec government whereby the federal government will pay half of the losses that financial institutions suffer in making loans to farmers in that province.

Hon. E. F. Whelan (Minister of Agriculture): I would have to check, Mr. Speaker, to see what papers I did sign. I have no recollection of such a document.

Some hon. Members: Oh, oh!

Mr. Murta: While the minister is checking to see what papers he has signed, I wonder if he could indicate whether a similar program would be available to other farmers in other provinces of Canada?

Mr. Whelan: I can say as Minister of Agriculture that any programs under my signature that apply to one part of Canada will apply to farmers in other parts of Canada.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): What about Peace River?

[*Translation*]

FEED GRAIN—REQUEST FOR PAYMENT OF SUBSIDIES

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to direct a question to the Minister of Agriculture.

Does he intend to take immediate steps in order to do justice to the Canadian or Quebec farmers, especially those from the Saint-Hyacinthe constituency, who have been waiting months for the $400 subsidy which has been refused or unduly delayed for administrative reasons?

I see that the matter makes the government members sneer—

Mr. Speaker: The hon. member having asked his question, the minister could perhaps reply.

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): I know that you, Sir, are personally aware of some of these problems in other parts of Canada than Saint-Hyacinthe. I am sure the Chair is aware of how just the Department of Agriculture has been and will be in dealing with them, and you can be sure we will deal with them in a just and fair manner.

• (1420)

[*Translation*]

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

Until such time as an adequate bill is passed, does the minister intend to take steps to help the Quebec farmers, specially those of Saint-Hyacinthe, who face an unbelievable high increase in the cost of feed grains in the province?

[*English*]

Mr. Whelan: Mr. Speaker, I think we have made the picture as clear as possible. We are reviewing the whole topic of how to supply feed grain equitably all across the nation. If the hon. member has any suggestions on how we can act any better or any faster, I would be pleased to hear them.

* * *

OLD AGE SECURITY

INQUIRY AS TO INCREASE IN BASIC AMOUNT AND LOWERING OF AGE OF ELIGIBILITY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the general reference in the throne speech to the taking of steps to improve the economic conditions of old age pensioners, may I ask the minister if those steps will include an increase in the basic amount of the old age security pension? Will they also include a lowering of the eligibility age?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I expect to be able to make a statement in the House on this subject later on.

Mr. Knowles (Winnipeg North Centre): When is "later on"? Could it be this week?

Mr. Speaker: Order, please.

* * *

UNEMPLOYMENT INSURANCE

ELIGIBILITY OF LOCAL INITIATIVE PROJECT ORGANIZERS FOR BENEFITS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Is the government about to notify all local initiative project organizers that they are no longer eligible for unemployment insurance benefits?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, this kind of ruling emanates from the Department of National Revenue. In light of the story that appeared in the press this morning I have asked my officials to review that aspect of it, and I shall be able to advise the House further after discussions have been completed.

Mr. Fraser: As a supplementary question, Mr. Speaker, can the government assure this House that organizers of local initiative projects who are contributing to the unemployment insurance fund will remain eligible for unemployment insurance benefits?

Mr. Andras: Mr. Speaker, I would not give that assurance until I have completed the examination to which I have referred. I can, of course, assure the hon. member, and through him those people affected, that if they are not eligible for benefits all the premiums they have paid into the fund will be refunded to them. But until this examination is completed I would not go further at this stage.

Mr. Fraser: Can the minister tell us if the reports that have appeared in the newspapers today, to which he alluded, indicate a change of policy on behalf of the government?

Mr. Andras: No, Mr. Speaker, they do not indicate a change of policy. As I indicated in my earlier answer, that decision was made by the Department of National Revenue ruling whether the person involved was an employer or not for the purpose of getting unemployment insurance benefits. What I am saying is that we are reviewing that decision with the various departments involved.

* * *

EXTERNAL AFFAIRS

VIET NAM—PROPOSED PEACEKEEPING FORCE—INQUIRY AS TO MEETING BETWEEN CANADA AND OTHER SUGGESTED MEMBERS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Has the Canadian government proposed a meeting with the other three countries that have been proposed for a peacekeeping role in Viet Nam—Hungary, Indonesia and Poland—to work out satisfactory conditions for carrying out such a role and, if not, does the Canadian government intend to propose such a meeting in the very near future?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer to the question is simply no. However, we have been in touch with representatives of these countries. Since we have not made a decision to participate, of course it would not be appropriate for us to have meetings on the basis of which we would be committed.

Mr. Hees: Mr. Speaker, since we all hope that the time is coming very close when such a peacekeeping role will be necessary, is the government simply going to allow itself to drift along once again into a situation of this kind without doing any preparatory work—

Mr. Speaker: Order, please.

Mr. Hees: —as has often been the case in the past?

Mr. Speaker: Order, please. I am sure the hon. member realizes that a question in those terms is not in order.

* * *

INCOME TAX

TIME OF REINTRODUCTION OF AMENDMENTS TO ACT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct a question to the Minister of Finance. In elaboration on the reply given by the Prime Minister to the Leader of the Opposition the other day, would the minister advise the House if it is the intention of the

government to reintroduce what was known as Bill C-222 immediately or within the next few days rather than wait for the budget that may come in the weeks ahead?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I thought I dealt with that in some detail on Friday. I am having consultations with the House leader as to the best way of reintroducing the substance of Bill C-222.

Mr. Lambert (Edmonton West): Without waiting for the budget?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the issue is open until I have had a full opportunity to canvass this with my colleagues.

PROVISION OF FORMS FOR 1972 RETURNS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary either to the Minister of Finance or the Minister of National Revenue. Will the minister's decision have any effect on when taxpayers will be able to secure the proper forms for tax returns for last year?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, the answer is no. Preparation of the tax return forms takes about three and a half months. The decision was made in the middle of last September to prepare them so that they could go out starting this week, I hope, in order that people entitled to refunds could file and have their returns processed as quickly as possible.

Mr. Baldwin: Have you got enough trucks to send them out?

Mr. Speaker: The hon. member for Hamilton West.

[*Translation*]

Mr. Caouette (Témiscamingue): Mr. Speaker, I rise on a point of order.

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

Mr. Caouette (Témiscamingue): Mr. Speaker, I can understand why you are used to seeing me sit on the other side of the House but I must point out to you that I am here now.

Mr. Speaker: Order.

Mr. Caouette (Témiscamingue): I got up at least half a dozen times.

Mr. Speaker: Order. I did not see the hon. member but I did hear him. I shall recognize him in a moment.

[*English*]

For the moment I recognize the hon. member for Hamilton West.

Oral Questions

MANPOWER

LOCAL INITIATIVE PROGRAMS—APPROVAL OF PROJECTS AND DISTRIBUTION OF FUNDS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. In light of the fact the minister indicated on December 6 that he would direct his officials to process LIP programs in order that the new funds in the sum of some $80 million could be allocated immediately and since we are now in January, can the minister inform the House whether all the funds have now been distributed? I understand that some $50 million worth of projects are sitting on his desk awaiting approval.

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, they are not sitting on my desk awaiting my approval but about $50 million of the fund is still being examined in terms of the some 11,000 project applications we have had and we are processing these just as quickly as possible.

An hon. Member: Are they for summer employment?

Mr. Speaker: Order, please. A number of members would like to ask supplementaries but perhaps in fairness the Chair should recognize the hon. member for Témiscamingue. I recognize that he should have been called before. I realize that there are a number of supplementaries on the subject raised by the hon. member for Hamilton West, but I now recognize the hon. member for Témiscamingue and we will take the supplementaries later.

* * *

[*Translation*]

REGIONAL ECONOMIC EXPANSION

CLOSING OF CIP PLANT IN TEMISCAMING—DISCUSSION WITH QUEBEC AUTHORITIES RESPECTING REOPENING

Mr. Réal Caouette (Témiscamingue): Thank you, Mr. Speaker. What I am afraid of over here is the questions of the Progressive Conservatives.

Mr. Speaker, I have a question for the Minister of Regional Economic Expansion.

I apologize for coming back to this matter, but since Friday has his department had further communications with the provincial authorities of Quebec in connection with the CIP plant in Temiscaming?

[*English*]

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): No, Mr. Speaker, not specifically with regard to that particular project. The consultation to which I referred on Friday was with the minister, my counterpart in the province of Quebec, and it related to a meeting which we are proposing to hold later this week and at which I have no doubt the Temiscaming question as well as a number of others will be discussed.

[*Translation*]

POSSIBILITY OF DECLARING TEMISCAMING SPECIAL AREA

Mr. Caouette (Témiscamingue): Mr. Speaker, I would like to ask a supplementary question.

Is it the intention of the minister or his department to designate the town of Temiscaming as a "special area"?

[*English*]

Mr. Jamieson: Mr. Speaker, this would be part of any proposal that we might be able to work out in order to assist this particular project. As the hon. member knows, it is quite complex from a variety of angles and this is what we are looking at now not only in consultation with Quebec; I hope also to talk with the promoters of the project.

* * *

MANPOWER

LOCAL INITIATIVE PROGRAMS—APPROVAL OF PROJECTS AND DISTRIBUTION OF FUNDS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a short supplementary to the Minister of Manpower and Immigration in view of the enlightening statement he just made in regard to the $50 million which apparently means some 50,000 jobs. Can the minister inform the House when he intends to have the balance of this money allocated? Can he give us some indication of when this money will be distributed?

• (1430)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I could not give a precise date, but in all sincerity, it will be done just as quickly as it can be done wisely.

* * *

COMMUNICATIONS

BELL CANADA RATE INCREASE APPLICATION—REQUEST FOR STATEMENT

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, I have a question for the Minister of Communications. In view of the concern about inflation and price increases expressed in the Speech from the Throne, will the Minister of Communications make a statement on motions concerning the government's attitude toward Bell Canada's imminent application for a rate increase?

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, I do not deem it necessary to make a statement on this subject at the moment. The hon. member knows that hearings before the Transport Commission have begun today or will in a day or two. Therefore, I do not think it would be appropriate to make a statement at this time. However, if it became clear that such a declaration were needed, I would not hesitate to do so.

[Mr. Jamieson.]

[*English*]

Mr. Speaker: The hon. member for Calgary North.

Mr. Grier: Mr. Speaker—

Mr. Speaker: Order, please. I apologize to the hon. member for Calgary North. Perhaps we might allow a supplementary to the hon. member for Toronto-Lakeshore.

Mr. Grier: Thank you, Mr. Speaker. Will the minister assure the House that he will at least draw the attention of the Canadian Transport Commission to the fact that two of Bell's subsidiaries in the fiscal year 1971-72 received $8.8 million in federal grants, according to the public accounts released today?

Mr. Speaker: Order, please. I think the hon. member will appreciate that that is a representation. The hon. member for Calgary North.

* * *

FEDERAL-PROVINCIAL AFFAIRS

DATE OF CONFERENCE WITH WESTERN PROVINCES—AGENDA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I ask the Prime Minister whether the date has been set for the proposed conference between the federal government and British Columbia, Alberta, Saskatchewan and Manitoba and whether a statement will be made to the House as to the priorities that will be discussed in reference to the economic opportunities as mentioned in the Speech from the Throne at that western conference?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as to the date, none has been set. The announcement, of course, was only made last week in the Speech from the Throne and exchanges are now taking place between the provinces and myself to try to find a date and place for that conference as well as a proper agenda. On the second part of the question, the hon. member will see that in the Speech from the Throne itself several examples of things that we think should be discussed are given there.

Mr. Woolliams: Mr. Speaker, may I ask one supplementary following what the Prime Minister said. Is the Prime Minister considering discussing with the western provinces in particular that phase of the change in taxation under which the estate tax was abolished and replaced by a capital gains tax so that those provinces will share, as they did in the previous tax provisions, to the extent of 75 per cent of the national revenue?

Mr. Trudeau: Mr. Speaker, we will refuse to discuss no subject which is placed on the agenda by the provinces themselves. I would hope that at this particular conference we would especially consider items which have to do particularly with the economic development of the western provinces and not necessarily with subjects that are common to all provinces, or a multitude of provinces, and which can be discussed at other forums such as the finance ministers' meetings.

MANPOWER

LOCAL INITIATIVE PROGRAMS—REQUEST FOR STATEMENT ON PROGRESS IN APPROVING PROJECTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is supplementary to that asked by the hon. member for Hamilton West of the Minister of Manpower and Immigration. In view of the deep concern on the part of organizations, particularly in areas of high unemployment, over the delays in having their local initiatives projects approved, would the minister investigate the reasons for the delays and make a statement on motions at the earliest possible opportunity outlining the reasons for the difficulties, the state of progress at present and the expected date of final approvals?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will give that request consideration.

ACTION TO EXPEDITE DEPARTMENTAL LABOUR-INTENSIVE PROJECTS

Mr. Marshall: Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Under the $60 million federal labour-intensive program to bring forward departmental projects contemplated for future years, what action has the minister taken to put this program into effect and what criteria are being used as to the allocation of funds among the various departments and regions?

Mr. Speaker: Order, please. I assume the hon. member would expect the minister to give that information by way of a statement on motions.

LOCAL INITIATIVE PROGRAMS—ALLEGED DELAY IN CONSIDERING APPLICATIONS FROM BRITISH COLUMBIA

Mr. Frank Howard (Skeena): Mr. Speaker, may I ask a supplementary question. Could the Minister of Manpower and Immigration explain to the House why it was, particularly in British Columbia, according to my personal knowledge, that all LIP applications for municipalities were postponed and given the last possible consideration for approval, thus preventing many municipalities from implementing programs before Christmas?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I was most certainly not aware of that condition. If the hon. member can give me details, I will be glad to investigate. As it stands now, I was not aware of that situation.

* * *

TRANSPORT

INQUIRY AS TO ACTION TO PREVENT CLOSING OF RAILWAY STATIONS IN WESTERN CANADA

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is for the Minister of Transport. Does the minister propose any particular action to forestall the closing of many railway stations in western Canada, many of which are revenue producing?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): In my opinion, Mr. Speaker, the question is somewhat of a general nature and I would like to know the names of the stations referred to by the hon. member. I shall then be in a position to give him an answer.

[*English*]

Mr. Korchinski: Does the minister plan to have any meetings with the provincial authorities on this whole question, at which time all those names will be placed before him?

Mr. Marchand (Langelier): I say, Mr. Speaker, that I will meet the provinces not only on this but on the freight rate problem and many other problems as well.

Mr. Korchinski: When?

Mr. Marchand (Langelier): After the throne speech debate.

Mr. Baldwin: Which one?

Mr. Korchinski: The minister is on record, Mr. Speaker.

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a supplementary question for the Minister of Transport. Can the minister inform the House whether his department is looking into the possibility of postponing the 1975 date for rail line abandonment, in conjunction with the problem raised by the hon. member for Mackenzie?

Some hon. Members: Answer!

Mr. Speaker: Order, please. Is the hon. member rising on a point of order?

Mr. Knight: Mr. Speaker, I asked the minister a question relating to the abandonment of rail lines by 1975 under applications by the railways to the Canadian Transport Commission. I hope the minister will inform himself about this major problem facing western Canada. I ask the minister again if there will be—

Mr. Speaker: Order, please. The hon. member has already asked his question.

* * *

PUBLIC SERVICE

INQUIRY AS TO INTRODUCTION OF AMENDMENTS TO STAFF RELATIONS ACT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the President of the Treasury Board. Can the minister give the House some information as to when he intends to bring in amendments to the Public Service Staff Relations Act and whether we can anticipate legislation before the end of January?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as the hon. member knows, I am not in control

of the House timetable. I will discuss this with the House leader.

[*Later:*]

Mr. Forrestall: Mr. Speaker, may I direct a brief supplementary to the government House leader. Can he indicate what priority the government attaches at present to amending the Public Service Staff Relations Act and other related acts of the parliament of this country?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, in reply to that point, while we attach importance to changes to be made in that piece of legislation, I would not think that we could expect to see any bill for some time yet, certainly not in January.

* * *

LABOUR RELATIONS

WEST COAST LONGSHOREMEN—ACTION TO BRING ABOUT SETTLEMENT OF DISPUTE WITH MANAGEMENT

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I direct my question to the Minister of Labour. Can he assure the House and country that his department is making every effort to keep management and labour at the bargaining table in the B.C. dock workers labour dispute?

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker. I would advise the hon. member that the parties had a ten-hour session on Friday. Much was accomplished. I think the parties intend to meet again to endeavour to resolve this dispute.

Mr. Horner (Crowfoot): Is management prepared to go back to the bargaining table after the session on Friday?

Mr. Munro (Hamilton East): Mr. Speaker, I have had no indication to the contrary yet.

* * *

[*Translation*]

PENITENTIARIES

INMATES' SUICIDES AND DRUG TRAFFIC—REQUEST FOR INQUIRY

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the hon. Solicitor General.

Since several prisoners committed suicide lately in many penitentiaries and since a sixteen-year-old inmate of St. Vincent de Paul penitentiary hanged himself in his cell last Friday, will the hon. minister do something about that matter?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I was informed about this unfortunate incident last Friday and asked for a full report. It seems that the unfortunate young man was seen in his cell at 11.30 p.m. and was found dead half an hour later. I have asked for a full report and will provide details to the House as soon as possible.

[*Translation*]

Mr. Beaudoin: I have a supplementary, Mr. Speaker.

Will the inquiry the minister intends to hold also touch upon the suspected drug traffic in federal penal institutions?

[*English*]

Mr. Allmand: Mr. Speaker, I have asked for another report on the drug problem arising from another incident that took place at the Leclair Institute on the weekend. I hope to have a full report on that as well, but that is a separate inquiry.

* * *

AIR TRANSPORT

INQUIRY AS TO ANNOUNCEMENT OF NEW CHARTER FLIGHT REGULATIONS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct a question to the Minister of Transport. Can the minister inform the House when the new regulations affecting new air charter flights will be officially announced by the Canadian Transport Commission?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I do not know exactly when it will be. I know it is under study and as soon as I have any information I will be happy to communicate it to the hon. member.

Mr. Mazankowski: As the regulations have not been officially released at this time, would the minister be prepared to investigate why some airlines and some air charter firms are advertising and indeed promoting new charter flight schedules based on the new rules?

Mr. Marchand (Langelier): Mr. Speaker, I will look into this.

* * *

CANADIAN NATIONAL RAILWAYS

INQUIRY AS TO AGREEMENT WITH BRITISH COLUMBIA RAILWAY ON CONNECTING LINE IN SQUAMISH-LILLOOET AREA OF BRITISH COLUMBIA

Mr. Harry Olaussen (Coast Chilcotin): Mr. Speaker, I wish to direct a question to the Minister of Transport. Can the minister inform the House whether Canadian National Railways has yet decided to commit itself to some agreement with the British Columbia Railway with regard to a possible connecting line in the Squamish-Lillooet area of British Columbia in order to provide an alternate route to Vancouver?

• (1440)

Hon. Jean Marchand (Minister of Transport): I do not think an agreement has yet been reached but I believe that many meetings have been held between the two railways and I am hopeful that within a very short while—it may be a matter of days—an agreement can be reached by them.

Mr. Olaussen: Would the minister undertake to make a statement on motions at the conclusion of these discussions?

Mr. Marchand (Langelier): I do not think it would be necessary if an agreement should be reached. The hon. gentleman would only have to read the agreement.

* * *

POST OFFICE

INQUIRY AS TO CONCILIATION REPORT ON POSTMASTERS IN SMALL TOWNS AND RURAL COMMUNITIES

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a question for the Postmaster General. Can the Postmaster General inform the House when the conciliation report providing a fair deal for the 8,000 members of the Canadian Postmasters Association serving small town and rural communities will be brought down?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, I think that the report has already been made public. It has been given to the employees who have considered it and are now voting on it. I think that the hon. member can easily get a copy of this report.

[*English*]

Mr. Dinsdale: I am referring to the conciliation report dealing with the 8,000 members of the Canadian Postmasters Association in small town and rural communities. The reason my question is urgent is that the last contract expired in September and the present rates are altogether inequitable. Could the minister—

Mr. Speaker: Order, please. Perhaps the hon. member will allow the minister to reply.

[*Translation*]

Mr. Ouellet: I am going to check, Mr. Speaker—

INQUIRY RESPECTING DELEGATION OF OBSERVERS TO POSTAL WORKERS' MEETINGS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a supplementary question.

Could the minister state whether, when meetings do take place to consider the pros and cons of the vote concerning going on strike or not, at the Post Office Department, his department intends to send observers in order to find out exactly what is going on?

Hon. André Ouellet (Postmaster General): The vote ends today, Mr. Speaker.

[*English*]

INQUIRY AS TO ACCEPTANCE BY GOVERNMENT OF CONCILIATION BOARD REPORTS ON DISPUTE WITH POSTAL WORKERS

Mr. James A. McGrath (St. John's East): I have a supplementary for the President of the Treasury Board. In view

of the fact that balloting has concluded, can the hon. gentleman inform us whether or not the government intends to accept the report from the conciliation board on the postal situation?

Hon. C. M. Drury (President of the Treasury Board): I do not think the result of the balloting is yet known.

* * *

[*Later:*]

INQUIRY OF THE MINISTRY

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is addressed to the Prime Minister and it is really supplementary to a question asked of him earlier. Will the right hon. gentleman tell the House whether he is planning any further federal-provincial conferences for other areas of the country when economic conditions reach the same deplorable state there as they have reached in the west?

Mr. Speaker: Order, please. The hon. member's question is hypothetical.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—ROAD BUILDING AND RUNWAY EXPANSION—INTENTION AS TO MEETING WITH SEA ISLAND RESIDENTS CONCERNING COMPLAINTS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is directed to the Minister of Transport. In view of the numerous pleas which were made to the Prime Minister and to the Minister of Transport, requesting their personal intervention concerning the problems inflicted on the residents of Sea island by the proposed road building and runway expansion at Vancouver International Airport, may I ask whether it is the intention of the Prime Minister or the Minister of Transport to meet personally with the people involved and investigate their charges of injustice and discrimination?

Right Hon. P. E. Trudeau (Prime Minister): I have had some exchanges with these people by way of correspondence, and so has the previous Minister of Transport. My recollection of the matter is that the representations made in their last letter to me had been sufficiently answered by the then Minister of Transport. A copy of the letter was sent to myself. I will check whether there has been any further arrival of representations to myself or to the Minister of Transport in recent weeks.

Mr. Reynolds: Would the Minister of Transport see fit to meet with these people before the meeting which is to be held on January 17 regarding access to the bridge, and would he also discuss at that time the meeting being held today in Vancouver concerning the airport?

Hon. Jean Marchand (Minister of Transport): If there are any complaints and anybody wishes to meet with me I will look into the file and be ready to arrange such a meeting if it seems useful.

Oral Questions

FISHERIES

EAST COAST SALMON FISHING BAN—PROVISION OF APPEAL PROCEDURE RESPECTING COMPENSATION TO FISHERMEN

Mr. G. A. Percy Smith (Northumberland-Miramichi): Mr. Speaker, my question is for the Minister of Fisheries and it relates to the ban on salmon fishing on the east coast of Canada. Having in mind the widespread concern expressed by salmon fishermen over the amount of the final payment in respect of compensation for loss of income, will the minister consider immediately an appeal procedure for the fishermen who feel they were treated unfairly by his department?

Hon. Jack Davis (Minister of Fisheries): The answer, of course, Mr. Speaker, is yes. I will personally take an interest in any appeal under this unique program. If the hon. member knows of individual cases where I can be of assistance I shall be glad to review them personally.

Mr. Tom Bell (Saint John-Lancaster): Since there is evidently an appeal procedure, will the minister show some interest in the fisheries, back up the promises which were made and investigate from an Ottawa standpoint this whole sorry mess?

Mr. Speaker: Order, please.

* * *

NORTHERN AFFAIRS

NORTHWEST TERRITORIES—MAINTENANCE OF EMPLOYMENT FOR INDIANS ON CLEARING OF RIGHT OF WAY

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In view of the high unemployment in the Northwest Territories and in view of the concern felt by a number of people who were working on the Hire North project—the clearing of a right of way in the Northwest Territories—that they will be laid off, would the minister be willing to make a statement at this time to alleviate their anxiety?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, following representations we received, work resumed this morning on the work site and all the Indians who were working on this project and who report for duty in the coming days will be hired and we hope to start a new project that will be carried on later during the year.

[*English*]

Mr. Erik Nielsen (Yukon): Could the minister give the House his assurance that the Mackenzie corridor, sometimes called highway or road, has not, in fact, been abandoned but will be a continuing project?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we did not decide to stop the construction of the Mackenzie Highway, we are proceeding with it. But, as we should, we must take into account both the interests of the Indians and those of ecology, and that is why we are proceeding at a speed that allows for the hiring of Indians and the protection of the environment.

[Mr. Marchand (Langelier).]

[*English*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed from Friday, January 5, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

• (1450)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, first of all may I say how pleased we are to see you in what has become to us your accustomed place, and to give you my renewed assurance of our co-operation and confidence in you in the discharge of your arduous duties and responsibilities.

Some hon. Members: Hear, hear!

Mr. Stanfield: I wish also to extend my personal best wishes and, if I may, cordial welcome to the new members among us, approximately 60 of whom sit on this side of the House in this party. I think they have all sensed, as I have, that this may well be one of the most interesting and challenging parliaments in our history. I share with them a sense of deep responsibility, and the hope that what we do here during this parliament will add to the distinction of this honoured place as well as bring benefit to the people of Canada whose interests we serve and whose needs and aspirations we must represent.

Hon. members will be well aware of the steady and persistent encroachment upon the rights of parliament, a process that has accelerated in the immediate past. We now have the opportunity to arrest this process and begin the reclamation of the rights and responsibilities of the role of parliament, and I am confident that the majority of members will seize upon this opportunity.

I wish, of course, to congratulate the mover and seconder of the address in reply for their contributions to these proceedings. Both members were faithful to the high standards set by their many predecessors and both of them I listened to with great pleasure.

[*Translation*]

Mr. Speaker, bilingualism is a rather vital aspect of Canadian reality, as is the existence of a variety of cultures and geographic areas; there is no reason why English-speaking Canadians or Canadians of French origin, or any other ethnic origin cannot live and work in harmony and mutual respect. There is no reason why the Altantic provinces, Quebec, Ontario, cannot join efforts with

the Prairies and British Columbia to build a country of which they can all be even prouder than they are now.

Can anyone honestly claim, Mr. Speaker, that in their last four and one-half years in power the present government has helped unite Canadians in the pursuit of a common goal? Can anyone honestly claim in this House that Quebec and the Atlantic provinces are happier now? Can anyone claim that a last minute effort to make the western provinces believe that their needs will at last be met was enough to mislead them? And does anyone really believe that Ontario and other provinces will be pleased with the way in which their money was spent on inefficient programs, total failures, intended to reduce regional disparities?

[*English*]

We need a new alliance—an alliance of English and French-speaking Canadians along with those of other cultures; an alliance of provinces and regions; an alliance of all Canadians determined to work out their own future in association with each other. We have the human resources, we have the natural resources, and with determination and good will we can move ahead.

We must start by restoring confidence in the government and in the economy of this country. We must start by committing ourselves never again to permit a government deliberately to slow down our economy and thus create suspicion and frustration from one end of our great country to the other. We must go on from there in association with each other to build up Canada in all its elements and aspects, and in all its human and physical diversities.

No one could be more pleased than the members of my party to note the prominence given to the Crown in the Speech from the Throne. On the occasion of the opening of the twenty-eighth parliament some members may recall that the Crown was not mentioned in the Speech from the Throne; perhaps hon. members recall my comment at that time. Whatever else may transpire this year, all Canadians will be pleased by the presence of Her Majesty the Queen and His Highness the Duke of Edinburgh in Canada not only on one occasion but on two occasions.

to the hon. gentlemen opposite on the front benches including, of course, my right hon. friend the Prime Minister (Mr. Trudeau). Even while he may not be entirely comfortable in his present circumstances—

Mr. Guay (St. Boniface): He is more comfortable than you are.

Mr. Stanfield: I want to assure my hon. friend from St. Boniface (Mr. Guay) that I never felt better in my life. I am happy to see that my right hon. friend appears to be in good health even though, perhaps, he has not fully recovered from the experience of the last election. He seems to have had a good rest and to be ready for the rigours of this session.

I listened to the language of the Speech from the Throne with very keen and considerable interest. With respect to much of the language in the throne speech, many of the words in it and a good deal of the policy proposed, suggested or hinted at, I would have to say only that I could have done better. I cannot commend the Prime Minister either for originality or for innovation, but I do congratulate him on a very considerable effort at plagiarism. What this speech represents is an abject confession of failure, a more or less contrite admission of incompetence, an astonishing lack of commitment and a bankruptcy of original thought.

• (1500)

It might be difficult for a compassionate man to read that speech and not feel sorry for its author if he did not know that the speech represents monumental cynicism rather than an act of repentence. One would have to be either naïve or simple-minded, or perhaps both, to accept at face value what appears to be this miracle of conversion. Of course, Sir, this government has always been noted for its style. Style was the essence of its policy, or lack of it, and it was a grand style. Its rhetoric ranged from high blown generalities, such as the declaration that Canada stood at the threshold of greatness, to premature and pious proclamations, such as the announcement that the war upon inflation had been won and inflation had been licked. This was a grand style made grander by the expressed conviction that parliamentarians, at least those on this side of the House, were nobodies. It was a style of utter sophistication punctuated by four letter words.

Now, after four and a half years, this government produces an epic failure in economic management, yet during that time joblessness and welfare became a way of life for hundreds of thousands of Canadians; a term of office actually described as wasted years by the hon. member for York South (Mr. Lewis). After all this, the government comes limping back to parliament, its ranks riddled by casualties, disguised in sack cloth and ashes with that old arrogance recycled into something that is almost obsequious humility.

Some hon. Members: Hear, hear!

Mr. Stanfield: We are looking at a government that has not only lost its style, not only lost its majority, but has lost its credibility just as surely as it has lost the trust of the Canadian people and just as surely as it does not have the confidence of this House.

The question of trust and confidence is part and parcel of the question of credibility. What can be said of a government which has presided for four and a half years over folly and failure; four and half wasted years during which it squandered its mandate? What can be said of a government which comes before parliament today advocating policies that it opposed yesterday and abandoning policies today that it championed yesterday? Virtually every paragraph in this Speech from the Throne represents either a retreat from its own policy or an attempt to retrieve something from somebody else's policies. After the wasted years in which the battle to contain inflation was fought by the unemployed, by pensioners and those on fixed income, all of whom bore the brunt of the failure of that effort, the government proposes now, in the Speech from the Throne as we read, to have a committee sit on this problem. Of course, not even that meagre response originated within the ministry. Giving credit where credit is due, the proposal to establish a parliamentary committee to make a special study of the problem of

rising food prices was taken from the leader of the New Democratic Party. Apparently the hon. member for York South finds in this proposal, and this feeble gesture, sufficient recognition of his terms for his party's support of this government.

Some hon. Members: Shame, shame!

Mr. Stanfield: Apparently this is what he meant when he said he did not expect to get a whole loaf but would settle for half a loaf. None of us could have believed that he would settle not only for less than half a loaf but for these crumbs.

Some hon. Members: Hear, hear!

Mr. Stanfield: Members of this House will recall that the wasted years, as described by the hon. member for York South, were marked by an increasing deterioration of relations between the federal government and the provinces. They will recall the federal government's quarrels with the Atlantic provinces in respect of offshore oil development and rights. They will recall the federal government's quarrel with British Columbia and the beligerent and uncooperative attitude of this government toward the government of Ontario. Hon. members will also remember the deaf ear that this government has always turned to the west, until this sudden conversion, and they will recall the complaints expressed by every provincial premier of Canada that this government simply refused to consult or co-operate in such mutually important matters as winter works programs. That was before the election.

During the last election campaign if a leader of a federal opposition party was seen in the company of a provincial premier the Prime Minister (Mr. Trudeau) considered that to be something sinister. Our party proposed during the last campaign to end this unhappy period of alienation and hostility. Speaking in Calgary in the company of three provincial premiers I said:

> The commitment I make to the people of Canada in return for their support is to restore the spirit of Confederation and the spirit of co-operation, the recognition of the need for consultation and the recognition of the need for coordination of federal policies with provincial priorities.

I went on to state:

> The first action of a Progressive Conservative government toward fulfilling all the promise of Confederation would be to convene a federal-provincial meeting on Priorities for Tomorrow.

The response of the government at that time was silence. Now, mark this miracle of repentence and conversion as we see it in the throne speech. "Finally" in the words of the throne speech, and "finally" is the operative word, is to the effect that "it must be accepted that a reconsideration of Canadian social services must be conducted jointly by the federal government and the provinces".

Again, when the government introduced its policy with regard to foreign takeovers of Canadian-owned businesses we made the point, and we were joined by quite a few others in this, that this proposal of the government had been developed and presented to parliament without any consultation whatever with the provinces. The Premier of Ontario said repeatedly that no effective policy could be introduced in this regard until and unless effectie coordination and co-operation between the federal and provincial jurisdictions had been worked out. The response of this government at that time to what was obviously a commonsense statement was silence.

There is a final recognition of the principle of the need for consultation in this area. The Prime Minister has proposed to meet with provincial first ministers in order to harmonize goals, policies and programs for the benefit of all Canadians. In short, he has caved in. It has occurred to him that there is a need for the conference for which we have been calling for so long. In fact, Sir, as I read the throne speech, there seems to be a frenzy of consultation, and the only conclusion I can draw is that it is a long way from October 30 to Damascus.

Some hon. Members: Hear, hear!

Mr. Stanfield: Perhaps as striking as the Prime Minister's sudden embracing of federal-provincial co-operation and consultation is the government's sudden and swift concern for small business. We recognize the problems of Canadian small business and the need for incentives in the interest of the economy generally, with the specific intention of creating employment. It is our belief that by providing growth incentives through tax credits to small business more can be done to stimulate private initiative, more can be done to create new job opportunities and to stimulate the demand for goods and services than through the direct government loans, concessions and programs which are now in effect. On October 19, we put forward this argument and supported it by specific policy proposals. The response of the government was completely negative. The Prime Minister, of course, had little or nothing to say because that was his campaign style. Instead, the matter was left to the Minister of Finance (Mr. Turner). I quote him.

• (1510)

> It would provide an opportunity for some individuals to reap a rich bonanza without any demonstrated need of small business for funds.

This in spite of the fact that small business failures in August of this year reached record levels, and from then on represented the worst record of small business failures since the days of the depression. Yet the response of this government through the mouth of the Minister of Finance was that the need has not been demonstrated.

Something has happened since October 30 to change the mind of the government. They have promised aid to small business through the provision of management and consulting services, which I suspect perhaps means the provision of some of the consultants left over from among all the consultants who are now consulting the government. They have promised to improve access to finance facilities, whatever that might mean, and I suspect not even the government itself knows what it might mean. The government proposes the extension and improvement of the Industrial Development Bank which might mean that the IDB will be encouraged to make collateral loans directly, or it might mean something else, or it might mean nothing. Mention is made in the Throne Speech of decentralization of the Department of Regional Economic Expansion which, long before the election, the provinces had

urged the government to do, as had such organizations as the Atlantic Provinces Economic Council. I had said myself:

I do not think we can make enough progress by administering a regional development policy through a bureaucracy a thousand miles away. One way we can improve upon it is to decentralize these activities so that we can increase the contribution and make better use of the resources of those directly involved.

There was nothing but the silence of rejection from the government. We also said we could not do anything effective about fighting regional disparity until there was a sensible attack made on transportation problems. We on this side of the House are pleased, for whatever it may count, that the government has adopted our own proposal with respect to conducting a fresh examination, in co-operation with the provincial governments, of the freight rates structure in this country and its impact on regional economic interests and prospects. It would be comforting to believe that all this represents some change of mind, some change of heart, some new found wisdom on the part of the government. But I am unconvinced. The real difference, Mr. Speaker, between the government's mentality as of October 30 and their attitude as of today is not that they have gained some fresh wisdom, but that they have lost 40 seats. There is no real difference between the Prime Minister who dissolved this House last summer to go dialoguing with the Canadian people, and the Prime Minister who sits across from us today. He is the same Prime Minister, seasonally adjusted.

Some hon. Members: Hear, hear!

Mr. Stanfield: This is the same Prime Minister, and nearly the same government, which asks us to believe in their genuine conversion to the cause of Canada's economic independence. I do not know whether the Minister of National Health and Welfare ever got to the Toronto *Star* for his rendezvous and briefing. In any event, the message got to him and his colleagues. In their rush to placate their friends and pacify their critics, we have a new façade erected, made up from a grab bag of proposals, borrowed from any source they could find. After the exhaustive analysis which produced the Gray Report, after all the drafting and re-drafting and after the ultimate rejection of it, this incredible government has now at least confessed to see the need to do something. We said we would require that Canadian citizens, residents in Canada, constitute a majority on the boards of all companies operating in Canada under federal charter. The throne speech proclaims that there will be a requirement that a majority of directors of federally incorporated companies be Canadians. We said if any policy is to be effective in this regard it must be worked out in co-operation with the provinces. According to the throne speech, there will be consultation—although this was ridiculed previously—with the provinces with respect to developing measures dealing with new direct foreign investment.

We said that a Conservative government would insist that Canadians be given maximum opportunity to develop and apply their own entrepreneurial and managerial skills so as to ensure their increased participation in the business and industry of their own land. The throne speech indicates there will be measures introduced to increase Canadian participation in the ownership and control of resource projects and respecting the transfer of technology from abroad and access to it by Canadian entrepreneurs. I could go on enumerating other proposals in the Speech from the Throne which have been culled from the Conservative manifesto by a government empty of its own initiatives, barren of its own policy and without an original idea in its head.

Some hon. Members: Hear, hear!

Mr. Stanfield: With reference to the government's proposal to review, reorganize and reconsider the social security system in this country, we find still another hand-wringing confession. According to the throne speech, the social security system, as it applies to people who can work, must contain incentives to work and a greater emphasis on the need to get people who are on social aid back to work. Mr. Speaker, that discovery ranks with John Cabot's discovery of Newfoundland, Christopher Columbus' discovery of America and the Prime Minister's discovery of western Canada. Only a few weeks ago this kind of sentiment was characterized by the hon. member for Verdun (Mr. Mackasey) as reactionary. Anyone who talked about incentives to work was no fitting apostle for the leisure society. After four and one half wasted years, now they tell us about incentives and now they talk about the need to get Canada back to work. Well, it is interesting to see how they run. But we have, I think, a somewhat novel circumstance. It could be said of that circumstance that we have a lame duck Liberal government, bargaining with the New Democratic Party to keep it in office so that it may attempt to implement some Progressive Conservative policy.

Some hon. Members: Hear, hear!

• (1520)

Mr. Stanfield: On the face of it, this might well appear to be true. But it is not only interesting, in reading the Speech from the Throne, to see those policies which, for example, have been borrowed from us in order for the government to avoid complete political bankruptcy but to notice what has been left out. A great newspaper in this country which is ordinarily quite friendly toward this government in its editorial columns made the comment, I believe, that there is less in the Speech from the Throne than meets the eye.

The Prime Minister (Mr. Trudeau) is not the only one in this country who is in his winter of discontent. After all, he has nothing to lose but his job and, as he has told the whole country on television, he even has certain options there: he can either resign from the office or he can be kicked out, but the choice is his to some extent. This is really a winter of discontent for many Canadians whose options are running out. I refer, of course, to what has become a standing army of unemployed Canadians, some one half million of our fellow citizens, half of whom are young people and many of whom have not had a job for several years under this government. This government has a responsibility to them which it failed to discharge and, more important, Sir, this parliament has a responsibility to them which it can discharge.

Some hon. Members: Hear, hear!

Mr. Stanfield: But it cannot discharge this responsibility by keeping in office a government that has not only failed to respond to this human tragedy but, worse than that, has even failed to see the tragedy. I am sure that the hon. member for York South must recognize this as a crucial weakness in the government's posture as revealed in the Speech from the Throne. The government's first priority, as revealed by the Throne Speech, is to reduce unemployment, contain inflation and strengthen the economy—words which have a familiar ring. As we read on, only the gullible and the cynical could convince themselves that this government has either the competence or the creative capacity to do anything about this problem.

Some hon. Members: Hear, hear!

Mr. Stanfield: Some months ago I said that our first priority is full employment, by which I mean a rate of unemployment of 4 per cent or less, not the 7 per cent which existed at that time and the well over 6 per cent which it still seems to be. I am interested in hearing from the Prime Minister what his objective is with respect to unemployment which the Speech from the Throne of course is very careful not to mention. When this government came to office there were about 375,000 Canadians out of work, and that is plenty. In the past year, the average has been some 560,000 Canadians out of work. During the recent campaign, before the votes were counted, spokesmen for the government were preparing the way for a campaign to convince Canadians that the present level of unemployment is an acceptable level and that all we need to do is to get used to it. One way of getting used to it, Sir, is to accept the cost to the taxpayer of financing that level of unemployment. I say that that rate of unemployment is unacceptable, the cost of it is unacceptable, and the government responsible for both the rate and the cost of unemployment is also unacceptable.

Some hon. Members: Hear, hear!

Mr. Stanfield: The only way that the government can reduce the cost of unemployment sufficiently is to reduce the number of unemployed. The only way in which the number of unemployed can be reduced is for the government to identify its priorities and its objectives, and to place before the country a combination of policies, including an economic policy, a taxation policy and a social policy, designed to bring about the result we want.

In this clutch of rhetoric in the Speech from the Throne, we find no coherent program that offers either an assurance to this House or hope to the unemployed, and yet you can obviously see what is happening: the government is trying to put off its program on unemployment until the budget is presented. I say to my friends in the New Democratic Party and to other members of the House that on the basis of its record on economic policy, and of its record on unemployment, this government is not entitled to anybody in the House assuming that in some weeks' time it might produce in a budget something helpful and useful with regard to creating jobs in this country.

Some hon. Members: Hear, hear!

[Mr. Stanfield.]

Mr. Stanfield: I say we are entitled to hear now what the government's program is to reduce unemployment. Apparently they cannot even make up their minds on so basic a consideration as to whether or not they intend to proceed with the 3 per cent additional levy on the Canadian taxpayer on personal income tax. The working men and women of this country begin this year with their wages and incomes further reduced by increases in their payments to support the unemployment insurance program, by increased prices and, as far as they now know, by increased personal income taxes. At the same time, the taxpayer, the farmer, the small businessman and the wage earning Canadian are confronted with a new tax form which they do not understand and which even high class chartered accountants find confusing. I doubt whether the government itself, including the Minister of National Revenue (Mr. Stanbury), understands this form. This misunderstanding will lead to confusion and confusion will lead to chaos, unless and until the people are given a clear indication of what demands are to be made upon them in terms of taxation and at least until some considerable effort is made to assist the taxpayer. He needs to understand not only how much he has to pay but, with that form in front of him, how he is going to go about it.

Then we have the older people, our senior citizens, those who are retired and unable to work even if they wished to work, those who exist on old age security benefits. The throne speech indicates that legislation will be introduced on the subject as an immediate step. What legislation, Mr. Speaker, and when? Considering the record of this government over the past couple of years in this area, is anybody in the House going to give this government a vote of confidence without being told what it is the government intends to propose with regard to old age pensions?

Some hon. Members: Oh, oh.

Mr. Stanfield: I hope I am not getting too much static from over there yet because we are only getting started.

Mr. Crouse: They are all bluster; they will not act.

Mr. Stanfield: Any good society, any compassionate people and any worthy parliament would not abandon or neglect these people. The cost of food in this country increased last year by almost 10 per cent and the cost of living has gone up by over 5 per cent. These same older people are now faced by the harsh realities of the Canadian winter. I think it is incumbent upon this parliament to determine where the government stands on this and what, if anything, the government is prepared to do.

• (1530)

We in this party, Mr. Speaker, made a commitment to the older people of this country. It was not a commitment to be honoured at some time in the future, at some distant date. It was not something to be done after prolonged study and analysis. It was not something to wait to do until after April 1. It was to be the first order of business in the next parliament of Canada, which ought to have been called in December, and this matter ought to have been dealt with in December.

Some hon. Members: Hear, hear!

Mr. Stanfield: We are not going to retreat from that commitment, from that responsibility, from that obligation. Anybody who wants to run for cover can run. We are going to stand and fight for the principle that when a government fails a nation, the result of that failure will not be that the government survives while the weak and the helpless pay the penalties for that failure. We want to know where the government stands on pensions, and we want that matter dealt with immediately.

There is no element of surprise in the situation that prevails here today. The government may not have the trust and the confidence of the country, but apparently it has the trust and the confidence of the New Democratic Party. A marriage of convenience has been arranged between the two parties, a union achieved by cynicism on the one hand and by sheer fright on the other.

Some hon. Members: Hear, hear!

Mr. Stanfield: The rest of us have to watch this mating ritual which moves about in strange and complementary ways, each ensuring the preservation of the other, each dependent upon the other, and each counting upon the other in order to survive.

Some hon. Members: Shame.

Mr. Stanfield: Sir, who would have thought that our hon. friend, the member for York South, after all his ardent declamations upon and against the party of the corporate welfare bums, would have volunteered to become one?

Some hon. Members: Oh, oh!

Mr. Stanfield: Who would have thought that having declaimed upon four and a half wasted years, the hon. member would now be advocating still more of them?

Sir, I think I have to commend you on the way in which the various parties have been placed in this chamber. I think it appropriate that the government's true majority, the Prime Minister's personal bull pen, has been tucked away in the corner to the left underneath the public gallery. This party of Woodsworth and M. J. Coldwell, this party of intellectuals and ideology, of firm principles and lofty idealism, can now blush unseen—

Some hon. Members: Hear, hear!

Mr. Stanfield: —and at least, so far as the matter now before the House is concerned, can remain unheard. This seems to be their disposition. Apparently they have no amendments to offer. They have no vote to cast in these present proceedings. They have assumed a new responsibility and a new role in this parliament, namely, to guarantee the continued existence of a truncated, repudiated government.

All of us recall the past orations of members of that party to my left, who described the Conservative and Liberal parties as old line parties, who described them as Tweedle Dee and Tweedle Dum. Sir, that was before the courtship and the marriage. Now, we have got the same old Tweedle Dee, but a brand new Tweedle Dum!

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): Who wrote that, Bob?

Mr. Stanfield: The hon. member for St. Boniface (Mr. Guay) will get a credit if he would like to have me give him one.

Mr. Muir: That's about all he will ever get.

Mr. Stanfield: This party, the NDP, no longer profess to lead public opinion. Indeed, Sir, I understand they have taken polls and they are going to follow those polls. This is the situation of a party that once prided itself on having its own position, of accepting whatever the consequences were of that position. A party that once professed itself to be a party of principle, now has become the party of polls, procrastination and pontification.

Some hon. Members: Hear, hear!

Mr. Stanfield: Our venerable friend, the hon. member for Winnipeg North Centre (Mr. Knowles), a little over a week ago was asked if the government had done anything since October 30 to merit his confidence and support. I would like to quote his reply. What the hon. member says is usually worth quoting. He said:

> I don't think so. I don't think any of the announcements have done anything more than give the impression of a government that is anxious to stay there. In terms of actual substance we have had nothing from the government that meets our views on taxation policy, nothing that meets our views on social security, nothing that meets our views on foreign ownership . . . so we don't see any great difference in the stance of the government today from what it was just before the election.

I agree with that statement. I am only sorry that the hon. member for York South no longer agrees with it. The fact is that there is nothing of substance in the throne speech that meets his views or mine on taxation policy. There is nothing tangible in the throne speech with respect to social security. And if there is anything in it that meets the hon. member's views on foreign ownership, I can only express my surprise at his newly limited objectives in that field.

The hon. member for York South cannot possibly be satisfied with the indications in the throne speech of government intentions with respect to taxation policy. He cannot possibly be satisfied with the Prime Minister's answer the other day which clearly indicated the government cannot even make up its mind whether or not to proceed with its earlier declared intentions to let the increase in income tax go into effect and stay in effect. Indeed, a month after the election, speaking to a business audience in Toronto the Minister of Finance (Mr. Turner) said that it was his intention to seek the early approval of legislation to implement the tax measures announced in the budget of May 8. Of course, the 3 per cent income tax increase was part of the budget of May, 1972. Indeed, Sir, although the Minister of Finance may show neither compassion nor concern for the taxpayer, consistency has been his virtue. He alone can claim to be consistent among all the gentlemen in the front seats.

• (1540)

As I have said, we have been concerned with the urgent plight of our citizens living on fixed incomes, especially those who are retired and whose survival depends upon

old age security benefits. We have said, and the hon. gentlemen to my left have said, that these pensions have been seriously eroded or depreciated by inflation, particularly in view of the increased cost of food and shelter. We have proposed immediate provision for increased assistance and we still propose this, but where are my hon. friends on my left now? Where is their concern? What are their intentions? Sir, they did not even wait to ask the government what it proposed to do about old age pensions, what it proposed to do about assistance to the blind or what it proposed to do by way of changing the Unemployment Insurance Act. They did not even wait to find out what the government proposed to do before rushing off and declaring public support for the government on this motion.

Some hon. Members: Shame!

[*Translation*]

Mr. Stanfield: Mr. Speaker, if they do not follow the dictates of their conscience, they cannot avoid the logical conclusion which the Canadian people will draw. It is not a legitimate excuse to suggest, as they have done, that they cannot overthrow the government before spring. Why wait until spring? Since when has democracy become a sport to be practiced in warm weather? The crucial decision which rests with this House is to determine if this government is humane enough and has the necessary ability to govern this country.

[*English*]

The question before the House is whether the government has the trust of the majority of members assembled here and obviously it has not. I have a feeling that the people of Canada do not really expect very much from this government but they do expect something from this parliament. They must be perplexed and puzzled to read that the principal consideration of many hon. members here is for how long and at what price the government can beg or buy support in order to stay in office. The disposition of the parties in the House and the decision of the government to meet parliament has been a matter of fact for more than two months. The Minister of Finance was sent on some kind of search and destroy mission in the guise of seeking organic union. We do not know the result of his efforts or negotiations. We do not know whether, as a result, we will have another and second great Canadian "otto" pact.

Some hon. Members: Hear, Hear!

Mr. Stanfield: However, he has tried and apparently others have, too. Now, we are given to understand that the New Democratic Party, although it is no doubt still interested in the guaranteed annual income, is particularly interested in a guaranteed minimum wait.

Some hon. Members: Hear, hear!

Mr. Stanfield: I want to say to my hon. friend the leader of the New Democratic Party that his interest and anxiety to see the government's legislation could not possibly be any greater than mine. I do not want to misrepresent my hon. friend's position—

Some hon. Members: Oh, oh!

[Mr. Stanfield.]

Mr. Stanfield:—but from what he said I assume that he is prepared to sit here for the time being at least, benevolent and benign and apparently motionless, until such time as he has seen the legislation and formed an opinion of it.

I have a series of proposals to express to my hon. friend which I think he cannot very well refuse.

Some hon. Members: Oh, oh!

Mr. Stanfield: Point no. 1—

Mr. Lewis: Are you pointing at me now, Bob?

Mr. Stanfield: I am pointing at everybody now. Point no. 1, the Prime Minister should tell the House today what he proposes to do to reduce unemployment.

Some hon. Members: Hear, hear!

Mr. Stanfield: There is no concrete indication of this in the Speech from the Throne and, as I said, the record of the government on this subject cannot be supported on this motion on the basis that it may produce a satisfactory program when it produces its budget. The hon. member for York South knows as well as I do that there is nothing in the record of this government to justify any such assumption. The Prime Minister cannot make the excuse that he has to wait for the budget; he did not wait for the budget when he announced the pre-Christmas package which the members of the New Democratic Party criticized as earnestly and heartily as did I. Point no. 1 is that the Prime Minister should tell the House today, in concrete terms, what the government proposes to do to increase employment and reduce unemployment.

Point no. 2; the Prime Minister should indicate today what the government proposes to do about reducing income tax rates for 1973.

Some hon. Members: Hear, hear!

Mr. Hees: Jot these down, Pierre.

Mr. Stanfield: Is the 3 per cent increase to stay in effect? The Prime Minister, the Minister of Finance and the government have told us very precisely what their intentions are with respect to the rate of corporation income tax during 1973. I ask my hon. friend from York South whether he thinks that individuals are entitled to less information about their tax rates than our Canadian corporations?

Some hon. Members: Hear, hear!

Mr. Stanfield: Point no. 3 is in regard to legislation in general. The Prime Minister has refused to give a list of the bills that he intends to introduce during this session. I can understand that in a way because he is not sure how long he is going to have the responsibility, but he has given us no idea of the priorities of the government with regard to legislation.

I say that the Prime Minister should tell the House today what the six pieces of legislation are that are highest on the government's list of priorities and which it wants to see introduced and passed. This would give us some idea

of the legislative priorities of the government. This is necessary if any member of the House, or at least of an opposition party, is to have a clear idea of the legislative objectives of the government which would enable a member to reach a considered opinion on whether to support the government on the motion that is now before the House.

Some hon. Members: Hear, hear!

Mr. Stanfield: Point no. 4; whether or not the Prime Minister gives the information I have requested about employment policies, income tax policies or legislative priorities, we wish to see this debate adjourned after the other party leaders have had their say, at least until first thing in the morning. After all, we should have had this speech and we should have had some urgent legislation in December. We should have had this debate in December.

Some hon. Members: Oh, oh!

Mr. Stanfield: The government has had ample time to prepare. I am sure the bill on old age pensions must be ready. It must be ready for introduction today so that we could discuss it tomorrow. I should like to see the House start consideration of the government's legislation on old age pensions tomorrow.

Some hon. Members: Hear, hear!

Mr. Stanfield: I do not want to see the old people kept waiting a day longer than necessary. It may be the legislation will be so unsatisfactory that nobody can support it. Yet, surely it is ready and surely the government could introduce it today. We would consent to reverting to introduction of bills and waiving any notice required for the introduction of this bill in order that it may be introduced, say, a few minutes before six o'clock. Also, we would waive any notice required for second reading tomorrow. After all, we read in the Speech from the Throne that legislation will be introduced to improve the economic condition of old age pensioners and that this will be an immediate step.

• (1550)

An hon. Member: Where is the bill?

An hon. Member: Let us get at it.

Mr. Stanfield: Surely, it is ready now. We have no desire whatever to obstruct the government while it is here and I hope the government does not intend, while it is there, to obstruct parliament.

Some hon. Members: Hear, hear!

Mr. Stanfield: The government ought to start producing important legislation right away. I want tomorrow to discontinue this debate for one purpose, namely, to get on with the consideration of legislation for providing aid to the old age pensioners. Tomorrow, at the appropriate time, the government could introduce some other legislation that it must have ready. Surely, it is reasonable to ask the government to introduce the legislation alluded to today. The bill must be ready because, as I say, the government says it will introduce that legislation as an immediate step. I do not see why the government and all parties in the House would not welcome this initiative. Then, we could take whatever length of time is necessary tomorrow and on subsequent days to get this bill under way. Of course, whether it is one that is worth supporting or whether the details will need to be changed we will find out. Afterwards, after the government has introduced some other legislation, we could come back in a reasonably short time to this debate and continue it.

An hon. Member: Or the cancellation of this debate.

Mr. Stanfield: We will not cancel this debate, and I do not think my friends opposite will. They are not willing to cancel this debate. They are looking forward to a vote of confidence and hope to obtain it. I am bringing forward some proposals that will provide some long delayed aid to our older people.

Some hon. Members: Hear, hear!

Mr. Stanfield: We want to see other legislation introduced which, according to the Speech from the Throne, is ready. The Speech from the Throne contains this statement:

> . . . legislation will be introduced to clarify certain aspects of the Unemployment Insurance plan and to prevent abuses that have not been overcome by the administrative action already taken.

That is described as an immediate step. Clearly, that legislation must be ready and the government could introduce a bill relating to that matter tomorrow. I am not saying it needs to be discussed right away. However, the bill I want to see introduced right away relates to old age pensions. Surely, a bill relating to unemployment insurance is as important to my friends in the NDP as it is to me; surely, those hon. members would want to see such legislation before they make up their minds as to what they think about this government.

Some hon. Members: Hear, hear!

Mr. Stanfield: The government has put forward its proposals. Since the Prime Minister stated clearly and concretely what he proposes to do about unemployment and taxation and since he gave us half a dozen legislative priorities and objectives I say, why not introduce a bill today. The bill relating to old age pensions must be ready. It could be introduced so that we could proceed with second reading tomorrow and, as well, promptly introduce other legislation such as that relating to unemployment insurance. In any event, the government has said that it will introduce such legislation immediately. I think that the government's actions will give us a clearer idea of how much there is behind the façade of the Speech from the Throne.

The hon. member for York South may not wish to support our amendment; but he will not be required to take that decision until such time as he has been able to form his own judgment as to the quality and character of the government's program regarding employment, other legislation and the degree to which it satisfies the House in meeting the genuine needs of the country.

I wish to propose an amendment to the motion before the House, because the evidence makes it even more clear

that this government is deserving neither of the country's confidence nor its trust. I put it forward, aware of the critical condition of the Canadian economy and the personal crisis being faced by so many individual Canadians as a result of conditions in the country. It will be tragic for the people and tragic for the country generally if this Parliament were to maintain in office a government so lacking in conviction, proper attitude and credibility. We in this country need a government that stands for something. We do not need a government that has no mind of its own, a government apparently in full retreat from many of its own principles and beliefs, a government that has done nothing since October 30 but back and apologize. So, Sir, seconded by the hon. member for Peace River (Mr. Baldwin) I move that the following be added to the address:

We respectfully affirm to Your Excellency that Your Excellency's advisers do not possess the confidence of this House.

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, first I wish to express my real pleasure at seeing you in the chair and that you accepted the urgent request of your colleagues of this House to preside over their debates. All of us take pleasure in expecting this session to be very tumultuous, and I think that everyone must be happy to see you in the Chair, Mr. Speaker. In the past, you have proved several times to be very qualified to preside over our debates.

I wish to say as well that one of the pleasures—and there were not many—brought to us by the election was to see the quality and competence of elected members. As for me, when I listened, last Friday to the mover and the seconder of the Address in reply to the Speech from the Throne, I was happy to see, as the leader of the Liberal party, that we had among us two young men, alike in various ways: both are married and fathers of two children, both have studied law, both have worked for the community as a whole, and for their riding in particular. As the leader of the Liberal party, I was very grateful to see that these two men had another common characteristic: both belong to a linguistic minority within the province where they come from, both have learned the two official languages well enough to be able to speak them eloquently and accurately. The hon. member for Nipissing (Mr. Blais) and the hon. member for Lachine (Mr. Blaker) have both reminded us by their presence in this House that we have in Canada many great figures, and that our country is lucky to welcome in its parliament people of this quality, who are ready to work in the interest of our country.

Mr. Speaker, at the outset of his remarks, the hon. Leader of the Opposition (Mr. Stanfield) sae fit to recall that I had undertaken the last election campaign by proposing to the Canadian voters a form of dialogue, a dialogue between the people and the candidates, a dialogue which would allow us to ask ourselves questions, to learn from one another what were our projects, our aspirations, our dreams, our successes and our failures, a dialogue on which I intended to meditate with my colleagues following the election in order to try and determine in a somewhat more accurate way the sort of

Canada the Canadian people would like to see in the '70s and the sort of government it would like to be led by.

Several lessons must be drawn from the October 30 election, some of them pleasant, others less. I think it must be said in all humility that the first lesson to be learned as a government is that the population was not satisfied with our administration. It is a lesson we accepted in all due humility and which was followed by a second one, and I suggest to hon. members of the opposition—some of whom I hear grumble—that they also draw the same lesson with humility, that the Canadian population although it did not indicate great enthusiasm about our party indicated that it did not want any other party than ours to lead this country.

Mr. Speaker, it must be recognized that our party although it lost a great number of seats still has a plurality of seats in this parliament and obtained a plurality of votes in the last election. When I was listening to the speech of the Leader of the Opposition I could not help think that he felt rejected by the population. Twice, as the leader of his party, he offered himself as an alternative to the government. In two general elections, he came before the Canadian people to lead the destiny of the country, but on those two occasions, he was rejected. His entire speech was stamped with bad humour as a result of that double snub, but quite surprisingly, he attempted at length to explain that he was thrice annoyed, since in a large part of his speech, he took the members of the New Democratic Party to task for supporting us instead of him. He dwelt extensively in his speech on how he would have conducted the proceedings of this House had he not been effectively rejected by the people and the members of the New Democratic Party.

Now, we drew one conclusion: that we should accept the verdict of the electorate, form the government, correct the errors which, of course, we made in our administration and introduce to the House of Commons a program on which it would not, at the least at the start, deny us its confidence. That was our intention in the Speech from the Throne. That is my intention in making my remarks, this afternoon; which will be completed by those of the ministers and members who will speak during the debate on the Address in reply. That is what we started to do as early as on the day following the elections when we took administrative steps—of which I shall give a few examples later on—in an attempt to remedy some of the administrative errors we might have made.

[*English*]

There has been some criticism of this decision—criticism of the fact that we decided to form a government—not so much on constitutional grounds as for other reasons. I think there are so many precedents, and these are so clear, that the question was not really whether we had a right to form a government; the question asked by some constitutional experts was whether we did not have a duty to meet the House of Commons and to seek its confidence. I repeat, I have seen no serious proposition on constitutional grounds contesting the right of this government to stay in office and to meet the House of Commons. There have, however, been some political arguments put forward to deny us this right and I think these might be categorized in two ways.

• (1600)

The first, I suppose, should be called the theory of momentum. It appears that a certain number of academics, aided and abetted in some cases by the media, state that this government had lost momentum in the elections whereas the Conservative party had gained momentum, and that therefore, having lost momentum this party should resign. My only comment by way of advice to those academics is that if the theory of momentum were to apply to university life those professors should go back to growing radishes.

Mr. Baldwin: You have not lost momentum; you are going backwards.

Mr. Trudeau: The other argument of a political nature which was put forward to deny this government the right to meet the House of Commons is difficult to characterize. It appeared in some circles, but I suppose the clearest characterization of it is in an editorial called "Clinging to Power is a great mistake" which appeared in the Vancouver *Sun* for November 3, 1972.

Mr. Hellyer: Hear, hear!

• (1610)

Mr. Trudeau: I see that the hon. member agrees with the editorial, but perhaps he had better wait until I read a few phrases from it. The editorial indicates that the Prime Minister undoubtedly has the constitutional right to face parliament, but then it goes on in this way:

—frustrated English-speaking Canadians will feel that their wishes as expressed at the polls last Monday are being thwarted on a constitutional technicality by a party that owes fundamental political allegiance to Quebec.

This feeling is only too likely to be a positive incitement of an intensified anti-Quebec backlash of the kind that was an admitted factor in the fall of the Trudeau government from majority power.

The editorial continues:

—Mr. Trudeau now finds himself and his party with a majority of seats in only one province—the one from which he comes. He has a minority of parliamentary seats throughout Canada, and a majority of his minority represents the French-speaking minority of Canada's two major races and cultures.

In these circumstances, we think it a very grave mistake for Mr. Trudeau to try to perpetuate a government that has been overwhelmingly repudiated by the English-speaking majority.

Those are words, Mr. Speaker, which one would have preferred not to be written in a responsible paper. Unfortunately, they were written and I can only hope it is a very small minority of people who entertain such thoughts. It is very important for this government not to dwell on any answer to this kind of editorial except in so far as to say—

Some hon. Members: Then why raise it?

Mr. Trudeau: Hon. members want to know why I raised this. I raised it because I know there are members sitting in the Conservative ranks who, during the election, tried to divide Canada.

Some hon. Members: Oh, oh.

Some hon. Members: Shame.

Mr. Trudeau: I hear them cry "Shame". The shame is theirs, Mr. Speaker. I see that they remember with not very much pleasure the kind of campaign some of them conducted.

Some hon. Members: Hear, hear!

Mr. Trudeau: Just let me say that as far as we are concerned we do not count members by their ethnic origins, and we do not count votes according to whether they were cast by English or French-speaking Canadians.

Mr. Lambert (Edmonton West): You never heard all your Liberal candidates.

Mr. Trudeau: The hon. member for Edmonton West (Mr. Lambert) will have the chance to make his speech.

Mr. Speaker: May we have order to allow the right hon. Prime Minister to continue his remarks.

Mr. Trudeau: Mr. Speaker, I quoted from an article in a newspaper which is widely read in this country. However, I see the displeasure of hon. members opposite.

Mr. Hees: We don't like lies.

Mr. Fairweather: Try your Rosedale colleague on election night.

Mr. Trudeau: The hon. member will have a chance to make a speech and then he can talk about my Rosedale colleague. If he wants to quote specific Members of Parliament, I think I could name quite a few from his own party.

Mr. Crouse: Name them.

Mr. Trudeau: At a later point in my speech I shall be talking about national unity, and if hon. members wish me to name names I shall do so with pleasure. Perhaps I should not say with pleasure but, rather, with regret, Mr. Speaker. I think that this kind of reaction is a sign of a very guilty conscience.

Mr. Alexander: I have no guilty conscience.

Mr. Trudeau: The conclusion, then, that we drew from this electoral contest was that we had a political and a legal right to govern until this House withdrew its confidence from us. We had a right to do so, but we also had a duty to show to this House what we proposed to do in the session that is opening.

I repeat, the Speech from the Throne was a first attempt to lay down the general lines of our action. Speeches by various ministers in the days to come will, I hope, spell out in greater detail some of these courses of action. My own speech will largely be based on the reasons for deciding to form a government and on the two broad categories of reasons for wanting to come before this House of Commons.

An hon. Member: The first being divine right.

Mr. Trudeau: Divine right in a democratic country, I suppose, is something that is translated by the electorate. If I could quote Latin, contrary to the advice of Disraeli,

to the members of the House of Commons, *Vox populi, vox dei.* The first reason, I repeat, was to try and correct those areas in our administration where we had been incompetent, or where we had appeared to be incompetent.

• (1620)

I hasten to say that in my opinion there were sins committed by this government, although very few of them were sins of omission. Whether we look at our legislation or our policies having to do with the assertion of our sovereignty in the Arctic, with our extension of our territorial seas and fishing rights and two policies concerning people, such as our Indian policy and our multi-cultural policy; whether we go through foreign affairs, that whole area where we took steps which anteceded by some time some steps which were going to be taken by the President of the United States and which I think it is fair to say benefited this country, particularly in the area of trade and of wheat sales, or whether we go from that to our policy and legislation in the area of quality of life having to do with our numerous anti-pollution policies and legislation and the creation of national parks throughout Canada, I think it is fair to say that this government swept no problems under the carpet. It did not solve them all, by a long shot, but it did not try to escape any. It met them head on, and because of that we did make some mistakes; it is those mistakes which we propose to correct.

Before I give some examples of that, Mr. Speaker, I should like to make the point that we propose to correct these mistakes without in any way turning back on our Liberal principles and without in any way withdrawing from the faith that we, as Liberals, have in the land or the fact that we, as Liberals, always tend to err on the side of liberty rather than on the side of gain.

Some hon. Members: Hear, hear!

Mr. Trudeau: The Leader of the Opposition (Mr. Stanfield) spent some time attempting to show that we were plagiarizing and borrowing policies of his own, and that we were turning back on our principles. I even read a silly statement by someone that this is a "U-turn" government. I must say that what puzzled me, after his long recital of the measures that we have plagiarized and borrowed from him, was the statement that all these measures are such that he has now decided to vote against them. I think it will be important in giving some examples to indicate where we will try to redress some of the administrative mistakes or incompetencies, but I will show, in so far as I will give the examples, that in no case do they entail an abandonment of principle and in no case do they indicate a reversal of any of our Liberal policies.

One example can be given in the area of penal reform. A great deal was made during the election and before the election of the mistakes, and sometimes sorry ones, which had been made by those who in our penal system have been favoured by the government in an attempt to rehabilitate them. We are just now in possession of the Hugessen report on penal reform, the penal system and the matter of parole and bail. I think it is fair to say that we will ensure that these reforms are, and I repeat, in the spirit of liberalism, because we think that Canada is fortunate enough a country, is rich enough a country, is educated enough a country and is peaceful enough a country to be able to seek new ways of rehabilitation and seek new ways of bringing back into the mainstream of humanity those people who have been punished by our penal system. What will be evident from the position taken by our Solicitor General (Mr. Allmand) is that this will be done in such a way as to protect the public, and it is this reconciliation of these two things which this government will attempt to achieve.

In the field of immigration, again a Liberal policy of non-quota admission of people to this land who wanted to come and establish themselves here, resulted in a certain number of abuses. These abuses once again followed from the spirit in which we interpreted the laws, a spirit of trust and confidence in mankind. These abuses did happen, and in November we indicated how we would begin to eradicate them by taking action, for instance, against those who come as tourists and then decide to apply for landed immigrant status. We have already reversed that policy. We have already indicated to those who do come as tourists, and this was announced in December, that they will need work permits in order to work in Canada.

The third example of Liberal policy, which we in no sense renege on, and which is fundamental to the unity of this country but which did cause some difficulty in application, is the whole area of bilingual policy. We referred again in December, thankful that we had at least enough members to have a claim to form the government and to have occasion to carry into practice, to the pledge that had been made by the President of the Treasury Board (Mr. Drury) some months before that he would, before the year's end, announce the principles whereby we would be able to pursue the policy of bilingualism in the civil service, yet do it in a way which would be completely respectful of the Pearson pledge of 1966 and of my own pledge some years later. We have made those principles public.

It was amusing, by the way, Mr. Speaker, to note that the hon. member for Saint-Hyacinthe (Mr. Wagner) and the hon. member for Peace River (Mr. Baldwin) had obviously not got together in their reaction to these pledges and these principles. I understand that the hon. member for Saint-Hyacinthe found that the principles represented a withdrawal from our move toward bilingualism and that the hon. member for Peace River felt they were indeed meaningless. I hope the hon. member for Saint-Hyacinthe will have, in the weeks and months to come, a number of occasions to educate his fellow members of the Conservative party and caucus about some of these principles.

Some hon. Members: Hear, hear!

Mr. Trudeau: I, for one, welcome his entry into the Conservative party, although I must say I should have preferred that our good Liberal member had won in Saint-Hyacinthe. I do say his entry into the Conservative party is a good thing because it is important that Quebecers with reputation and prestige enter the ranks of the Conservative party as that is the only way we can ensure

that all our parties represent a good cross-section of Canada. I only hope he will not have to follow the course of the hon. member for Joliette (Mr. La Salle) who some years ago gave up any hope he had of explaining policies of bilingualism to his colleagues on that side.

• (1630)

Unemployment insurance was also a subject which was much discussed during the election, and on which we had some lessons to learn. I am always surprised to hear the criticism which those who are not in our party level at us when we seek to draw from the lessons of the election, correct what mistakes we might have made and apply what conclusions we might have drawn from the electoral results. Had we decided not to make any changes they would have said it was typical Liberal arrogance, that we did not listen to the electorate and that we intended to go on forever not mending our ways. When we do decide to mend our ways, we are chided by members opposite for mending our ways and therefore for being hypocritical about it. Unemployment insurance is another example of where we can mend our ways by ensuring that the spirit and the letter of the law is applied. The Minister of Manpower and Immigration (Mr. Andras) has made some public statements. In due course, he will be announcing the policies which will be brought in by administration and legislation. The essence of them, however, is that in order to qualify for unemployment insurance one will really have to be available and will really have to be willing to work. In this way, we will certainly be disqualifying from unemployment insurance people who just draw the insurance and really do not attempt to find a job or who disqualify themselves because they quit a job when they are working.

A fifth example has to do with the LIP grants and the Opportunities for Youth grants. It is true that these programs were recognized, even by members opposite, as imaginative ways to ensure that useful work could be done by the community, ways which were unusual and ways which were outside the normal industrial sector. Indeed, I believe most members of every party complain when certain LIP grants or certain Opportunities for Youth grants which they judge to be valuable are not recognized and admitted into the program. But there is no doubt that here, too, there have been some abuses. That is why in the future we will tie these programs to the manpower offices themselves to ensure that the people who are qualified for these grants are hired through the manpower offices and that preference is given to those who are unemployed or on welfare.

As was indicated in the Speech from the Throne, the field of welfare is one which generally is under the administration of the provinces. It is also one to which Canada contributes handsomely through the Canada Assistance Plan. It would be impossible to change the administration of welfare and eradicate abuse of it single-handedly, but it is our intention to discuss with the provinces a way of administering these welfare programs so that incentives to work are contained in the program. Work incentives must be built into our welfare system so that everyone who works retains substantially greater amounts of income than those who can work but who do not.

A further example of Liberal policies which must be adjusted without abandonment of the Liberal principle of helping all those parts of the country which need assistance in attaining faster growth is in the changes which must be brought into the DREE program. This was a department with little more than three years existence and it had always been the intention of the minister to bring a review of that department's work in front of the government. Already some announcements have been made that the DREE program will be decentralized. The operations will be decentralized in such a way as to obtain greater integration with other levels of government and with the private sector.

In the field of the economy, no doubt we did not attain the results that this country and ourselves would have liked to have attained. During the election—and I think it was a mistake on our part—we did indicate that in comparison to other industrialized countries Canada had really not done badly. We quoted expert advice from the OECD countries, from the London *Times* and from various financial journals. We indicated that really, by comparison, Canada was performing rather well in economic terms. However, we recognize that that was not an approach which the Canadian people found satisfactory. They do not want to be told that in historic terms or in terms of comparison with other countries our economy is not a dismal one. They want to be assured that Canada will do everything it can to fulfil its high potential. That is why in the Speech from the Throne we chose words to indicate we wanted to bring about the most rapid decline possible in unemployment and wanted to bring about a more satisfactory exploitation of the economy's potential. Much more will be said on this by the Minister of Finance (Mr. Turner) when he participates in this debate and, of course, when he brings in his budget.

But it is certain that the Canadian people in their decision of October 30 felt that a high growth rate was not enough, and that it should be high enough to fulfil the economy's potential. That is why the Speech from the Throne indicates quite clearly the high priority the government attaches to achieving better performance in the economy, both immediately and in the long run. We know the expectations and forecasts for 1973 all point in the direction of a rate of growth in excess of the economy's potential, a potential of about 5½ per cent as I believe the Economic Council of Canada mentions. But in view of the rate of growth in the labour force and the need to reduce unemployment from the unacceptable high levels which prevailed over the past few years, it is necessary for the economy to grow to the maximum of its potential if all people willing to work can find work. That is why it will be the objective of the government to ensure that a rapid and real economic growth will in fact take place.

• (1640)

[*Translation*]

Mr. Speaker, the second set of reasons why we decided to form the government and meet Parliament has to do with all the goals we want to propose to the country for the 70's, for the immediate and remote future. Those are goals which were identified by the Liberals during their convention and have been accepted by the people. We are aware that it will not always be easy to achieve them but

as Liberals we believe they will be better pursued by a Liberal government than by a government made up of the opposition parties. I should like to discuss those goals under four headings, Mr. Speaker.

The first covers the place the individual should occupy in society, the second involved economic facts, the third groups a series of programs and objectives concerning political rights and the rights of Parliament and the fourth is related to national unity.

Let us start first with the rights of the individual—economic as well as social rights—which constitute a kind of charter of economic rights that is outlined in the Speech from the Throne and is based on this liberal philosophy according to which, in an orderly society, we are each other's co-insurers, all required to come to the aid of other members of the society who are in need, who are less favored. We are co-insurers, by way of taxation or otherwise, of certain fundamental rights that we want to make available to all individuals in our society. Without getting into details, Mr. Speaker, I think it would be fair to state that one of the most fundamental rights is the entitlement to hospital and health care, and in this field, projects and programs have already been well outlined in the past, mostly by Liberal governments.

In future, since such rights are being exercised jointly with the provinces, the aim will be to make sure that the costs remain under control and, above all, that such rights generate a situation where health services prove more accessible, more efficient and less costly. Already the Speech from the Throne points to appropriate meetings and no doubt we shall have policies to announce to parliament during this session.

Another basic right in a society that believes in equality for individuals is the right to an education. Mr. Speaker, people know that the matter fundamentally comes under provincial jurisdiction, but this did not prevent a federal government, and a Liberal government, that of the late Right Hon. Lester Pearson—and I believe that this happened essentially when the Secretary of State for External Affairs (Mr. Sharp) was Minister of Finance—found a formula which allowed the federal government to massively contribute to post-secondary and post-graduate education. In 1967-68, that contribution was about $420 million; in 1972-73, the figure will reach about $1 billion.

And there again, Mr. Speaker, the point will be to come to an understanding with the provinces in order to ensure that in a society that has faith in equality of opportunity, such right pertaining to the individual be set forth both with due respect to our constitution and expected to benefit those who seek an education.

A third area where our government is providing initiatives is that of legal aid, and I believe that hon. members have witnessed the fact only a few days ago on announcement of some agreements being signed by the federal government and the provincial governments of Quebec and British Columbia aimed at finding a formula that would allow the federal government to share the costs of legal aid in criminal proceedings, in order to ease the burden of the provinces in that area and encourage them in the field of civil law—which falls under their jurisdiction—to take the necessary steps to ensure that all individuals have equal access to legal aid.

[Mr. Trudeau.]

Housing is another area, Mr. Speaker, where our record is commendable. In fact, the building of over one million housing units was undertaken in the last five years, which is considerably more than those built in the previous five years. However, the point which should attract our attention, Mr. Speaker, is that 85 per cent of the federal funds are spent on housing for the aged and low income people. I think this is a revolutionary re-alignment of our priorities and that, here again, the Liberal government intends to indicate at a federal-provincial conference to be held very soon how it wants to set new structures in the field of housing, preservation of urban communities, restoration of that sense of the community. Here is another reason, Mr. Speaker, why this government wanted to meet the deadline, wanted to set up a policy to the benefit of the individual.

The last of the examples I wanted to give has to do with income security. Several paragraphs of the Speech from the Throne indicate how we want to approach this problem. There is, Mr. Speaker, a concern not only to co-operate with the provinces but also to get a new rationale, a new cohesion behind this mass of programs dealing with the issue of income security. Generally speaking, Mr. Speaker, it is a question of ensuring that the two kinds of programs are well integrated, those dealing with individuals able to work and those dealing with individuals unable to work. And by maintaining the differentiation between those two groups through logical and coherent programs, we hope to finally evolve a society in which those who can actually work within the framework of minimum-wage schemes, unemployment insurance plans, LIP and Opportunities for Youth programs may prove to be useful to society and thus earn a profitable income, whereas, with regard to those who cannot work, programs such as family allowances, old age pensions, additional benefits to needy senior citizens and social welfare programs are integrated in such a way, like I said earlier, as to encourage those able to work to stay in employment while making sure that those who cannot will not be forsaken by this society.

[*English*]

The second group of policies which have to do with our goals for the 1970's are those which can be described under the general heading of the national economy. The Minister of Finance and the Minister of Industry, Trade and Commerce (Mr. Gillespie) will be speaking on these subjects. Indeed, there are about a dozen measures enumerated in the Speech from the Throne which, "will contribute to the development and elaboration of a coherent set of industrial policies for Canada." I will not elaborate on them now, Mr. Speaker. The ministers will have occasion to do so.

• (1650)

I just want to repeat that it has been this government's practice in the past not merely to bring in policies which would increase growth, increase the quantity of goods in our society, but to have policies which would co-ordinate other priorities, priorities in the area of equality, of the quality of life, preservation of the environment, domestic control of the economic environment, the necessity for regionalism, the strengthening of less developed regions,

and so on. This will be the essence of our thrust in that area.

Mr. Fairweather: I did not hear that.

Mr. Trudeau: The hon. member did not hear the word "thrust"? Perhaps if he returned to his seat I could direct my remarks more to him.

[*Translation*]

The third category I announced is in the area of political rights and in the area of parliamentary proceedings. There again, opposition members will be tempted to say that there has been a swift turning round, that all of a sudden the government will be concerned with parliamentary issues.

Mr. Speaker, let me simply outline the government's achievements during the last four and a half years. This government has attached a great deal of importance to the members' work, and in several ways, namely by increasing the working facilities, the available space, the number of secretaries, machines, telephones, and in giving hon. members the necessary access to documents to enable them to perform their work efficiently. The government also set up the Beaupré Commission which, as is known, recommended an increase in the salaries and allowances of members of Parliament. The government unhesitatingly had these increases adopted. It also substantially improved the Pension Plan. It also introduced, I believe, a fairly new piece of legislation in Parliament whereby members, first those belonging to the opposition and later on government members were granted the funds required for research bureaux, precisely so that they may do their work and have access to the information required for criticism of government policies and in-depth studies of government proposals.

The Throne Speech indicates that our interest in parliamentary proceedings will lead to several new legislative measures. The Throne Speech mentions the field of conflict of interests.

The government intends to establish regulations for three possible categories of conflicts of interest. I would readily say, Mr. Speaker, that there has not been too much cause for alarm in this field at the federal level because, very fortunately, there are very few cases of conflict of interest. Nevertheless, considering the proper administration of Parliament and for more insurance for electors in this field, we intend to introduce regulations on this subject. We shall do so in the case of members, senators, ministers and bureaucrats as well.

In the case of election expenses, we shall reintroduce the legislation proposed during the last session, but incorporating several amendments which have been suggested by the committee and the public. There will be amendments which in particular will provide that the origin of financial contributions to political parties be better known.

We have also proposed that the meetings of the House and of the parliamentary committees be transmitted by radio and television. This is a measure that was discussed during the last session by a parliamentary committee. To my mind, opinions were divided on the matter at the time and the government is prepared to introduce this measure and hopes to gain the co-operation of the opposition parties.

I wish to discuss another matter, Mr. Speaker, the question of information media. I do not know what will be our conduct toward the advance briefings to members of the press gallery. The issue was raised as a question of privilege last Friday by the hon. member for Ottawa West (Mr. Reilly). He was complaining about a custom which dates back to a number of years—and let me say that he himself was aware of it when he was a member of the press gallery and certainly took advantage of it. He complained that we used to give advance briefings to the members of the press gallery.

[*English*]

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

Mr. Deputy Speaker: Will the hon. member for Ottawa West (Mr. Reilly) state his question of privilege?

Mr. Reilly: The question of privilege is, (a) I did not take advantage of pre-releases or documents of this kind when I was a journalist and, (b) the Prime Minister (Mr. Trudeau) knows very well it has never been the practice to release documents of this nature four hours in advance of the time that hon. members were to hear their contents.

Mr. Deputy Speaker: Order. I heard the exchange. I heard the question of privilege raised by the hon. member for Ottawa West the other day, and I now rule that the remarks of the right hon. Prime Minister do not give him a question of privilege at this time.

[*Translation*]

Mr. Trudeau: Mr. Speaker, as I said on Friday, I seek nothing but guidance from the House today. The government thought it was doing the right thing when it allowed the members of the press gallery to do their job as they did in the past. The government has often been accused of secrecy. In this case we tried to follow a practice dating back at least 20 years I am told and it seems that the members opposite and particularly the right hon. member for Prince Albert (Mr. Diefenbaker) are not happy about it.

I repeat that if the House wants this practice to be stopped in the future, I will be the very first to request the members of the cabinet to comply, but I would like this to be made quite clear. I have had this checked with members of the press gallery and also with people who were with the office of the right hon. member for Prince Albert and as far as I have been able to gather from witnesses still alive this has been common practice over the last 20 years. Therefore we have only followed a most common procedure. It is not quite clear to me yet what the member is upset about. If he would speak clearly and have the House set a guideline for the government, I can assure you, Mr. Speaker, that I would be the first to abide by it. But I am inclined to believe that the hon. member merely wanted to call the attention of the House on himself. The kindest thing I can say about him is that he played a sick joke.

In another field, Mr. Speaker, namely that of the Queen's visits, I would like to state, as did the Leader of the Official Opposition, that I was happy to hear that in

1973 Her Majesty the Queen and her husband Prince Philip will come twice to Canada. I take this opportunity to say that following requests from the governments of Alberta and Saskatchewan that Her Majesty and His Royal Highness visit those provinces on the occasion of the RCMP centennial, it is my pleasure to announce that Her Majesty and the Duke of Edinburgh agreed to visit Regina and another city in Alberta which has not yet been chosen but which is intimately connected with the RCMP's past. They will do so during the first week of July 1973.

• (1700)

[*English*]

Mr. Hees: How was it in Damascus?

Mr. Trudeau: I have a lot more to say, Mr. Speaker, but I need some water.

An hon. Member: Put some octane in it.

Mr. Guay (St. Boniface): It is not heavy water.

Mr. Hees: Come on, get the wheels rolling again.

Mr. Trudeau: Mr. Speaker,—

Mr. Hees: Here it comes.

Mr. Trudeau: —if the member for Prince Edward-Hastings does not behave a bit better than that, I will not let him have his photograph taken with me the next time I go there.

Mr. Speaker, the last subject that I said I wanted to include in the reasons for deciding to stay on in the form of government concern the whole subject of national unity. I must confess, probably to the delight of some members opposite, that I think it is clear that I was optimistic and probably a bit naïve to use, during the last campaign, the theme, "The Land is Strong". It is obvious, Mr. Speaker, that the question of national unity has not been solved in this country. It is obvious that not speaking about it during the campaign, and letting this field be occupied by many people who were not working to make this country any more united,—

An hon. Member: Who are they? Name them.

Mr. Trudeau: —was a mistaken tactic on my part, whereas in 1968—

Mr. Stanfield: On a point of order, Mr. Speaker. I hesitate to interrupt my hon. friend because he did not interrupt me, so I apologize. I was the Leader of the Opposition and I was fairly active in working against my hon. friend. Is he suggesting that I said anything that would militate against national unity? I would just like to be clear on that point.

An hon. Member: That is it; you never said a word.

Mr. Trudeau: Mr. Speaker, I was not going to—

An hon. Member: He was just making smear remarks.

[Mr. Trudeau.]

Mr. Trudeau: I was not going to name the Leader of the Opposition as having contributed to that thrust of disunity. I think it is fair to say that, as a leader of a party, he has shown responsibility in the area of national unity and that he was one of those who tried to talk his own members into voting, without complete success I would say, for the Official Languages Act. I am sure that he has done his utmost to contribute to national unity in this country.

Some hon. Members: Hear, hear!

Mr. Trudeau: Since the Leader of the Opposition asks the question, Mr. Speaker, I wonder if I could ask him one that he might want to answer at some later date or perhaps even now. I was informed that in the last stages of the campaign or thereabouts he accused the former minister of regional economic expansion of being a "Père Noël", I think were his words, because he had been too generous to Quebec. I see that the hon. Leader of the Opposition acknowledges that he did that. Mr. Speaker, this suggestion is not conducive to national unity.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Muir: You are still as smart as ever.

An hon. Member: Turner, you might as well take over.

Mr. Stanfield: Mr. Speaker, I certainly accused the hon. gentleman of lavishing funds in the form of a Father Christmas. I think I mentioned the sum that he spent, though I have forgotten what it was.

Mr. Marchand (Langelier): I remember; you will have the answer now.

Mr. Stanfield: I want to make it very clear that I said this in the province of Quebec; I said this in Quebec City.

Some hon. Members: Hear, hear!

Mr. Stanfield: I say, Sir, that if the Leader of the Opposition is prevented from criticizing a minister such as the present Minister of Transport (Mr. Marchand) for wasting money on the grounds that by so doing he is anti-Quebec, then we have reached a pretty sorry state.

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker—

Mr. MacDonald (Egmont): Why don't you resign? You have discredited yourself as leader.

Mr. Trudeau: Mr. Speaker, I suppose we are all sensitive to different things and it is perhaps a fact that I have been overly sensitive to this type of divisiveness. Perhaps the Leader of the Opposition is justified in feeling that there was nothing divisive about speaking in that way. It so happens, though, that if we are sensitive to this kind of talk it is because in Quebec no federalist would try to blame the federal government for being too favourable to any one province. The Separatistes speak like that in Quebec—

Some hon. Members: Oh, oh!

Mr. Stanfield: I was not accusing—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

An hon. Member: Three ministers spoke like that on a television program.

Mr. Stewart (Marquette): Is that what you meant when you said you had a lot more goodies?

Mr. Trudeau: Mr. Speaker, the hon. member is talking of a lot more goodies—

An hon. Member: You were talking of it.

• (1710)

Mr. Trudeau: This reminds me of a headline in a responsible newspaper during the campaign. It will be recalled that at the time I had been talking about the "Highways and Byways" program which applied to all Canada. There was a headline in a reputable English Canadian newspaper on the first page which read, "PM promises more goodies to Quebec".

An hon. Member: Was that wrong?

Mr. Trudeau: Mr. Speaker, there was not a French paper of which I know—and if it happened, I am sure it was not in any paper but a separatist one—which mentioned more goodies being given to the west when we decided to buy 2,000 hopper cars or to bring in two price wheat, something which would bring $57 million more to the west. There was not a paper in Quebec that had for its headline, "More goodies for Toronto" when we decided to expropriate there for the purposes of an urban park.

An hon. Member: Oh, boy!

Mr. Trudeau: Nobody in Quebec, I repeat, except the separatists, say that the federal government has been too favourable to Ontario or too favourable to the west. Indeed, the separatists do say that. One of their recent publications tried to establish that Quebec has been "done in" because there are fewer miles of railway in Quebec than there are in Ontario and that Quebec has a larger territory, without taking into account the density of population and so on. A separatist publication establishes that the federal government gives more money to the western farmer than to the Quebec farmer, without making the necessary examinations regarding the importance of agriculture to the west as compared to Quebec. But these are separatist publications, Mr. Speaker. These are not publications which support the cause of federalism. I repeat the same is true of the politicians themselves. Sure, there are separatist politicians in Quebec who spend their time saying that the federal government is a government which colonizes Quebec and has nothing but generosity for English Canada. Sure, there are separatist publications which try to turn the people of Quebec against the government of Ottawa, because there is too much English power in Ottawa. Sure, there are publications in Quebec which try every day to convince the people of Quebec that they cannot get a square deal from the federal government, because that government is dominated by an English speaking majority. But these are separatists, Mr. Speaker; these are not people who believe in federalism. I cannot understand why the Leader of the Opposition and his supporters were not sensitized to this reality—

Mr. Stanfield: Come on!

Mr. Trudeau: —when many of them exploited the theme of French power.

An hon. Member: Who did?

Mr. MacDonald (Egmont): Name one.

Mr. Hees: Name one.

Mr. Forrestall: The Prime Minister was the one who was exploiting it.

Mr. Trudeau: Mr. Speaker, let there not be hypocrisy. I have seen material by Conservative candidates—

Mr. MacDonald (Egmont): Name them.

Some hon. Members: Oh, oh!

Mr. Forrestall: I was being as good a Canadian as the Prime Minister is. Cut out this nonsense.

Mr. Trudeau: Mr. Speaker, I will not be silenced on this subject. I can understand—

An hon. Member: Name one.

Mr. Trudeau: Mr. Speaker, when I was in Saskatchewan five weeks ago I made a speech and I named in that particular case—

An hon. Member: Name one.

Mr. Trudeau: I named the premier of that province and I quoted many instances in which he reviled the government because it had been too favourable to Quebec; and I think that hon. members opposite in their own consciences know—

Some hon. Members: Oh, oh!

Mr. Alexander: What are you trying to do?

An hon. Member: Lewis had better think of that one.

Mr. Trudeau: Lewis does not have to think of that one, because those are not sentiments which are shared by the Leader of the NDP. I have heard him in Quebec and elsewhere stand up for Canadian unity in a way which I do not think has been emulated by other members of the Conservative party.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Alexander: What are you trying to do?

An hon. Member: Name names.

Mr. Trudeau: Mr. Speaker, the hon. member for Hamilton West (Mr. Alexander) asks what I am trying to do.

Mr. Alexander: The Prime Minister is making me nervous.

Mr. Trudeau: And he should be nervous, Mr. Speaker, because this is a very important matter. I would like members of his party to realize that one of the reasons historically why they have not enjoyed as much support in Quebec as they would have liked, and why they do not enjoy that success now, has little to do with the problem of organization about which the Leader of Opposition spoke, I believe in Alberta and Quebec after the election. It seems that the only thing needed for strengthening their support in Quebec is a better organization and getting their message through a little better.

Mr. Lambert (Edmonton West): What do you lack in Alberta?

Mr. Trudeau: I am suggesting that more than that is needed.

Mr. Lambert (Edmonton West): What do you lack in Alberta?

Mr. Trudeau: More than that is needed. I am answering the hon. member for Hamilton West. I am speaking of the kind of sensitivity I have alluded to and talked about this afternoon. It is the kind which is obviously not shared by the members of the hon. member's party—

Mr. Alexander: The Prime Minister is alluding to race relations.

Mr. Trudeau: —and without it they will not make inroads in Quebec.

An hon. Member: You have said enough on this subject.

Mr. Trudeau: As the hon. member says, I have said enough on this subject.

An hon. Member: Too much.

Mr. MacDonald (Egmont): There is enough innuendo, certainly.

Mr. Trudeau: Too much has been said, I am sure, for the easiness of hon. members opposite, or to put them at ease, but not too much to remind them of some truths which it is important to hear in this country.

Some hon. Members: Hear, hear!

An hon. Member: What about the names?

Mr. Trudeau: At any rate, Mr. Speaker—

An hon. Member: Names.

Mr. Trudeau: It is strange how some of the members who are the worst offenders in this case have not asked me to name names. Generally, it is those who feel innocent who have asked.

Some hon. Members: Shame.

Mr. Trudeau: The Leader of the Opposition asked me if I was including him, and I answered at some length. If any other member wants to know if I am thinking of him, I will tell him if I have any evidence on such matters relating to him.

Some hon. Members: Oh, oh!

An hon. Member: Smear!

Mr. Fairweather: Oh, yes, I have 130 names.

Mr. Trudeau: In any event, Mr. Speaker, we have included in the Speech from the Throne the following phrase:

> Parliament will be asked to confirm the basic principles of the government's program for bilingualism in the public service.

That is an occasion to which we are looking forward, when members of the opposition with unanimity, I hope, will support not only the Official Languages Act, which is the law of the land, but the principle which underlies our faith in that act, and apply this Official Languages Act in many other areas where it is workable.

As in other areas, we will accept amendments if they are improvements. We will not accept them if they are contrary to the principle of the Official Languages Act, without which we do not think this country can continue to remain united.

An hon. Member: We will decide.

Mr. Trudeau: It will be an excellent occasion for individual members opposite who feel offended to stand up and be counted, and to say that in fact they do or do not support the principles and theory of the Official Languages Act.

Some hon. Members: Hear, hear!

• (1720)

Mr. Lawrence: Does the Prime Minister think that that act is synonymous with national unity?

Mr. Trudeau: The answer is a very simple yes. I am suprised the hon. member should have asked—

Some hon. Members: Hear, hear!

Mr. Trudeau: I hope to introduce the hon. member one of these days to the hon. member for Saint-Hyacinthe (Mr. Wagner) and perhaps, to the hon. member for Joliette (Mr. La Salle). Perhaps he will then be placed in a position to understand why the principle of two official languages is, indeed, fundamental to the unity of Canada.

Some hon. Members: Hear, hear!

Mr. Trudeau: The fact that the hon. member for Northumberland-Durham asked that question seems to me to prove the point I was trying to make. Perhaps he will want to tell us whether during the election campaign he did suggest that this government had mainly regard for the province of Quebec. I see the hon. member is seeking the floor to answer my question. I will gladly be seated to enable him to reply.

Mr. Lawrence: In a word, Mr. Speaker, no.

Mr. Deputy Speaker: I hope the hon. gentleman will not accept the invitation of the Prime Minister. I trust that the debate will proceed on traditional lines.

Mr. Trudeau: I think the time has come for me to draw my remarks to a conclusion.

An hon. Member: Hear, hear!

Mr. Trudeau: I thank the hon. gentleman for his applause, but I have a few more minutes in which I can talk and then he can applaud for longer.

The essence is that we do accept the responsibility of minority government. We realize that the verdict of the electorate was to the effect that no party was given an absolute mandate to govern alone. We believe that much can be achieved by a minority parliament.

Some hon. Members: Hear, hear!

Mr. Trudeau: I would be less than candid if I said I would not have preferred a somewhat different verdict. But the people of Canada did express their views in the election. They sent us here as we are, no party having an absolute majority. Nevertheless, they did send us here with instructions to act as a legislative body, for the government to formulate positions and policy, and bring forward bills, for the opposition to question them and debate, but also to produce. We were sent here to ensure that Canada would have a strong government, that Canada would have a government able to govern, a legislative body able to produce. And I think we must follow the rules of the game as they were laid out by the Canadian people.

Some things for us will be questions of confidence. Some things would mean the demise of the government. If, for instance, there should be a clear vote of no confidence in the government, if the government should be defeated on fundamentals, on basic principles—and I do not mind repeating, Mr. Speaker, that the Official Languages Act and its application to the public service of Canada is an example of such an area—we shall go to the people. If the opposition wish to defeat us on such a question and on other fundamental questions, they will have that opportunity. But I hasten to add that other questions, if they go against us, will not be interpreted by the government as a defeat of the government. We shall accept amendments—

An hon. Member: You make the rules.

Mr. Trudeau: The hon. member said we are making the rules. Let me remind him that even when we had a majority government we did not feel obliged to resign because some of our legislation—I am thinking of the national marketing act legislation—which was only passed after years of debate—

Mr. Lambert (Edmonton West): How about the tax measure?

Mr. Trudeau: Other measures, such as the grain stabilization bill, were withdrawn by the government because they failed to obtain passage. But we did not consider that to be a cause for resignation or for going to the people.

The logic of the government's position is not one of our making. It is one which follows from the result of the election. I know the temptation will be great, when the government accepts any modification of its priorities or its legislation, to say that the government is clinging to power. But if we pursue this logic further, I take it the same reasoning would apply also if we were to give our place to the Conservative opposition and if they were to form a government. Either they, too, would have to act as a minority government or else they would be obliged to ask for the dissolution of the House. So, it would seem to me that the logic which we accept is that which was given to us by the Canadian people when they voted on October 30. If it is an election that is desired, if we wish to reject that verdict of the Canadian people, we should say so clearly. That is not our position. It is our position to accept the responsibilities of governing, to try to place before the House of Commons a program which will as best as possible seek to respond to the lessons we learned in the election and to the priorities as we perceive them as a result of that vote.

The history behind our decision is a long-standing one. I have some notes here which I compiled with the help of Senator Forsey. I have an article by Eugene Forsey, as he then was, published in the month of August, 1963 in the *Canadian Journal of Economics and Political Science.* It is interesting to read in that article and others that Sir John A. Macdonald remained in office despite several defeats between 1867 and 1873, sometimes on some very major issues. And if any precedents were needed by my friends in the New Democratic Party, I would suggest the precedent by Mr. Ramsay MacDonald.

Some hon. Members: Oh, oh!

Mr. Lewis: Find a better one!

• (1730)

Mr. Trudeau: The minority Labour government of 1924 announced that it would consider decisive, defeats on direct votes of no confidence by the responsible leader of any party but it would not consider decisive, defeats on any other motions unless they went to the roots of the government's policies. There is even a precedent for my hon. friends on this side, taken from Mr. Gladstone's government of 1894 when he was actually defeated on an amendment to the address, which was passed by a snap vote, and he neither resigned nor asked for dissolution.

I do not think that anyone should be under any misapprehension: this government is not going to cling to office for the sake of clinging to office, swallowing everything and anything so long as it is still permitted to occupy the treasury benches. But we are not going to give up simply because we are defeated on some motion or bill, or some part of a bill or some amendment unless we feel that that defeat goes to the roots of our policy.

We want to see this parliament work. We want to see it work for the good of the country. We want to see it work under the leadership that we are prepared to give it. We are not going to abdicate our responsibilities or to bring this parliament to a premature end just because this House, in the exercise of its judgment, defeats us on some

matter that is not a matter of principle, some matter that does not go to the roots of our policy.

I began my speech—

Mr. MacDonald (Egmont): Mr. Speaker, would the right hon. gentleman permit a question?

Mr. Trudeau: Mr. Speaker, I have only a few moments before finishing my speech.

Mr. Deputy Speaker: The Prime Minister (Mr. Trudeau) does not wish to permit a question. The right hon. Prime Minister.

Mr. MacDonald (Egmont): I am sorry the Prime Minister (Mr. Trudeau) will not permit a question on such an important issue as the matter of voting.

Mr. Trudeau: Mr. Speaker, I am sure on other days the hon. member will have an opportunity to ask questions. I have been speaking for an hour and a half now and I should like an opportunity to conclude my remarks, for the benefit of people in the gallery.

[*Translation*]

Mr. Speaker, such is the program we wished to put before parliament and such are the reasons that made us realize it was imperative for us to come before the House with a plan for action. Such is also the spirit in which we shall try to interpret the lesson the Canadian parliament learned from the electorate through the latter's vote on October 30. What remains now, Mr. Speaker, is in the hands of the men and women who are gathered here.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. I did not wish to interrupt the previous speech, but at five o'clock it was my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Yorkton-Melville (Mr. Nystrom)—Consumer Affairs—Food prices—Scope of terms of reference of joint committee; the hon. member for Hillsborough (Mr. Macquarrie)—Sports—Montreal Olympic Games, 1976—Circumstances of sale of television rights to American Broadcasting Company; the hon. member for Nickel Belt (Mr. Rodriguez)—Housing—Whitson Gardens subdivision, Chelmsford, Ont.—Action to maintain value of houses not subject to foreclosure.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield.

Mr. David Lewis (York South): Mr. Speaker, I do not have unlimited time; in fact, the rules give me only 30 minutes. I hope I can confine myself within that time, but I am sure the House will grant me additional minutes if I require them.

May I first join others in expressing our party's pleasure that both the Speaker and the Deputy Speaker occupy the positions they now have. I also join in congratulating the mover and the seconder of the Address in Reply to the Speech from the Throne, both of whom presented to this House addresses that won for them and their constituents a great deal of respect.

I want to start with something the Prime Minister (Mr. Trudeau) said in his final words. If I understood them, he said that the government would decide whether or not defeat on a certain piece of legislation was a matter of no confidence. I want to tell him that as far as we are concerned, it will be parliament that will make that decision. If in our view defeat of a piece of legislation is important to parliament and to this country, but the government does not consider this a motion of no confidence, then we will make certain that this House votes no confidence in the government on a special motion.

Secondly, I want to say to the Prime Minister that I agree with him—

[*Translation*]

—that the Official Languages Act is important for Canada's unity, but I wish to tell him that to speak about it the way he did this afternoon cannot help Canada's unity.

[*English*]

He does not serve the unity of Canada by permitting in Quebec a film boasting of a certain power in parliament and in the government. He does not promote the unity of Canada by saying the kind of thing he said this afternoon.

Some hon. Members: Hear, hear!

Mr. Lewis: Above all, I say to him that although the question of bilingualism in the federal civil service is a crucial matter for the unity of Canada, it has always been his mistake to consider it as the only thing that mattered in Canada. There are economic and social questions in this country of equal importance to the maintenance of unity in Canada.

Before passing to my main speech I want to say a few words to my new suitor this afternoon, the Leader of the Official Opposition (Mr. Stanfield). I read somewhere the other day that the Leader of the Opposition had said that his tongue was not hanging out for office. From the speech that he made this afternoon I suggest to him that his tongue is not only hanging out, it is tearing at the

roots. He said that on the basis of its past performance, the government does not deserve the confidence of this House to deal with employment, unemployment and other matters. I fully agree. If there were an alternative in this parliament that deserved our confidence, the situation would be indeed different. There is nothing in the record of this government in four and a half years that deserves the confidence of the members of the New Democratic Party. But there is nothing in the record of the Conservative Party in this country, with a majority government or a minority government, or in the record of the Leader of the Opposition while premier of Nova Scotia, that warrants our confidence.

• (1740)

Some hon. Members: Hear, hear!

An hon. Member: Will you tell that to the people of Nova Scotia?

Mr. Lewis: I have said that to the people of Nova Scotia, and I will say it again.

A newspaper man, Bruce Little, wrote these words. I did not check his arithmetic, but I think this passage is very interesting:

> Nova Scotia has spent more money for every Nova Scotian on heavy water than the U.S. spent for every American on its moon program.
>
> The difference is that the U.S. got a man on the moon and Nova Scotia did not get heavy water.

Some hon. Members: Oh, oh!

Mr. Lewis: I could spend the next 15 minutes indicating the record of the Leader of the Opposition and the Conservative Party, but I have no intention of doing so. I intend only to underline the following. The Leader of the Opposition chides me about having declaimed against the party of the corporate welfare bums which sits opposite. I want to remind him that I declaimed just as loudly against his party as a party of the corporate welfare bums.

Why did I do so? It was not because I accused the Leader of the Opposition of something he did not say. Let me read to him what he is reported to have said in Toronto, not years ago but on October 19, 1972, in the context of dealing with the subject I dealt with during the campaign:

> I am not opposed to the established practices of providing incentives to corporations through the various devices of accelerated depreciation write-offs, deferred profits and the like. My experience in government persuades me that these are not only acceptable but they are, in many instances, essential.

On that basis, what right has he to say to me that I am following someone else in respect of corporate welfare bums? But if I have, I am in the very good company of the Leader of the Official Opposition.

He wants to know what the government will do about pensions, and he says to us in the New Democratic Party that we should not even give the government an opportunity to tell us what it has in mind because we cannot trust it to do anything. I waited to hear what he had to say about pensions, but the only thing my assistants were able to find was the policies and commitments of the Progressive Conservative Party of Canada, dated September, 1972. On page 52 there is a heading, "The Stanfield Alternative", dealing with poverty. All it says about old age pensions is that his party would maintain the present old age security and guaranteed income plan and remove the 2 per cent ceiling on the cost of living adjustment.

That gentleman wants me to assist him immediately; not one month, two months, three months or four months from now, but next Thursday. He wants me to assist him to take the position of the Prime Minister. I say to him that if we had a real alternative that we could feel in our hearts and in our minds, neither of those gentlemen who are tied to the corporate system of this country would be prime minister of Canada. But that is not in our hands. I say to the Leader of the Opposition, who has a great deal of patience, "Just be patient, Bob, your day may come; but I doubt very much whether you will do any better than Pierre". I must add that even the Conservative party would find it difficult to do worse.

Let me say one more thing in that regard, and I say it seriously to the hon. gentleman. There were some things which he and I, on behalf of our respective parties, demanded during the election campaign. We may have differed as to the method and as to the amount for old age pensioners and the like, but there were some things that we demanded from the government and said the people of Canada ought to have. We both agreed on these things.

With all the earnestness I have, I would ask him to lay aside for a few weeks this hunger for office and show in this parliament the concern for Canada and Canadians that he tried so hard to show, for obvious reasons, during the election campaign. I also ask that he and his colleagues join us in the New Democratic Party in making this parliament work and making this government produce on its promises. If it does not, then out it will go.

Some hon. Members: Hear, hear!

Mr. Lewis: I would expect the Leader of the Opposition to then be given an opportunity to show what he can do, and we will make exactly the same offer to him and his party: they will stay in office as long as they produce, but when they fail to do so they will go out the same way, no matter when the election may be. This is what parliament is all about. It is precisely because this kind of sequence is possible to this parliament that our party and caucus made the decision it did, to avoid this sort of frustration of dropping one government on Thursday of this week, and dropping another government three or four Thursdays hence and going to the people without result.

The Leader of the Opposition reminded Members of Parliament that at the opening of the last session of the previous parliament I said that the Trudeau years had been wasted years; that the people of Canada would show their frustration and anger when they next had an opportunity at the polls. On October 30, the Liberal party reaped what it deserved for its dismal performance from 1968 to 1972. The result is that there now sits a humbled government.

Mr. Alexander: I don't know about that.

Mr. Lewis: I did not say it was humble; I said it was humbled.

Mr. Alexander: That is different.

Mr. Lewis: Gone is its complacent and reckless majority, and what we still have to find out is what has taken its place. Is the throne speech a genuine recognition of problems which had previously been ignored, or is it merely clever political window-dressing in order to hang on to office? At the very opening of my remarks I want to tell the government clearly and emphatically that if the throne speech is merely window-dressing, it will not hang on to office: we will bring it down to defeat if its legislative proposals fail to live up to the promises in the throne speech.

We in the New Democratic Party believe it is our responsibilty, indeed that it is the responsibility of all members, to behave constructively in any parliament, particularly in a parliament with a minority government. We believe it is our responsibility to give parliament an opportunity to find out precisely what the government proposes. During his speech the Leader of the Opposition said he wanted the government to have that opportunity. I suggest to him that if he is berating us for deciding to give the government a chance to tell us what it intends to do, this is really inconsistent with much of what he said.

• (1750)

We believe we must give parliament an opportunity to solve at least some of the urgent problems facing our country and our people. I want to make clear, however, that it is not a blank cheque we offer the government. We in the New Democratic Party offer the government an opportunity to deliver. Ours is a c.o.d. policy; our votes can be collected only on delivery. Do not forget that. I want to make that very clear to hon. members on the treasury benches so there is no doubt about it.

In an attempt to demonstrate the breadth and depth of the government's conversion, the Speech from the Throne covers every area of national and international concern. I could almost see every ministry and every minister vying for space in the confessional.

Mr. Jamieson: I could not get in.

Mr. Lewis: The Minister of Regional Economic Expansion (Mr. Jamieson) says he could not get in. It is therefore necessary, because of the array of subjects in the throne speech, to seek priorities for action by this parliament in this session. I say that the prime concern remains the unacceptable level of unemployment. The immeasurable costs of the ill-conceived and futile policy on inflation, initiated in the prideful early days of this government, are still with us. Only the pride has gone.

Although the Speech from the Throne contains a commitment to "expand job opportunities at a rate that will bring about as rapid as possible a decline in the numbers of unemployed," details are still lacking. They should be provided quickly, and I want to suggest action on a number of fronts.

Mr. Speaker, although it is only five minutes to six, since I am about to enter into a discussion which I would not like to have interrupted perhaps you would allow me to call it six o'clock.

Mr. Speaker: Order, please. Is it the wish of the House that we call it six o'clock?

[Mr. Alexander.]

Some hon. Members: Agreed.

Mr. Speaker: It being six o'clock, I do now leave the chair.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

The Acting Speaker (Mr. Laniel): Order, please. Before recognizing the hon. member for York South (Mr. Lewis) may I point out that I know, from being present at the beginning of the hon. member's speech, that he intended to request the unanimous consent of the House to an extension of time. I wonder whether we could not settle this question immediately. I would ask hon. members whether there would be a disposition to allow the hon. member to go beyond his time.

Some hon. Members: Agreed.

Mr. Lewis: Thank you, Mr. Speaker, and hon. members.

At six o'clock, Sir, I suggested that it was important for us to indicate some of the lines of action that this session ought to take in view of the absence of details in the throne speech. I want to say, first, that measures which were announced late last year should be strengthened even at this late date. In fact, I want to urge parliament to put the seasonal capital works program on a permanent footing so that it may be planned over the long term; thus, delays in getting it going every year may be avoided.

Every member of the House knows that municipal governments are chronically underfinanced and that the municipalities invariably have long shopping lists of capital projects and of services urgently needed. I underline that these are not temporary or short term, they are not make-work projects; they touch the basic needs of our people and they affect the quality of life of Canadians. I urge that at this session we undertake an imaginative and well planned program in this area. This would create employment to a progressively increasing extent.

Furthermore, I am confident that the provinces and municipalities will welcome more federal initiative so long as they retain the opportunity of developing and establishing their own local priorities.

[*Translation*]

Secondly, Mr. Speaker, the budget expected this month or early in February must provide for an important tax reduction. Besides the maintenance of the 3 per cent tax cut provision which has expired, at least in principle and according to the letter of the Act, on December 31, we are also counting on a substantial tax decrease in favour of taxpayers in the lower or medium income brackets. In spite of the fancies which rove in the minds of some financial advisers in Ottawa, an increase in consumer demand will doubtless help create jobs. There is no excuse for not increasing consumer demand when, during the last couple of years, an unemployment level of 6 per cent or more has been experienced. In the present situa-

tion, a personal income tax reduction is not only desirable but practical. The revenues of the government have greatly increased, much more than anticipated in the government estimates. For example, in his budget last May, the Minister of Finance (Mr. Turner) expected a deficit of $450 million, but during the eight months previous to December, the government had a surplus of $759 million, a mistake of more than a thousand million.

Indeed, Mr. Speaker, when we realize to what extent public revenues have been underestimated and to what unbelievable degree the expenditure of the unemployment insurance scheme were undervalued, we are inclined to ask ourselves if the Department of Finance is competent enough to use a slide-rule, let alone a computer.

Thirdly, the budget must propose some selective reductions in the sales tax to manufacturers on items on which the tax becomes regressive, since it applies to families with low or average income. Such a measure would give rise to an immediate increase in consumer demand and employment.

[*English*]

Fourthly, to the extent that investment needs to be stimulated, it should be encouraged in small and Canadian-owned business through a redesigned Canada Development Corporation. I point out that these smaller, Canadian-owned firms are labour—rather than capital—intensive and would indeed open new job opportunities.

The marketing and management services referred to in the throne speech would also help. But what we do not need, and what we in the New Democratic Party will continue to oppose, is a continuation of the corporate rip-off at the expense of the ordinary Canadian taxpayer.

Some hon. Members: Hear, hear!

Mr. Lewis: This has not worked to produce commensurate employment in the past and will not do so in the future.

The commitments in the throne speech to more action in the fields of housing and anti-pollution, if the government means it and if they are properly and energetically implemented, would be of immense value in the fight against unemployment, for these areas create jobs directly and immediately. In our view, the billions of dollars granted to large and mostly foreign-owned corporations in tax concessions and tax deferrals over the last number of years with the intention, assumption or excuse that they would produce jobs, have not done so. They have served only to increase the tax burden on the individual Canadian, to distort our economic development, to expand foreign control of our economy, particularly in the resource industries, and to swell the profits and power of large corporations.

Some hon. Members: Hear, hear!

Mr. Lewis: The NDP continues to oppose, and is determined to oppose, this policy. I hasten to remind the Leader of the Opposition that this is a policy supported and promoted by his party as well as by the party opposite him. I say simply—I hope that those on the government benches understand this—that therefore much depends on the fiscal policies which the promised budget unveils.

I can say now that we oppose today, as we opposed last May, the corporate tax cut and the accelerated write-off proposals contained in that month's budget. We do not believe they will result in significant job creation. Indeed, the accelerated write-off provisions for new machinery and equipment make it relatively more attractive to use machines instead of people and may well result in fewer rather than more jobs. Furthermore, I think that all members of the House, members of the government party, members of the official opposition, and my colleagues, ought to know that a disproportionate share of the lost revenues through these rip-offs to the corporations will be captured as windfall gains by foreign-owned corporations.

Look at the facts. It is true that in the manufacturing sector, 75 per cent of Canadian companies are Canadian controlled; but it is also true that 25 per cent of foreign-controlled companies own 58 per cent of the assets and receive 64 per cent of the profits. It is, therefore, obvious that most of the additional $500 million which the Minister of Finance (Mr. Turner) hoped to give away last May will be a direct contribution to the coffers of the foreign-owned and foreign-controlled firms in this country. Indeed, Mr. Speaker, please note that some of this money will find its way from our treasury into the treasury of the United States government, due to a reduction in the credit which U.S. subsidiaries would otherwise receive or be allowed for taxes paid in Canada.

• (2010)

What concerns us equally about this attitude of the Liberal party and the Conservative party toward this subject is that the benefits of the accelerated depreciation—the accelerated rip-off, I should call it—and tax cuts will go mainly to the large corporations. The Minister of Finance has justified his gift on the grounds that these companies need the money to finance their expansion. Yet it is well known that it is the small and medium sized, Canadian-owned firm which has the greatest difficulty in borrowing for expansion from our regular financial institutions. It is these firms that the government should be trying to help. It is usually because of their limited equity position that such firms are unable to borrow in conventional money markets. Our major financial institutions prefer to lend to large firms whose equity and cash flow positions are large enough to guarantee security.

The New Democratic Party feels strongly that the $500 million which the government proposes to give away in its forthcoming budget, if it carries out its intention of bringing back the May proposals, and some of the DREE incentives should be used to provide equity to small and medium sized, Canadian-owned companies in the service and manufacturing sectors. I suggest to you that strengthened by this additional equity, these firms would be able to obtain the funds they need for expansion from our banks and other lending institutions.

The result would be both a strengthening of the Canadian-owned sector of the private economy and, if the equity were provided through the Canada Development Corporation, as it should be, a sharing of the benefits by the

Canadian people generally. Further, if we did that it would be possible to ensure that the money was actually used for expansion and job creation rather than simply fattening the assets of the corporate giants in this country.

I refer hon. members of the House to the Gray report. They ought to read it and reread it. I say this to members of both the government party and of the official opposition. I refer them to that part of the report which states that 44 per cent of the funds used for the expansion of foreign-controlled firms in Canada from 1960 to 1967 was obtained through accelerated capital cost allowances. I ask, how much longer are we going to offer foreign-controlled firms the means to buy us out with our own money?

At last, the government has indicated a long overdue concern about the rising price of food. Last fall the Prime Minister said rising food prices were good for the farmers. Apparently the farmers, along with millions of other Canadians, were unimpressed by this argument. The government's decision to establish a parliamentary committee to study food prices indicates that although the Prime Minister may not know what is good for the farmer, he knows what is good for his government.

[*Translation*]

Mr. Speaker, I am always surprised at the extent of the research the government devotes to the food industry. It has always washed its hands of it. Even last summer, the Department of Consumer and Corporate Affairs blamed the higher prices on the producer while the Department of Agriculture published a newsrelease according to which the processors and retailers—and not the farmers—were to blame.

Every week, Mr. Speaker, full page advertisements in all the newspapers across the land claim that the supermarkets make modest profits, such as 0.6, 1 or 1.5 per cent on their sales. Only when one studies their profits as compared to their investments, that is according to the method used by the other industries in calculating their profits, do we see their miserable profits of 0.6 per cent, as in the case of Dominion Stores Limited, for instance, become in reality 11 per cent, that is, a far more reasonable income, whatever the point of view. It could well be that it is—

[*English*]

—"mainly because of the meat," Mr. Speaker!

We do not believe that the proposed parliamentary committee is an adequate substitute for a prices review board with power to roll back and control food prices. We do not fool ourselves about that. However, this parliamentary committee might be a useful start, but only if it is set up without delay and if it is given wide and full powers to call witnesses, to require the production of documents and to examine the books of processors and distributors. We call upon the government to establish the committee immediately and to give it the necessary powers.

Food is an important part of the cost of living, particularly for Canadians on pensions, on welfare and on low incomes generally. These people deserve better. The action proposed in the throne speech is minimal. Delay would be inexcusable. In our view, the committee should not be burdened with members from the other place except, Mr. Speaker, for those Senators who may wish to testify in their capacity as directors of various corporations.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, somebody a little less kind than I am has said that perhaps the Senators might be interested in doing something about the increasing price of Geritol.

Some hon. Members: Oh, oh!

Mr. Lewis: The other major factor in the cost of living of the average Canadian family is that of shelter. There are some brave words in the throne speech on the subject of housing, but what exactly will they mean in practice? If they mean no more than the proposals we received in the last parliament, then the government and CMHC are still failing to tackle adequately this urgent problem.

I note particularly the omission of any reference to lower interest rates, and the gentleness of the appeal for more mortgage money from investors. In our view, parliament has the authority and should act to require banks and other institutions to invest a certain proportion of their reserves in housing and to lower interest rates on mortgages. The need for decent homes grows greater every passing year. I plead with the government to use its opportunity to make a bold and effective start now.

A careful study of the Speech from the Throne shows some very important and desirable suggestions in the field of social policy. But it also contains some wording and some aspects which arouse doubts and worries. For many years our party has advocated a floor, under income, for all Canadians or, as it is now called, a guaranteed annual income. We are, therefore, pleased to see the acceptance of this principle, at least as far as concerns those who cannot work, the aged and the incapacitated. But I wonder what the somewhat unusual language with respect to pensioners is meant to convey. The throne speech says, "legislation will be introduced to improve the economic situation of old age pensioners". We will wait anxiously to see precisely what these words mean. All I want to say at this point is that failure to increase basic pensions, or the government merely presenting a token increase, will not be acceptable to members of the New Democratic Party. I am sure that such action will not be acceptable to many other members of this House nor to the people of Canada.

• (2020)

Some hon. Members: Hear, hear!

Mr. Lewis: We shall also watch carefully the proposed changes in the unemployment insurance plan. We appreciate that there has been some abuse of the program, and we do not condone such abuse any more than any other section of this House does; nor do we oppose appropriate measures to tighten the administration, so long as they do not hurt the innocent.

What we regret, Mr. Speaker, is that already, as a result of the measures taken by the Minister of Manpower and Immigration (Mr. Andras) in tightening some of the rules, we have received complaints, indeed cries for help from unemployed Canadians clearly entitled to benefit who

have been caught in the tightened net. I know it is now thought politically wise to join in the various reactionary backlashes which were evident in some quarters during the campaign, but I want to say to you, Sir, and to members of this House that we in the New Democratic Party refuse to join in the backlash against social welfare and against such essential measures of social security as a humane and generous system of unemployment insurance. We simply will not support any attempt to emasculate our unemployment insurance program. The real problem is the unacceptable level of unemployment. The remedy is not to hound the unemployed; the remedy is to end unemployment.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Lewis: Mr. Speaker, we still consider the matter of economic independence crucial for the future of Canada as a distinct entity capable of establishing its own destiny.

One of the main aspects which we envisage in this field is the proposed Mackenzie Valley pipeline project. The bill on foreign ownership was denied adoption by the last Parliament because we felt that that project, considered separately, was a far-fetched way to deal with an urgent problem.

Therefore, we shall await with interest details of those other measures indicated in the Speech from the Throne. Nobody is in a position to estimate their value before their exact nature is known.

I cannot discuss other important aspects of the Speech from the Throne because of the time limit set by the Standing Orders. Some of my colleagues will deal with them later—especially in the field of agriculture—which leads us to believe that the government has finally agreed to decentralize the Department of Regional Economic Expansion, to re-examine that hodgepodge of giveaway programs in the field of research and development, election expenses, the new orientation of federal-provincial relations and the giving up of rigid positions. Those are subjects which we talked about during the election campaign. We are glad to see that the government intends at least to take a few steps in the right direction.

[*English*]

But I cannot resume my seat without congratulating the Prime Minister and his colleagues on their rediscovery of the west. What a thrill of revelation they must have felt! If there is anybody who has doubts about our democratic process, let him note anew the power of the ballot: at the right time, marked the right way, it maketh hearts to feel and eyes to see. Miracle of miracles, as the song goes.

I can tell the Prime Minister that I have spoken to the offices of the three New Democratic Party premiers in the west. They are fully ready to co-operate. The meeting of the Prairie Economic Council to be held in Winnipeg in a couple of months may present an opportunity to begin preparations for the proposed conference, especially since I understand that British Columbia will attend and that the economic council will become a western one rather than merely a prairie one. I cannot speak for them, but I am sure that the western premiers will not be satisfied with gestures, any more than we in this chamber would or will be.

Mr. Speaker, what I have been trying to convey to members of this House and, through the press gallery, to the people of Canada is that we in the New Democratic Party ask for solid accomplishments in this parliament. We have reason to believe that our campaign and our position in this House have influenced the content of the Speech from the Throne. This we welcome. There are important proposals in the speech which deserve a chance to be presented in legislation and we believe it would be unreasonable not to provide that chance. This is the reason for the policy which I have enunciated this afternoon and this evening and the policy which I made public the other day. I suggest, again, that it is as important for the Leader of the Opposition and his party to give this government a chance to bring its throne speech into legislation as it is for us, and he should wait patiently before he crosses the aisle—if he does.

As a result of the Prime Minister's speech this afternoon I hope that in the next three days, tomorrow, Wednesday and Thursday, the ministers and members of the government who speak will give us some details of their proposals. Parliament and the people of Canada are entitled to this. The generalities with which the Prime Minister was satisfied this afternoon do not satisfy us, Mr. Speaker. Members of the government have a duty to tell parliament during this debate what the proposals in the Speech from the Throne mean in the various areas I have mentioned and other areas which other people will discuss.

I say, Sir, that all of us were elected to serve the people of Canada, as the Leader of the Opposition said. In his speech he said that he feels this parliament has a great opportunity, that he feels responsible for it and that he hoped this parliament would add to its distinction. I say to him, as I said earlier, that his attitude this afternoon does not add to the distinction of this House nor, indeed, to the distinction of his party.

We in the New Democratic Party believe that whatever the complexion of the government, whether Liberal, as it is now, or Progressive Conservative as it may become at some future date, parliament should function constructively to serve the people of Canada. The government in place should be given a reasonable opportunity by all members of the House to present its program in detail, to present its legislation and its policies. This, Mr. Speaker, is our position, which we believe to be both reasonable and responsible and I am confident that the people of Canada will applaud it.

Some hon. Members: Hear, hear!

• (2030)

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the hon. member for Saint-Denis (Mr. Prud'homme) tells me that we are close to the party in power, which is somewhat true.

My first words will be to congratulate Mr. Speaker, as well as his Deputy, on their appointment to the elevated offices of Speaker and Deputy Speaker of the House of Commons.

I shall also take this opportunity to congratulate the mover and seconder of the Address in reply to the Throne Speech, who expressed themselves well, although their primary function was to praise the government: that is quite natural on the occasion of the opening of a session.

Mr. Speaker, I listened to the leader of the Progressive Conservative party and of the official opposition (Mr. Stanfield) and also to the right hon. Prime Minister (Mr. Trudeau) and the leader of the New Democratic Party (Mr. Lewis) who spoke to us, first of all, of the October 30 general election where we received 737,000 votes, 638,000 of which in the province of Quebec. And those votes were not intended to divide Canada. Indeed, we did not preach one program in one area of the country and another in the other regions.

Today, I heard the Prime Minister blame the opposition for having stirred the Anglophones against the Francophones; a while ago, the leader of the New Democratic Party said the Prime Minister was not serving the interests of Canadian unity in speaking of those matters.

Mr. Lewis: In the words he used!

Mr. Caouette (Témiscamingue): Yes, if you wish.

Mr. Lewis: There is a difference.

Mr. Caouette (Témiscamingue): Mr. Speaker, I believe it is time to tell the truth even if it hurts. Among the members of the New Democratic Party, I noticed, during the election campaign, the strength of their leader's statements. He was consistent with himself. I give him credit for this. He did not say in Montreal the opposite of what he said in Vancouver. He said in Vancouver that the "French fact" was a real fact in Canada and that one had to accept it.

Mr. Lewis: Even in Port Alberni.

Mr. Caouette (Témiscamingue): Yes, even in Port Alberni. It does not mean that all his followers agreed with him and this is noticeable among all political parties. In Montreal or elsewhere within the province of Quebec, for instance, I have met a few members of the New Democratic Party who are as close to separatists as René Levesque may be.

An hon. Member: What about your party?

Mr. Caouette (Témiscamingue): Some of our members may feel the same, but our position remains logical in any case, Mr. Speaker, not only in the province of Quebec but throughout Canada.

This afternoon, I heard the members of the Conservative party grumble when the Prime Minister said that in a few regions, they had taken advantage of the French power in order to get rid of the other candidates who opposed the Progressive Conservatives, and we could hear them say no, no, no. I went through western Canada myself—not in a jet or a helicopter—to hold meetings and in Saskatchewan I was told to my face that a Catholic French Canadian was not welcome in western Canada. And today the members of the Conservative party deny this fact.

[Mr. Caouette (Témiscamingue).]

Mr. Speaker, some of the Progressive Conservative members who are with us tonight were elected thanks to the French power in Ottawa. One may grumble as much as he wants to, but how is it that in the province of Quebec the Conservatives have been badly received? Because of inconsistency. They sang one song in the west and another one in the east. That is why only two Conservative members were elected in Quebec, one in Saint-Hyacinthe (Mr. Wagner), with a slim majority, and another in Brome-Missisquoi (Mr. Grafftey), who got a good majority because he said publicly: I do not want to see Wagner in my riding.

Mr. Speaker, when I say that the Progressive Conservatives acted like hypocrites, it is true. The day before yesterday, I was on a radio hot-line in Regina from my Parliament office and I stated that some Progressive Conservative members were elected on the back of French Canadians. A lady from Swift Current wrote me since then; I think that constituency is represented by a Conservative member. What did she say?

[*English*]

Just listened to you on the "Harrison Line"—

An hon. Member: That's the Tories.

Mr. Caouette (Témiscamingue): There's the same old gang.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Caouette (Témiscamingue): And the lady told me the following:

[*English*]

Just listened to you on the "Harrison Line," Regina, and I wholeheartedly agree with you.

The English here in this province (not saying all, but a great many) are decidedly anti-French. My own very friends are anti-French (they are English and Scotch); have had many arguments with them. I am of Dutch descent.

Thank you,

It is signed "Mrs. M. Wall," Swift Current.

And then, Mr. Speaker, they will come and tell us that they worked for national unity.

During the election campaign I heard the hon. member for Saint-Hyacinthe promise old age pensions of $200 a month at 60. His leader never spoke of that anywhere in Canada. The hon. leader of Her Majesty's very loyal opposition said today, stop the debate immediately to vote better old age pensions. Now he is beginning to like Canada's older people.

Mr. Speaker not so long ago—on October 13, 1970—the House voted on a sub-amendment moved by the New Democratic Party in the debate on the Address in reply to the Speech from the Throne. Both the Liberals and the Progressive Conservatives voted against it.

We were asking for an increase in family allowances through a sub-amendment moved by the hon. member for Lotbinière (Mr. Fortin). The Liberals and the Progressive Conservatives voted against it. The leader of the opposition was there; 150 members in all voted against it. For the younger people, the hon. member for Lotbinière moved a motion on the compensated dividend discount to increase the purchasing power—what the leader of the New Democratic Party just talked about—in order to fight unemployment. The Liberals, the Progressive Conservatives

and the NDP voted against it by 188 votes. Only 11 Creditistes voted for it.

Mr. Speaker, this prompts me to say that the Progressive Conservative party is not any better than the Liberal party. The motion of the opposition leader states that the government does not possess the confidence of this House. The Progressive Conservatives lost it in 1963. Why? Because they were inactive. And today, instead of bringing in positive measures they say: The government does not possess the confidence of this House. The government is a French power.

Mr. Speaker, in good English I shall say this: In Ottawa we the Créditistes:

• (2040)

[*English*]

We do not want French power or English power: we want real Canadian power for the whole of Canada.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Caouette (Témiscamingue): That is providing our economic system will allow us to be what we are in a free province. It is only then that we will have national unity, and never otherwise.

Getting funds from British Columbia for distribution in the Maritime provinces and in Quebec, or getting them from Ontario—a province that also needs its money—for distribution to other provinces, will not satisfy anyone. We displease those from whom we take that money and we do not please all that much those who get it, as shown by the fact that the government is accused of giving too much to Quebec, and if Quebec is asked whether it is getting too much, it will say: No, this is still not enough. If you go out West, you will hear the same criticism, and so on from one end of Canada to the other. Why? Because the economic system is such that it cannot please all the provinces.

Mr. Speaker, the Speech from the Throne states some nice things. I said, the day when this speech was given, that it promised a lot.

Mr. Speaker, the Leader of the Official Opposition and his right hand man, who is actually on his left, are agreed now, I think, to recognize the soundness of the suggestions that we offer.

I was saying that the Speech from the Throne deals with things that are not usually mentioned in it: the guaranteed annual income, assistance to small industry, the creation of new industries and the aid required for this purpose.

Mr. Speaker, all this is very nice. It is also nice to hear the leader of the New Democratic Party say: Cut taxes, increase pensions, get rid of the corporate welfare bums, get rid of all that. But where and how can the purchasing power be increased under the present financial system? By robbing Peter to pay Paul? By taking away from the haves to give to the have-nots?

[*English*]

Take away from the haves to give to the have-nots, and at the end you will have all kinds of have-nots and no more haves.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Caouette (Témiscamingue): Mr. Speaker, we have been talking about the Bank of Canada for a long time—we have been here for at least 11 years, and I sat in the House from 1946 to 1949—and nobody has yet understood.

An hon. Member: You were a Liberal then?

Mr. Caouette (Témiscamingue): No, I was a Creditiste. It was when I was a Liberal that I could not see clearly.

Mr. Speaker, we talked and we are still talking about the Bank of Canada. Many laughed as they did two years ago when we talked about guaranteed annual income and the hon. member for Papineau (Mr. Ouellet) was always on his feet saying that the Creditistes were crazy. This year, however, the speech from the throne advocates a guaranteed annual income for part of the population. This comes from the Liberals! It is true that fear is the beginning of wisdom; the government is afraid of being overthrown, so it gets wiser. This can easily be seen from the fact that the hon. ministers are less arrogant than they used to be six months ago. They answer questions more readily. In fact, they seem to be more talkative than before. They understand our questions better, and it is a good thing. This is why I am telling the population that a minority government is more efficient than a majority government.

We had another example of this in 1958 when the Conservatives had 208 members. Since there was not enough room on this side of the House, several members sat on the other side. In fact, they were so many that the place was packed with Tories.

In 1961 there were one million unemployed in Canada. Those who blame the government for maintaining a system which tolerates 560,000 unemployed should think about the one million we had in 1961.

Mr. Grafftey: No, no.

Mr. Caouette (Témiscamingue): The hon. member for Brome-Missisquoi says no, no. This is why the Progressive Conservatives were defeated in 1962, because there were one million unemployed in Canada. In spite of its large majority, the government was helpless. The same thing happened with the Liberal majority government and you will see an improvement in the coming months with the minority government, as in 1963, 1965 and 1968.

• (2050)

However, again I refer to our suggestion concerning the resort to the Bank of Canada, a suggestion which was considered rather funny.

I have before me the 1970 Revised Statutes of Canada, that is 1970 of the Christian era, for those who would not know it!

Section 14 of the Bank of Canada Act sets the powers of the Bank and appropriate government directive. I quote:

14. (1) The Minister and the Governor shall consult regularly on monetary policy and on its relation to general economic policy.

When economy is lagging, the Minister of Finance must meet with the governor of the Bank of Canada and dis-

cuss with him the utilization of the Bank of Canada. Again I quote the same excerpt:

... consult regularly on monetary policy and on its relation to general economic policy.

(2) If, notwithstanding the consultations provided for in subsection (1), there should emerge a difference of opinion . . .

In the past, we have witnessed a difference of opinion emerging between a minister of Finance and the governor of the Bank of Canada.

... concerning the monetary policy to be followed, the Minister may, . . .

. . . in case the minister did not know that he might, now he will . . .

... after consultation with the Governor and with the approval of the Governor in Council, give to the Governor a written directive concerning monetary policy, in specific terms and applicable for a specified period, and the Bank shall comply with such directive.

When the purchasing power is inadequate, the minister has the right to write a letter to the governor of the Bank of Canada and tell him to get down to business in order to make the purchasing power commensurate to the goods on sale in Canada, to the Canadian production.

I continue the quotation:

(3) A directive given under this section shall be published forthwith in the *Canada Gazette* and shall be laid before Parliament

. . . because the Parliament has to decide . . .

within fifteen days after the giving thereof, or, if Parliament is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting.

This act was passed during the 1966-1967 session. I am speaking about the Act to amend the Bank of Canada Act, and about Section 14 of the Bank of Canada Act which grants to the minister the power of giving directives to the Bank of Canada.

Section 18 which deals with the Business and Powers of the Bank, powers granted by Parliament to the Bank, reads as follows, and I believe the minister will understand:

(1) The Bank may

(*i*) make loans or advances for periods not exceeding six months to the Government of Canada or the government of any province on the pledge or hypothecation of readily marketable securities issued or guaranteed by Canada or any province;

(*j*) make loans to the Government of Canada or the government of any province, but such loans outstanding at any one time shall not, in the case of the Government of Canada, exceed one-third

. . . of its budget, of its national revenue and . . .

. . . one fourth . . .

. . . in the case of the provinces.

If the province of Quebec has a budget of 4 billion dollars, it is entitled, according to the Act, to borrow directly from the Bank of Canada up to 1 billion dollars a year, but for periods not exceeding six months. This means putting a lock on the door of the Bank of Canada. What can a province to in six months?

Nevertheless, Mr. Speaker, that is the most essential problem, which prevents the provincial governments to agree with Ottawa. If Ottawa make use of the Bank of Canada! The minister can do it, the government can do it; the Bank of Canada has the responsibility, and the law allows it to grant loans.

It is only a simple matter of replacing the words "six months" by "sixty years" as it is done for banks and as it is done for loans granted to India, Algeria, Tunisia, South America, Central Africa or South Africa.

Why not do so for Canadians, provinces and municipalities, through provincial governments? No, the government does not want to. We listen to a Speech from the Throne. We are told to wait for the introduction of bills. We are told forever to take away from the "haves" and to give to the "have nots". This does not increase the global purchasing power of the people by one half cent or a cent. The government is still holding on to its principles.

Mr. Speaker, during the election campaign we advocated three things for a global policy for Canada. First, the guaranteed annual income which we can afford and maintain. Instead of paying unemployment insurance benefits, social welfare allowances and all kinds of other things, through an overly costly bureaucracy as we have now, we say that everybody must be granted a guaranteed annual income whether they work or not. The difference is that the one who works gets a salary in addition to his guaranteed annual income whereas now people are compelled not to work so that they may receive unemployment insurance benefits, social welfare allowances or any other kind of social security.

Mr. Speaker, this is why many people say: I am not going to work; it is more profitable to be unemployed. Last fall for instance it was hard to find people for apple picking in Rougemont or in other areas of the Eastern townships. Why? People were receiving $80.00 or $85.00 a week in unemployment insurance benefits. As they were offered $60.00 to go to work, they invariably said: Let us stay at home, we are not going. If we could find a way to encourage men to work by assuring them of a guaranteed annual income which nobody could touch, every Canadian would be seeking employment at the present time. And we have been suggesting if for a long time. Here again we do not wonder if we have the production to warrant it; no. We keep on wondering if we have the money required for it. It will cost that much. It is always the money problem.

But, for instance, as soon as a war is declared nobody is ever heard saying that there is not enough money to manufacture guns or bombs: money is plentiful. We have never failed to finish off assembling a gun for lack of a quarter.

During World War II when bombs were being dropped on Hitler's head in Germany, were there memos delivered to him before releasing the bombs warning him that they would not be dropped unless he paid cash? No. He was attended to free of charge during the entire war.

Everyone understood and nobody objected to it. But when it comes to setting up a salary scheme which would enable citizens to live a decent life in peace and unity, it so happens that we cannot afford it even though we can afford to displease provinces and municipalities. Currently, everyone is cursing the government.

Mr. Speaker, we advocated the guaranteed annual income throughout the election campaign. You will say: Yes, but everyone in Canada did not vote Créditiste. Quite

true, and if anyone knows it, we certainly do. Still, we had surprises in store for some people even in Montreal, where we reaped 157,000 votes, that is as many as the NDP in all of Quebec. In fact we had 100,000 more votes that the PCs and the NDPs combined in the province of Quebec. People will say: Yes, but that may be a trend peculiar to Quebec. How could that be, seeing that I said the same things in Quebec as in the other areas. I went to the Maritimes and said exactly the same thing. I stated that the differences of opinion with regard to linguistic matters did not constitute a real problem but that it was made to look like a problem because of a sad lack of purchasing power in all of the provinces.

• (2100)

In Quebec you hear people say, even economists like Mr. Parizeau, for instance, we don't have enough because Ottawa gives too much to the West. You go West and meet economists who tell you quite the opposite: we don't have enough because the Trudeau government gives too much to his "pea-soupers" from the province of Quebec. You hear provinces rearing up against each other. Although it is not a matter of language, it had been made into a matter of language.

You hear people talk about those Frenchmen from Quebec, then in Quebec you hear people berating the Anglo-Saxons in the other provinces, but in the meantime the financiers are having a ball. Has it ever been noticed that the monetary system has no language? It speaks neither French, nor English, nor Ukrainian, nor Japanese, nor Chinese. It is peculiar how everyone understands the language of the monetary system. There is no one who does not know the difference between a ten dollar bill and a twenty dollar bill, whether English, French, or Ukrainian. And that is the system they dare not touch. Let us fight one another, in French and in English.

Some are praising the government's policy on the official languages, others criticize it, while some others commend it, but as soon as our backs are turned, they violently object to it. Frankness is not much in honour. And then, someone will say: It is all the fault of the French or the English, and then we go on fighting one another with great spirit.

Mr. Speaker, the policy on the two official languages of Canada does not mean that the English-speaking from British Columbia have to learn French. This is where the government is now seriously at fault. To tell a 55 year old man that he has to learn French or English, I find, is a bit stupid. There are people who try to learn the second language and I congratulate them. This afternoon, I heard the Leader of the official Opposition speak French. There were some passages that I did not understand too well, but, at least, he made a commendable effort, and I congratulate him. The other night, on the TV program "Bye Bye 72", he was not introduced in this perspective ... However, those who learn the second official language, deserve to be congratulated. To those who learn English at the age of 50, the same applies. Therefore, I say to the government, let the two official languages be recognized, yes, but to implement this, there is only one way: give the provinces the grants they need to be able, in their jurisdictional area, to teach the two official languages starting with the first year in grade school and there you will have—

Mr. Speaker: I regret to interrupt the hon. member for Témiscamingue, but the time allowed to him has expired. Unless he gets the consent of the House he cannot continue. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: Agreed. The hon. member for Témiscamingue may continue his remarks.

Mr. Caouette (Témiscamingue): Mr. Speaker, I thank very sincerely all my colleagues for allowing me to keep on with my remarks, but I will not overtax their generosity.

Mr. Speaker, I was saying that the only way to get people from sea to sea to know the two official languages, is to teach them at school—not in Grade 13, not at university level, for it is too late then, but when the child is in primary school, in first or second grade; at this stage he will easily learn any language.

I had a personal experience of this. I have two sons, one of whom is sitting with me in this House. When my two sons were but little fellows of five or six, one of my neighbours back home in Rouyn was Ukrainian. He also had a little boy of the same age. The three children played together. One night at dinner, my two boys came to the table talking to one another. I could not make out a word of what they were saying; they were speaking Ukrainian. They had not learned the language at school; they had taken it up while playing with their little friend.

Mr. Speaker, the Ukrainian boy also was speaking French at that age. This only shows how easy it is for children to learn a foreign language.

And in Canada, if we view the problem on the national level, we find the same thing. I do not think that a single province would refuse federal grants designed specifically to promote the teaching of the two official languages in Canadian schools, be it in Vancouver, Halifax or Montreal. It would be the end of the fights now going on in Montreal for instance where it is ordered: You shall learn French, only French, nothing but French. It is no good to tolerate such views and the Quebecers who contend that the French fact is about to disappear are dreaming in colour. They are having the wrong dreams, they are happy heads.

Mr. Speaker, while 100 years ago, there was not one million French Canadians in Canada, today, there are six or seven million of us. What is more, the French language is better spoken today than it was 40 years ago. There has been an improvement. But there will always be prophets of gloom, pessimists. We have some in Quebec, and there are some outside the province who, as out West or in Ontario, say "Speak White". That is not much better than those who in Montreal also say "Speak white" in French in one place, in English in another.

Mr. Speaker, the way we go about it now will not solve the language problem in Canada. Even though the royal commission on bilingualism and biculturalism was set up at a cost of I know not how many millions of dollars to inform us that French is spoken in Quebec and English

outside its borders, it did not solve much. But no one trusts the official languages act because everyone feels compelled to learn a second language. But such is not the case. As far as I am concerned, I have not been compelled to learn English. I learned it because I wanted to, and in order to understand what the English-speaking people had to say. I do not regret it today. If I go to United States, England or anywhere else where English is spoken, I understand what people are talking about. If an English-speaking Canadian does not want to learn French, he is free to do as he likes; he is not compelled to do so. Nobody will stop anyone from remaining a moron all of his life.

As far as the French-speaking Montrealers are concerned, the same remark applies to them.

It has been brought to my attention that the interpreters are having a hard time trying to translate the word "Gnochon" (moron). I could say then a "simpleton", for instance, it is just about the same thing.

The second point that we made during the electoral campaign concerns the interest free loans granted by the Bank of Canada. While referring to them a short while ago, I mentioned Mr. Bourassa, the premier of Quebec, who went and borrowed, under the circumstances, 100 million dollars in the United States to ensure the development of James Bay. He went and borrowed 100 millions at 9¼ per cent, for 25 years. In 25 years from now—

An hon. Member: That is not expensive!

Mr. Caouette (Témiscamingue): No, that is not expensive. In 25 years from now, Quebec will have paid 233 million in interest alone, then it will still owe 100 million. Come now, that is not expensive! Very sensible indeed! We shall owe all of James Bay! The development of James Bay will cost at least 25 billion to the province of Quebec! The Canadian government has already begun to invest $8 million; more millions will follow and before long billions of dollars will have been secured.

• (2110)

Mr. Speaker, earlier, I heard the Leader of the New Democratic Party state that we are selling out to the Americans. It is true, and not only the federal government but also the Quebec government is doing so. The Leader of the New Democratic Party must be aware of that fact. His friend, the NDP Premier of Manitoba also borrowed $50 million from the Americans at 9.5 per cent for 25 years to enable the Manitoba Hydro to carry out a project. What will be paid? Interest totalling $100 million. The Leader of the New Democratic Party did not mention it. We beg the corporate welfare bums to finance a hydro-electric project in Manitoba.

Mr. Lewis: They are everywhere.

Mr. Caouette (Témiscamingue): They are everywhere and the hon. member for York South admits it. They are everywhere. In fact, we want to get them out from everywhere so that Canadians can be masters in their own house through the Bank of Canada.

Premier Bourassa did not come back from the United States with a wheelbarrow filled with $100 million in U.S. currency. He came back with a little piece of paper which is called a promissory note that said "$100 million", bearing interest at 9¼% over 25 years, signed Bob Bourassa, endorsed by the province of Quebec, meaning myself and other Quebecers.

The James Bay development is then undertaken. If that project were not profitable, Mr. Speaker, and I call on the Prime Minister, on all hon. members and ministers to disagree, Premier Bourassa would not come back from the United States with as much as a nickel. Is that clear? The Americans wonder whether the project is profitable? It is. Let us write down those figures. What would be the difference between having the figure "$100 million" written in the United States and having them written in the Bank of Canada here in Ottawa? Figures written in the United States belong to the people of America, that is obvious and everyone knows it. Why not have the same figures written in the Bank of Canada, based on the same resources, not on the moon, but on the James Bay resources.

Mr. Speaker, we can use the same kind of ink, the same type of pen and write the figures here in Canada, instead of having them written in the United States. Then we would own James Bay. In this way, we are giving them James Bay and then, later, you will hear people like the hon. member for York-South tell us about the "corporate welfare bums". That is exactly how it comes about.

We therefore suggest resorting to the Bank of Canada and not to set up "dollar machines"—such as were heard about—to print dollar bills inconsiderately. No, the figures should correspond to the facts.

Let us take another example. The right hon. Prime Minister boasted during the election campaign that our gross national product had reached $102 billion for the first time in the history of this country. But while our production increases in a staggering way, unemployment increases also and we say to ourselves: Let us fight unemployment in Canada. If, in order to fight unemployment, we employed all the unemployed people so as to produce more, our gross national product could easily reach $125 billion a year. It is not production that is failing, but distribution. Therefore, we must find a way to distribute production among consumers.

That is why we propose the establishment of a guaranteed annual income based on Canadian production. Our national revenue will reach $71 billion this year according to statistics. There is a $31 million gap between the purchasing power and Canadian production, namely $1,490 for each Canadian. The government is always saying: Where shall we find credit? Where shall we find money? We have the production. Why not monetize it through the Bank of Canada and give each Canadian his share through the establishment of a guaranteed annual income? Call it a national dividend if you prefer.

A while ago, the leader of the New Democratic Party spoke about the increasing demand in Canada. We are all for it. But if "demand" is removed from those who now enjoy it and given to those who are short of it, this will not increase the overall demand. Why is the NDP leader unable to suggest means of increasing the overall buying power in Canada?

During the campaign we were suggesting a compensated retail discount of 20 per cent. When you buy a $100 item after, of course, an agreement has been passed between the retailers and the federal government, you are assured of a 20 per cent discount. The retailers are at liberty to enter into this agreement or not. But once they have endorsed it they are committed not to increase their prices and to receive the compensated discount from the government. Then, on a $100 item the retailer would apply the $20 discount, the consumer would pay only $80 and the $20 difference would be paid by the federal government.

This government grant would be much more significant than those paid to major companies because it would enable industries to distribute their production and hire workers. Thus through an agreement between the retailers and the government we could fight non only inflation but also unemployment.

This compensated discount is an integral part of the social credit theory. This theory respects private enterprise and individual initiative. We are all for helping individuals give the best of themselves to develop their country. Contrary to socialism under which government should grab everything, we Créditistes say: Give more and more freedom to private enterprise to allow it to develop because initiative is private. If you cast everybody in the same mould you turn them into a herd as do certain European and Asiatic Communist countries. That is not the kind of system we want in Canada.

Mr. Speaker, these three points have served my colleagues from the Social Credit Party during the whole election campaign. We did not waste our time trying to throw discredit on any given party; we have acted objectively and in this House, my colleagues and myself will continue to be objective. We want to put an end to this sense of divisiveness in Canada; the remedy which will promote a better understanding and a better cooperation and the best cooperation is still the economic reform, because our crucial problem, which has to be solved as soon as possible, is the economic problem. We must put the economy in the human being's service.

As Pope Pius XI used to say in 1931, that is 42 years ago: the economic goal will be fully achieved and will reach its real end only when it provides all of us with the part of assets that nature and industry are able to provide, and that part has to be sufficient to enable each of us to be well off.

It is to ensure this decent comfort that we are working seriously, objectively and positively. I call upon all hon. members of this House, whatever party they may be with, to cooperate and not think only in terms of defeating the government and preparing the next election but to give Canadians a regime which would respect the human being, a regime which we allow them to become satisfied human beings in a country as rich as ours.

As I have said earlier, Mr. Speaker, the Créditistes will continue to make objective suggestions. We will not play games deciding whether or not the government should be overthrown.

I am telling you, formally and quite sincerely, that when the government introduces a piece of legislation, if it is beneficial to the Canadian people as a whole, we shall support it; otherwise, we shall fight it, no matter whether this should bring about elections or not. We have no ties, we are free, even though we have been ignored since the last election. I am saying that for the information of those who might not know it.

Based on the media, one might swear that only three political parties now exist in the House: the Grits, the Tories and the New Democrats. The others are of no consequence. Oblivion sets in. However, we enjoy the consolidation and the satisfaction of not being forgotten, in due course, outside the House of Commons.

Mr. Speaker, this afternoon, the Prime Minister seemed in an excellent mood to seriously study the proposals put forward by the Official Opposition or the other parties.

Therefore, I hope, as I said before, that the Canadian economy may appropriately serve the Canadian people.

[*English*]

Mr. Erik Nielsen (Yukon): Mr. Speaker, I think we were all surprised to find that the leader of the Social Credit Party (Mr. Caouette) did not introduce an amendment. Judging from the election campaign platform of the Social Credit Party, the government would have been hard-pressed not to vote in favour of it as they did in 1963. The guaranteed minimum wage, the guaranteed annual income that they urged so loudly during their campaign, failed to materialize in the speech of the leader of the Social Credit Party (Mr. Caouette).

• (2120)

My first comments are directed to the remarks of the leader of the NDP (Mr. Lewis). I took exception when he said—I think I quote him pretty accurately—that there was nothing in the record of the Conservative party, whether in majority or in minority, and therefore nothing in the record of the leader of this party, that would merit greater confidence than in those opposite. It seems to me he is overlooking a rather impressive record of social legislation that was enacted during the years 1957 to 1963 and which his party not only voted for but lauded at the time.

Some hon. Members: Hear, hear!

Mr. Nielsen: I speak of the progress that was made in on-the-job training, the progressive legislation that was passed under the then minister of labour, the former member for Ontario, the setting up of vocational schools across the country, improvements made in the unemployment insurance legislation and many others of which he is well aware. He is trying to duck the legitimate accusation that he is in bed with the Liberals as is, it seems, another party in the House. It sounds almost like the story of Bob and Carol and Ted and Alice. Only one of the parties, namely the official opposition, fails to join that common bed.

The leader of this party has made a very sensible suggestion to the government, which I do not think the Prime Minister (Mr. Trudeau) will accept and which I believe the NDP will not accept either, because I think they are afraid to accept it; and judging by the conduct of the leader of the Créditiste party they, too, will reject it.

Much was said by the leader of the NDP, in his remarks on the throne speech, about the urgency of dealing with old age pensions. Again, judging from the number of questions on this subject placed on the order paper by the party to my left, and the number of times it has been raised by members of the Créditiste party, one would think this would be an urgent problem, one with which this government should deal immediately.

We have heard many suggestions regarding amendments that are required in order to improve the unemployment insurance legislation. Indeed, the NDP issued a table of priorities before this parliament convened and in that list of seven priorities they stipulated these to be matters deserving immediate attention. Quoting from an article which appeared in the current press, they wanted action to minimize the effects of winter unemployment, a close watch on the operations of the Unemployment Insurance Commission to prevent inefficiency and delay in issuing cheques, an immediate ban on job elimination, tax cuts for the ordinary citizen, and so on.

Our leader has suggested that this debate should be adjourned today or tomorrow and that the government should bring forward immediately legislation which has been prepared and which will increase old age pensions and deal equitably with old age pensioners. If the NDP does not accept that position, if they do not concur in that suggestion, it means that they are not acting in the best interests of those for whom they purported to act during the election campaign. It is the most shallow hypocrisy for the leader of that party to go carousing across the country expressing his great concern for our old people, advocating increases in the old age pension, and then to stand up in the House and say that his party will not support the suggestion that we deal with it immediately because they want to carry on a debate on the throne speech, which will delay immediate action for the old age pensioners.

The same argument applies to the unemployment insurance changes that are necessary. For members of the Créditiste party and members of the NDP, who went through two months of campaigning stating all the ills that must be cured in these fields, not to support the suggestion of the Leader of the Opposition (Mr. Stanfield) to deal with these matters immediately is not only hypocrisy but it is a betrayal of their duty to their party supporters and to the so-called principles that they purport to support.

They said, in a decision that was made long before the throne speech, that they were going to wait and see what legislation came forward. They said that immediately after the throne speech they would hold a press conference, which they did. At that press conference they said exactly that which they had already determined they would say, that is, that they would wait and see the legislation. They said they would keep this government in power until such time as they saw whether their legislation merited support, but they would oppose anything the government brought forward that did not agree with the list of priorities that they had presented.

What a phony position to take! They will support the government in power, without seeing the amendments to the old age pension legislation; they will support the government in power, without seeing the amendments to the unemployment insurance legislation; they will support the government in power, without any idea of how they will create new jobs; they will support the government in power, on the strength of a vague promise by the government to set up a committee to study the high cost of food and the increased cost of living.

Mr. Alexander: It's a love affair.

Mr. Nielsen: They love them; they are in bed with them. It is what one of my colleagues called, during the speech of the leader of the NDP, a marriage between consenting adults: that is precisely what it is. That is the most shallow of hypocrisies, the most shallow position for any party purporting to espouse any principles at all to be taking. If these matters are so urgent as the members of the NDP have been wanting us to believe they are, why do we not deal with them tomorrow? Why should not the government bring forward their UIC legislation, their legislation to deal with increases in old age pensions, and let us adjourn this debate and deal with those matters tomorrow?

Some hon. Members: Hear, hear!

Mr. Nielsen: I accuse the leader of the NDP and his followers, if they are going to say the same things that he said, of fear. They will not go along with the suggestion of the leader of our party because they do not want the information before they vote. They do not care about having the information before they vote, because they will vote for the government regardless.

When the leader of the NDP says that the leader of this party has nothing in his record as premier of the province of Nova Scotia to merit his confidence, I do not wonder at all why his party has not held a seat in that province since the defeat of Mr. Gillis in 1957. The leader of the NDP just does not understand the Atlantic provinces. He does not realize that the expertise of the leader of this party resides in the creation of jobs and in economic policy. If there was one thing that the leader of this party did in the province of Nova Scotia, it was to reform the economic fabric of the province and create jobs.

• (2130)

An hon. Member: Tell us some more.

Mr. Nielsen: If the hon. member wants to interject, let him not do it cowardly, from his seat; let him ask for the floor and I will gladly give it to him. I do not mind reciting the fact that I lived in the province of Nova Scotia for six years while I studied; I am very proud of that. I understand that province, and maritimers generally. I am just sorry that more members opposite and to my left dit not have the same opportunity.

I need only cite the accomplishments in Nova Scotia of the leader of this party in the creation of Industrial Estates Limited, which created and maintained 5,000 jobs in that province. Not a single aspect of that plan has been changed by the present Liberal premier of the province. The leader of this party revised the system of education there and restructured the economic environment of the province into the form which has been continued to this day by a Liberal premier.

Mr. Turner (Ottawa-Carleton): Are you preaching for a call, Erik?

Mr. Nielsen: With respect to the Minister of Finance (Mr. Turner) who, some say, has been consistent, although I fail to find any consistency in his conduct while in office—

Mr. Turner (Ottawa-Carleton): Your leader said it.

Mr. Nielsen: —I invite him also to rise and take part in this debate. One thing I am concerned about is the introduction into this debate of rather racial overtones by the Prime Minister. The same course, to a lesser degree, has been followed by the leader of the NDP and by the leader of the Créditiste party. I am very concerned about this as a Canadian.

This is a personal viewpoint, Mr. Speaker; I do not speak for my party when I express it. With respect to the Prime Minister, after reading what I have been able to read about his past writings, and listening to him on the three or four occasions since 1968 when he has taken the opportunity to participate in debates in the House of Commons, I believe he has done more to encourage disunity in this country than any other prime minister in our history.

Some hon. Members: Hear, hear!

Mr. Nielsen: And he did not improve matters today at all. If the Prime Minister had his way, he would allow this debate to degenerate into some kind of racist harangue, to divert the debate from the real issues, and from the real reasons that the election left him and his party in the sorry state in which they now find themselves. No one can overlook the fact that in the city of Montreal and the islands surrounding Montreal something in excess of one million English Canadians voted for the Liberal party. That certainly tends to go against what the Prime Minister was saying today.

I saw hon. members opposite, particularly the hon. member for St. Boniface (Mr. Guay) who has the good fortune to be bilingual and I have not, laugh when the leader of the Créditistes said that only two members on this side of the House were from the province of Quebec. That is no laughing matter, Mr. Speaker. Our leader has said time and time again since the election that we want to improve that situation. We believe it is important for Canada that it be improved.

I hear more snickers and laughter opposite, Mr. Speaker. I suggest there would not be any laughter if they had any true regard for having at least two healthy, viable political parties in Canada. It is no more a laughing matter that that happened to us in Quebec than it is that it happened in Alberta to those opposite. It is just as vital that there be representation throughout the country for those opposite as it is for those on this side of the House. Trying to shift the real reasons for the result of the election into this area does a real disservice to unity in Canada.

Some hon. Members: Hear, hear!

Mr. Marchand (Langelier): How are you going to get away with this?

Mr. Nielsen: Mr. Speaker, I notice that the new Minister of Transport (Mr. Marchand) is very uncomfortable in his new portfolio. I am saying these things sincerely. He says I am not going to get away with it. I do not know what he means by that. I am being just as sincere as I am sure he thought his leader was when he was speaking.

It is essential that this kind of thing does not happen, if we are all concerned about national unity. I come from a part of the country that is fighting its way to get into confederation, not out of it. The truth is that the prime minister and his party came to this sad state of affairs in the election, primarily for economic reasons and secondarily for social reasons. They had a total disregard for the human decisions that were necessary in such areas as unemployment insurance, curing inflation and the high cost of living. The Prime Minister felt that as a mathematician he could work out a paper formula and impose it upon the people without regard to the human qualities that must be considered in making such decisions. The idea of deliberately creating huge unemployment for the purpose of curing inflation was unacceptable to the electorate.

Now the Prime Minister speaks of goodies. He accuses the Leader of the Opposition of contributing to national disunity by mentioning in Quebec City certain facts concerning the allotment of funds to particular provinces. I suggest that we have reached a very sorry state of affairs if we cannot discuss the facts concerning the administration of the minister's previous department, whether in connection with funds allotted to the province of Quebec, to the territory of the Yukon or the Atlantic provinces.

Mr. Stanfield: They were not all from his department. Mostly these were election goodies.

Mr. Nielsen: Not only did we criticize the national parks that were announced by the minister of northern affairs (Mr. Chrétien) on the eve of the election in the province of Quebec; we also criticized the waterfront parks mentioned by the ex-minister of energy, mines and resources who hails from Toronto. We criticized announcements by the Minister of State for Urban Affairs (Mr. Basford) concerning dock development in British Columbia. Why single out one province on which to criticize the Leader of the Opposition?

We criticized the "byways and special places" $50 million program announced by the minister of indian affairs. We criticized Sharp's waterfront park in Toronto, estimated to cost $30 million, and Basford's railway relocation program, costing $25 million. We criticized Pepin's boost to STOL planes, to cost $60 million, and we criticized the Minister of Finance's model city in Ottawa, estimated to cost $400 million. We criticized the minister of indian affairs—

Mr. Turner (Ottawa-Carleton): I rise on a question of privilege, Mr. Speaker. I have known the hon. member for Yukon (Mr. Nielsen) for a long time and I know he would not want to misstate the facts. The program announced for Ottawa during the election would not cost a cent, because the federal government already owns the land.

Mr. Nielsen: All I can say is that if we have that kind of project going on in the city of Ottawa, we would sure like

to have some of them going on in the Yukon. Last but not least, we criticized the project of the Minister of Indian Affairs and Northern Development for the national historic park in Quebec City, to cost $16 million, making a total of $581 million, if I am correct in my figures. The Minister of Finance (Mr. Turner) may wish to correct me.

• (2140)

Mr. Turner (Ottawa-Carleton): You are not correct.

Mr. Nielsen: I could be incorrect. I am not mentioning the $2 billion of the unemployment insurance fund, or the "big rip-off", after the book of the same name, LIP or the OFY grants in the city of Toronto. I am just citing these instances to illustrate that we are not zeroing in with criticism in one particular province. It is not fair, it is not correct and it contributes to national disunity to charge this party with zeroing in on one particular province.

Some hon. Members: Hear, hear!

Mr. Nielsen: I say that to announce this kind of thing six days before the vote is taken is a deliberate, preplanned effort by the Liberal party to get votes. The people of Canada were not snowed; they were not snowed in Toronto and they were not snowed in British Columbia where the announcements were made. The people reacted like honest Canadian citizens and rejected the Liberals, but not for racial reasons.

Some hon. Members: Hear, hear!

Mr. Hees: They are just no good.

Mr. Baldwin: They are incompetent, that's all.

Mr. Nielsen: The new Minister of Transport says that the people of Quebec did not understand. But the English speaking people of Montreal island understood and voted heavily in favour of the minister's party, so this cannot be attributed to them. Hon. members on this side of the House take a back seat to no one as strong supporters of national unity in this country. The Prime Minister smiles and takes his Buddha stance now. But I do not want to get holier than thou—

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): The halo is slipping down over your nose.

Mr. Nielsen: I did not serve my country from 1942 to 1952 in the armed forces to listen to somebody accuse me of being against national unity. I did not fight to see that happen in this country, and I will exert every ounce of my energy to see that it does not happen. That is one of the reasons I am here.

Some hon. Members: Hear, hear!

Mr. Nielsen: I am not here to see the Prime Minister stand as he did today and lecture us on constitutional law. I remember another occasion when he trotted out the same precedents. He was a freshman minister of justice when the government was defeated on a tax measure in 1968.

Mr. Trudeau: In February.

Mr. Nielsen: I remember it very vividly because I had to leave in haste to attend a PTA meeting at Vincent Massey school in Ottawa. It was one of the two votes that defeated the government of that day.

The Prime Minister, as the then minister of justice, maintained the position that he does today, that really a tax measure is unimportant with respect to whether or not the government is defeated. What he said then, he says today—that it is up to the government to decide when it is defeated. If I may paraphrase his remarks, he says that if the government is defeated on basic principles it will go to the people, but if other questions go against them it will not be deemed a defeat. Who is the Prime Minister to decide what will be a question of principle?

Some hon. Members: Hear, hear!

Mr. Nielsen: There are some who say that hon. members on the other side of the House have lost their arrogance, that they are now humble, yet we have the Prime Minister saying the same thing that he said in 1968. At that time he said, in effect, "We are the masters. We will decide what issues will defeat us. We will decide when the government steps down". What supreme arrogance, Sir.

Some hon. Members: Hear, hear!

Mr. Nielsen: The hon. member for Winnipeg North Centre (Mr. Knowles) had a good deal to say during that debate and it will be interesting to see how he now stomachs the following remark which the Prime Minister made in 1968. During the debate on February 27, 1968, as reported at page 7040 of *Hansard* the Prime Minister said:

> A general election is an instrument given to the government to demonstrate that it has control over and the confidence of the Houses.

I say, Sir, that a general election is not an instrument given to the government; a general election is an instrument given to the majority of the members of this House, and if the government is defeated on a matter, our constitution requires that the government should step down. The hon. member for Winnipeg North Centre intervened in the debate at that point as follows:

> May I ask the minister a question? Was I not asking for that position to be stated before the vote was taken, not after the vote had been taken and the government had lost?

He was cheered for that. The then minister of justice answered:

> Mr. Speaker, I submit that this is not the case. These are the rules of parliament. They have been quoted at length by the hon. member and they are quite clear. The difference between the argument put forward by the hon. member and my own position is that the hon. member wishes to be on the side of those who decide if the defeat of a specific bill is the defeat of the government. That is the difference. We say we will decide if the defeat of a specific bill is the defeat of the government.

According to the Prime Minister, that applies today as it did then, whether the decision is taken before or after the vote will be decided by the government. What supreme arrogance. Here is what he said on that occasion, as reported at page 7042 of *Hansard*:

I am answering the question. We are masters of the House in the sense that we have to conduct the affairs of government. That is what it means to assume the power.

Mr. Hees: How things have changed today.

Mr. Nielsen: They are the same old bunch, Sir, and they have the same views. They are taking the position that they are not going to be unstuck, they are not going to step down until they decide to do so.

Mr. Trudeau: Just get support for your motion.

Mr. Nielsen: This is why the New Democratic Party is going along with them. The Prime Minister says, with the supreme confidence borne of that intimacy which can exist only between bedfellows, that we should get support for our motion of nonconfidence. He knows we are not going to get it because of those to my left.

Mr. Hees: He has already seduced the NDP.

Mr. Baldwin: Seduction with no promise of marriage.

Mr. Nielsen: He says that the matter must be one going to the roots of their policy. What policy? They went across this country for two months spouting policy that has been rejected by the people of Canada, and now they have shifted into an entirely different field.

Some hon. Members: Hear, hear!

• (2150)

Mr. Nielsen: Talk about U-turn governments! This is the most flip-flop government I have ever seen in this House, or read about.

Before my time expires, I want to return to the innuendoes and inferences left by the Prime Minister, which are beneath the dignity of any prime minister of this country, to the effect that certain unspecified, unnamed members of this House were guilty of some kind of racism in the campaign. What bothers me is not that unsupported charge, not the innuendoes that he left, so much as something else he said. Again, I copied down his remarks. He said that if hon. members want to know, "I will tell them what evidence I have." This bothers me—

Mr. Jamieson: Like wiretapping.

Mr. Nielsen: —because there is a new security force and because there is a propensity on the part of the government to compile dossiers on everybody.

Mr. Speaker: Order, please. The hon. member's time has expired.

Mr. Jamieson: Continue.

Mr. Speaker: Only if the hon. member has the unanimous consent of the House may he continue his remarks.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. The hon. member for Cochrane (Mr. Stewart).

[*Translation*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I could start my speech now and conclude it tomorrow morning if I am permitted to do so, or still agree that it is ten o'clock as it does not make any difference to me.

Some hon. Members: Go on.

Mr. Stewart (Cochrane): Mr. Speaker, before the end of the last parliament we were told that you would not be with us at the next session and we are all quite happy, myself included, to see that you have been re-elected and I congratulate you as well as the three hon. members respectively elected to the positions of Chairman, Deputy Chairman and Assistant Deputy Chairman of Committees of the Whole House (Messrs. McCleave, Laniel and Boulanger).

I want to congratulate the two hon. members, the mover (Mr. Blais) and the seconder (Mr. Blaker) of the Address in reply to the Speech from the Throne who have spoken on the first day of the session. I wish to mention in particular the mover, not only because he is a remarkable man but also because he comes from Northern Ontario. I am pleased to see that the Prime Minister (Mr. Trudeau) has decided to choose someone from that place, thus proving that we have many gifted people in the North.

[*English*]

We have had an election and the people of Canada sent 264 of us to this House to look after the affairs of the country. They did their duty on election day; now it is our duty to give service for as long as possible in order to carry out what the people have already asked us to do. Can we sit here and say that there should be collusion between one part of the country and another in trying to arrange for the right number of seats in this House so that the people will not need to go back to the polls and make the same kind of decision before four more years have passed?

I suggest, Sir, that there is obviously some kind of deficiency in our system and that the time has come for changes to be made in our basic system. Unfortunately, whenever we mention any change that involves the constitution, we hear the same kind of answer, particularly if it has to do with fixed dates for elections: some people say, "We do not want to be like the United States." That reminds me a little of some people around Ottawa. When you suggest that Ottawa and the surrounding area should be a national capital region, some people say, "Oh, but we do not want to be like Washington."

There is no reason in the world why we have to be like anybody else. There are ways of changing things by using methods that would be to our advantage, without our needing to change our whole system and without our needing to be like anybody else. There is no more reason for Ottawa to be like Washington than there is for us to be Americans. This applies equally in the case of a fixed day for elections.

I do not always agree with the hon. member for Timiskaming (Mr. Peters), but this is one point on which I agree with him wholeheartedly. I remember that in the previous parliament he submitted a private member's bill relating to specific and fixed days for elections. Certainly, when

the people of Canada sent us here they did not intend to choose again in a matter of months a new group to govern them. They sent us here with the idea of our serving their interests for the next few years. This is the way it ought to be.

If we are to play the kind of games that have been played up to now, I can see no possible advantage for the people of Canada. I certainly cannot buy a system under which a minority group such as the NDP in this parliament, with fewer than 12 per cent of the seats in this House, shall decide what legislation shall be brought down and keep one or other party in power. It seems to me that in that situation the tail wags the dog.

Mr. Alexander: Oh!

Mr. Baldwin: Some tail; some dog.

Mr. Stewart (Cochrane): That is not democracy.

Some hon. Members: Oh, oh!

Mr. Baldwin: It is a son of a dog.

Mr. Stewart (Cochrane): I do not say this because it involves the NDP; I would say the same if the Créditistes or anybody else were involved. Under a democracy, the majority should rule. In this case we are trying to operate under a two-party system with four parties. It seems to me that the people of Canada cannot help but suffer as a result. I think that is the only thing that can happen. On one hand you have a group which has power tentatively and is afraid of losing it; on the other hand there is a group that wants it. Then on the third hand there is a group that wants to use its position of balance of power in order to get the kind of legislation passed that it has in mind.

The people of Canada did not elect fewer than 12 per cent of the members of this House in order for those members to decide the legislation of this House. Therefore, I cannot see why this kind of system should last any longer. If we go back to the country in the next few years, there is no guarantee that we will be returned to this House with any one party holding an absolute majority.

Mr. Nielsen: Want to take any bets?

Mr. Stewart (Cochrane): It seems to me that the time has come to change that tradition. We are great on traditions which are not our own. One tradition which I have abhorred in the past, and I will mention it again since it involves the traditions of this House, is the tradition of traipsing down the hall to the Senate to listen to the Speech from the Throne. Most of us have to watch it on TV because we cannot get in the door. If that is not ludicrous, I do not know what is.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I wish to ask the government House leader what the business of the House will be tomorrow.

[Mr. Stewart (Cochrane).]

Mr. MacEachen: Mr. Speaker, we will continue with this debate tomorrow.

PROCEEDINGS ON ADJOURNMENT MOTION

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

CONSUMER AFFAIRS—FOOD PRICES—SCOPE OF TERMS OF REFERENCE OF JOINT COMMITTEE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise tonight to pursue a question that I put to the Minister of Consumer and Corporate Affairs (Mr. Gray), on Friday last regarding the reference in the Speech from the Throne to the establishment of a special joint committee of this House and the other place to study the price of food. I wish to take a few moments this evening to enunciate some of my ideas as to what I think this House should consider in the establishment of such a committee. I want to mention some of the terms of reference that are important with regard to the committee, if it is to study food prices and recommend action on legislation which has teeth in it and is effective.

• (2200)

The first point I wish to make is this. I do not think it is necessary to include members of the other place on a committee of this nature. My leader referred to this point. He said that if they wish to appear as directors of certain companies to which they belong, that would be fine. A committee of this sort could and should be made up of members of this House and this House alone.

The announcement in the Speech from the Throne is welcome to me. I do not know why the government waited so long before introducing a measure of this sort. The price of food has been increasing sharply for the past 12 months. In the last year it amounted to more than 10 per cent. But it was not until October 30, when the government found out that the land was not strong, that action was taken; until then hon. members opposite shrugged off this important question.

I recall, in recent months, the Prime Minister (Mr. Trudeau) suggesting that an increase in food prices might not be bad because higher farm prices would benefit from it. I wish to remind hon. members through you, Mr. Speaker, that farmers are not reaping the benefits of the increase. Net farm income has declined over the last five years and the farmers' share of the food dollar has dropped drastically in the last 20 years. In 1949 the farmer received 57 per cent of the food dollar; in 1972 he received only 38 per cent.

This is the time, therefore, for a thorough investigation into the increase in the price of food. We must find out who is getting the benefit of this increase for which the consumer is paying. I believe the House should move immediately, tomorrow, to the formation of the committee. I urge the minister to contact the House leaders of all

parties with a view to forming the committee tomorrow in order that we can take action without delay. I also urge the minister to recommend to the House that we give the committee more than simply power to study the rise in the price of food. For too long we have established task forces, royal commissions, and so on, to study major problems; then all we have done is file away the results in the garbage can, forgotten about them and let the dust gather on them, while the people reap no benefit.

I wish now to make a few suggestions which I hope the minister will take seriously. I believe the committee should be given power, in its terms of reference, to examine the financial records of the various companies and associations which are relevant to its study. It should also have the power to examine all relevant documents.

I believe the committee should take account of all aspects of food prices and look into the activities of all companies engaged in this field. I have in mind five or six broad items, things such as the basic profits of food companies engaged in the production, processing and packaging of food. Third, the committee should look carefully into the distribution of food; this includes transportation by rail and by other means. Fourth, the committee should study the aspects of advertising and promotion; fifth, the conglomerate structures, vertical integration, chain stores, and so on. Here I refer to companies such as Garfield-Weston and all their subsidiaries.

At all levels of the food industry, what we must look for is the profit on equity investment. It is misleading when some of the chain stores say they have only made one half per cent profit, or one per cent profit, on sales. I will use one example. We find firms such as Dominion Stores saying they showed a profit of only .6 per cent on food sales in Canada. But if we look closely at the records we find that the company actually showed a profit of 11 per cent on investment in Dominion Stores across the country. These are some of the aspects of the question which the committee should study as it considers the increase in the price of food and recommends action to roll back these increases.

We must act now because this is an important issue to very many Canadians in my riding, such as those on fixed incomes and poor people on welfare, people who are unemployed and others who do not reap the benefits of our so-called affluent society.

We must act as countries such as Sweden have acted. Sweden announced recently the establishment of price controls on some basic commodities. Similarly, we must have a prices review board that has teeth, that is not afraid to investigate increases in the price of food. If the increase is not justified, parliament has a moral obligation to control the price of food, rolling the price back on behalf of the average consumer.

These are a few of the ideas that I should like the minister to comment on briefly tonight when he responds to my question.

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the hon. member has made a number of interesting observations on the composition of and terms of reference for a parliamentary inquiry into food prices. I should remind the hon. member that the committee in question will not be formed by the government or the House leaders but, instead, will come into existence as a result of debate and decision in parliament. I expect we will see a notice of motion on the order paper to establish a parliamentary committee to study food prices very soon. I hope that once this motion appears on the order paper the House leaders will agree to have it called as soon as possible so a decision can be made on it shortly thereafter.

In the course of debate on the motion to establish the committee we will be able to go into the suggestions made by the hon. member this evening, as well as other suggestions that will come from all sides of the House in some further detail. There is no question that a committee on food prices is important at this time and I look forward to its early creation.

HOUSING—WHITSON GARDENS SUBDIVISION, CHELMSFORD, ONT.—ACTION TO MAINTAIN VALUE OF HOUSE NOT SUBJECT TO FORECLOSURE.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, the situation that I raised in my question on Friday of last week was precipitated by the housing shortage in my constituency of Nickel Belt. This shortage of homes at a price our people could afford led to a great deal of land speculation and the building of homes with inferior materials and cheap workmanship, homes that were then sold by questionable methods.

Both levels of government, provincial and federal, consistently refused to pass the kind of legislation that would protect the consumer from scandals such as Whitson Gardens. But how could one expect the old line parties to pass legislation against their staunchest financial backers? In this case it happens to be a Tory bagman and former candidate for the Progressive Conservative nomination for the Nickel Belt riding in 1968, Ross Shouldice. It was his company which built the homes in Whitson Gardens and put them up for sale at an average price of $21,000.

He then established Silhouette Developments Limited and Trasco Realty Limited to sell the houses. Some of the buyers obtained a lawyer of their own and, having their necessary down payment, bought homes. Others, coerced by Trasco Realty Limited, entered into what they thought was a home purchase but later turned out to be a rental agreement. They had been making their payments to Silhouette, which never made the first mortgage payments to the Toronto-Dominion Bank. In the meantime, Ross Shouldice had gone to Blind River, Ontario, and obtained $49,000 in DREE grants and manpower retraining grants to open up Wholesale Homes Limited, which suddenly ceased operations after about one year.

• (2210)

Why is it that when a very small minority of people rip off welfare and unemployment insurance schemes these old line rednecks label them as "freeloaders", but when shysters like Shouldice and Company can bilk the people of Canada for all they can get they are called "free enterprisers"? The way this person ripped off the society makes Moby Dick look like a minnow.

CMHC had and still has a grave responsibility to the home buyers. How is it that CMHC guaranteed loans for

homes built by Shouldice and his various front organizations without doing a performance check on this developer? How could such poor workmanship pass inspection by CMHC appraisers?

I call for a complete investigation of the CMHC and the manner in which it operates and underwrites mortgage loans. CMHC has a responsibility to those persons whose homes are not being foreclosed, and that is to rehabilitate the foreclosed homes to CMHC standards and possibly sell them to the Ontario Housing Corporation. Moreover, the government has a responsibility to legislate a national building code and put some teeth into it, and also to introduce legislation to protect the purchasers of new homes in respect of defects, inferior material and unscrupulous marketing techniques.

Indeed, there is nothing new in what I have suggested. As a matter of fact, in Great Britain, where builders are registered with a national housing bureau, they have to offer the following protection to home buyers: inspection in the interests of buyers, that is, to quality and appearance and not just strength and safety, give a two-year guarantee with an arbitration system to settle disputes, provide ten-year coverage against major structural damage, and provide insurance to protect a buyer if a builder should go bankrupt. There must also be an undertaking by the council to implement any arbitration award should a builder default.

I assure you, Mr. Speaker, that if our constituents in the Nickel Belt, in Whitson Gardens in particular, had this kind of protection under the law I would not have had to direct the question to the minister last Friday and I would not be standing here making a speech tonight. It seems to me that the interests of our people are completely ignored by this kind of government. Surely this is a situation which cries for justice, and I ask for justice for the people who have invested their savings and earnings in this operation.

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, the hon. member for Nickel Belt (Mr. Rodriguez) in his remarks this evening has ranged somewhat further than his question on Friday. Let me say to him in a general way that I welcome his remarks. In respect of what he has said about housing policy, I am pleased to inform him that there are a number of proposals in the Speech from the Throne which I will be enunciating further in the course of this debate, in the course of a federal-provincial conference to be held in Ottawa on January 22 and 23, and in administrative changes under study in respect of CMHC, all of which will answer some of the problems he has enunciated.

May I also say to him, in relation to his general remarks about the kind of things he has observed in the particular sub-division to which his question relates, that we have seen instances across Canada of bad workmanship and non-completion of houses which have created great hardship for purchasers. Because of my past experience and outlook as Minister of Consumer and Corporate Affairs for three and a half years, I can say that the throne speech indicates our desire and willingness to set up a system of warranties for new home purchasers. I think this is very much needed in this country, and when these proposals are laid before parliament and the country I feel I can look forward to the support of the hon. member for Nickel Belt.

May I say, in respect of this particular sub-division and the difficulties that have been created there, that the practice of that particular selling organization is a matter of investigation by the department of consumer affairs of Ontario. I have told my officials to co-operate with them to the fullest extent. Where there has been wrongdoing and breach of the law, I have no doubt those people should be prosecuted if the investigation should show that. I am sure the hon. member agrees with that position. We will be as helpful as possible.

The hon. member expressed concern about the people within the subdivision, and their investment being protected. He mentioned that unoccupied houses and those subject to foreclosure denigrate the value of other properties in the area and take away from those who are making their payments. May I make clear the legal position of Central Mortgage and Housing Corporation. We assure payment of the mortgages to the extent they are being foreclosed by the Toronto Dominion Bank, the mortgage holder. We have no legal position until the bank in fact forecloses and comes to us, at which time we acquire the property.

I give the hon. member our assurance that Central Mortgage and Housing Corporation acts in such a manner as to endeavour to manage that property, deals with it in such a way as to ensure not only recovery of the investment but also tries to avoid impairment of the value of adjoining properties. That is the practice the corporation has followed and will follow here.

On Friday last the hon. member asked whether I would have negotiations with the Ontario Housing Corporation concerning property in this subdivision. I have instructed my officials to do so. I have not yet had a report on that. Whether or not it will lead to anything remains to be seen, because the Ontario Housing Corporation, while it owns and purchases houses, purchases them for a limited purpose. I am not sure that the residents of the subdivision would want the Ontario Housing Corporation to turn these houses, for example, into rental houses or public housing developments of one sort or another. That is a matter for discussion among the people in the subdivision and the Ontario Housing Corporation. I have asked my people to discuss those possibilities with OHC.

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

HOUSE OF COMMONS

Tuesday, January 9, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

FISHERIES RESEARCH BOARD

TABLING OF ANNUAL REPORT FOR CALENDAR YEAR 1971

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, in accordance with Standing Order 41(2) I wish to table the annual report of the Fisheries Research Board of Canada for the calendar year 1971.

* * *

ENERGY

FUEL OIL PRICE INCREASE—POSSIBLE SHORTAGE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the recently announced increase in the price of fuel oil by Shell Canada Limited, the cut-back in fuel oil deliveries in the United States, and the estimate by the responsible minister in the province of Alberta that Canada may face a shortage of oil in a matter of months, I ask unanimous consent under Standing Order 43 to move the following motion:

That the government ask the National Energy Board of Canada to make an immediate report on this critical situation, along with its recommendations to safeguard the Canadian users of fuel oil and related petroleum products against unwarranted price increases and the possible shortage of supplies.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Nanaimo-Cowichan-The Islands. Under Standing Order 43 this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

UNEMPLOYMENT—REQUEST FOR LIST OF GOVERNMENT MEASURES TO REDUCE LEVEL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, while yesterday the Prime Minister ignored my request that he state the policy of his government to increase employment I should like to ask him today whether he is prepared through this House to tell the 580,000 unemployed Canadians, as reported for the month of December—6.8 per cent of the working force—what his program is to reduce unemployment?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the answer would be in terms which were already mentioned in the Speech from the Throne about measures which have been taken and, of course, measures which will be taken in the industrial sector, plus an answer in terms of the budget speech which we expect will be fairly soon and which will announce a whole series of measures to stimulate the economy and reduce unemployment.

Mr. Stanfield: Mr. Speaker, we have had these budgets before. Will the Prime Minister give the House the assurance that his Minister of Finance will list fully today and in a very concrete fashion the measures the government proposes to take to reduce unemployment?

Mr. Trudeau: Mr. Speaker, the Minister of Finance will be participating in the debate on the Speech from the Throne. He will be answering in part the questions of the Leader of the Opposition. I am sure he will not be able to make a statement of a budgetary nature but I repeat that he will repeat his commitment to make a budgetary speech in the early future.

Mr. Stanfield: Indeed he will do that, but I should like to ask whether the Prime Minister can give us the assurance today that at least the 3 per cent increase in personal income tax which came into effect as of January 1, with its effects on employment, the economy and inflation, will be repealed, or does he feel that the corporations are entitled to more information concerning the taxes they will have to pay this year than individual Canadians?

Mr. Speaker: Order, please.

UNEMPLOYMENT—REQUEST FOR IMMEDIATE INCREASE IN FUNDS AVAILABLE TO MUNICIPALITIES AND OTHER ORGANIZATIONS TO CREATE JOBS

Mr. David Lewis (York South): Mr. Speaker, I wish to ask some supplementary questions on the same subject. Perhaps I will direct them to start with to the Minister of

Finance. In view of the very considerable surplus that the increasing revenues in the federal treasury have created, contrary to his estimate last May that there would be a deficit, is the minister now prepared to make an immediate increase in the funds available to municipalities and other organizations to speed up the creation of jobs without any delay?

• (1110)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I said recently that the cash requirements of the government, which I forecast in my budget of May 8 as $2 billion, remain, on the basis of the revenue and expenditure picture, still at roughly $2,200 million. On the question of aid to municipalities, the government has announced a $350 million federal-provincial-municipal loan and grant project. The arrangements with the provinces have now virtually been concluded and I expect, as I said on December 6, that the total cash flow available against winter unemployment this year will be in the range of $375 million compared with $300 million last year.

Mr. Lewis: Mr. Speaker, in view of the fact that the $350 million—the minister will correct me if I am wrong—to which he referred was for a period of three years and that only about $50 million of that amount—I am stating this from memory—is to be spent this winter, and in view of the continuing rise in unemployment and the fact that the policies so far adopted have simply not worked, is he not prepared now to take immediate steps to increase the amounts which he proposed last December and to make them available immediately to the municipalities and other organizations?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman is right in the sense that the $350 million program for provincial and municipal loans, with a forgiveness feature, is a three-year program and we expect the cash flow from that to be about $60 million to $75 million this winter, but he neglected to draw to the attention of the House the fact that there is the local initiatives program of over $125 million as a direct intervention by a federal department, $60 million for on the job training and so on, amounting, as I have said, to a total cash flow this winter of $375 million.

Mr. Speaker: Order, please. Obviously there are a number of members seeking supplementaries on this subject. In fairness, perhaps the hon. member for York South might ask a further supplementary question and then I will go to the hon. member for Don Valley.

UNEMPLOYMENT—FUNDS ALLOCATED UNDER LOCAL INITIATIVES PROGRAM—PROCESSSING OF APPLICATIONS

Mr. David Lewis (York South): Mr. Speaker, in view of the minister's reference to the local initiatives program, may I ask him how much of that money has already been allocated? Is it not true that a large number of applications have not yet been dealt with? If he is not the minister who can give that information, perhaps the Minister of Manpower and Immigration could do so. Is it not a fact that a good many of the applications have not yet been dealt with?

Mr. Speaker: Order, please. Will the hon. member ask the question. I think he will agree that he is now getting into the field of argument.

Mr. Lewis: May I rephrase the question and ask the Minister of Manpower and Immigration whether he can speed up the approval of applications which, I believe he mentioned the other day, total 11,000, so that this disastrous unemployment situation may be improved at least a little by more local initiative programs being put into effect immediately?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, in fact we have approved about $110 million of the $165 million allocated to the local initiatives program. That amounts to the creation of approximately 70,000 jobs or, more precisely, 231,000 man-months of work.

With respect to the speed with which this is being done, I can only draw to the attention of the House the fact that this is considerably ahead of the same program last year, that the first $80 million was allocated in October, a month earlier than in the previous year, and that the second allocation of $85 million was made in December. We are now into the second allocation. But having said that may I add that I sympathize with the hon. member's suggestion, and we are putting all pressure possible on those in charge of the program to get projects approved and the applicants advised.

UNEMPLOYMENT—INQUIRY AS TO SETTING UP OF SHORT-TERM ECONOMIC FORECASTING UNIT

Mr. James Gillies (Don Valley): Mr. Speaker, I wish to direct a question to the Minister of Finance. In light of the variation in the unemployment figures released today from those anticipated in the minister's budget speech, can the minister tell the House whether the government is now going to introduce legislation to set up an independent short-term forecasting unit?

Hon. John N. Turner (Minister of Finance): The hon. member is referring to a short-term forecasting unit?

Mr. Gillies: An independent agency.

Mr. Turner (Ottawa-Carleton): But for short-term forecasting as opposed to medium and long-term undertaken by the Economic Council of Canada?

Mr. Gillies: Yes.

Mr. Turner (Ottawa-Carleton): No, Mr. Speaker.

Mr. Gillies: Is the minister prepared to introduce legislation permitting the Economic Council of Canada to enter into this field of economic activity?

Mr. Turner (Ottawa-Carleton): No, Mr. Speaker.

Mr. Gillies: Does this mean that the minister is content with the economic forecasting he is getting from the Department of Finance at the present time?

Mr. Speaker: Order, please. That question is out of order.

UNEMPLOYMENT—USE OF EMPLOYMENT-INFLATION TRADE-OFF APPROACH TO ECONOMIC MANAGEMENT

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to ask the Minister of Finance if he can advise the House whether the government has rejected the employment-inflation trade-off approach to economic management?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, that is something I would like to deal with in debate. It is a little hard to deal with in reply to a question at this time.

Mr. Hellyer: Can the minister advise the House of the figure he had in mind or that the government had in mind when the Speech from the Throne was written, when they indicated that their third priority was to attain reasonable price stability? In order that we may know what it is, Mr. Speaker, can the minister tell us the figure that the government has in mind with regard to price stability?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, reasonable price stability means the type of price stability that does not unduly erode incomes, particularly fixed incomes, of Canadians.

Mr. Hellyer: Would the minister be good enough to tell us what that figure is?

Mr. Speaker: Order, please.

UNEMPLOYMENT—WINTER CAPITAL PROJECTS FUND—AVAILABILITY OF APPLICATION FORMS TO ONTARIO MUNICIPALITIES

Mr. Norman A. Cafik (Ontario): Mr. Speaker, this is supplementary to the question originally put by the hon. member for York South to the Minister of Finance. Can the minister indicate when the province of Ontario will be in a position to make application forms available to municipalities for loans and grants under the $350 million provincial-municipal winter capital projects fund?

Hon. John N. Turner (Minister of Finance): Almost immediately, Mr. Speaker. Very thorough negotiations have been taking place between the federal government and the province of Ontario, indeed between the federal government and all the provinces, to ensure that the criteria for loans under the fund are uniformly applied all across the country. I expect a reply very shortly to the letter I sent to Mr. MacNaughton of Ontario. It is a matter of imminence.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. In view of the statement made by Dr. W. R. Diamond, the recently retired assistant deputy minister of the Department of Manpower and Immigration, that job vacancies in Canada are at a minimum, does the government now intend to stop trying to pretend that there are plenty of job vacancies available?

Mr. Speaker: Order, please. The hon. member knows that that kind of question is not in order.

* * *

HOUSING

SUGGESTED PROVISION OF ADDITIONAL FUNDS FOR LOW-INCOME HOUSING

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I wish to direct a question to the minister in charge of housing. When he takes part in the throne speech debate—I assume he is going to—can he assure the House he intends to indicate that there will be provision for a significant allocation of funds for average and low-income housing immediately in order to meet the housing need and also to provide jobs?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, there already is a very significant allocation of funds for that purpose, but we will be introducing amendments to the National Housing Act to increase and make the flow of money into low-income housing more readily available to those who want to take advantage of it.

Mr. Broadbent: Can the minister assure the House that the amendments he just referred to will be introduced in the early days of this session and, more specifically, within the next ten days?

Mr. Basford: Mr. Speaker, I hope to introduce them—and here I may get into trouble—before the federal-provincial conference that I announced yesterday. In any event, they will be introduced during the course of this month.

INQUIRY AS TO LEGISLATION TO AMEND NATIONAL HOUSING ACT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I take it from the minister's answer that nothing will be done, no legislation will be brought in or any plans laid before the House in reference to housing needs and unemployment, until the conclusion of the federal-provincial conference that I understand is to be held on January 20 or 21?

• (1120)

Mr. Basford: Mr. Speaker, there are ongoing programs of Central Mortgage and Housing Corporation. For example, there is the sewer construction program which is an ongoing program and one on which vast sums of money are being spent. I hope the hon. member does not think that program should be cut back until other funds are available. That program is going forward with as much money as I can get for it from the Treasury Board.

Mr. Woolliams: Mr. Speaker, I never suggested that any program be cut back. In the press conference and the Speech from the Throne the question of housing was of top priority with reference to employment and other economic matters affecting the nation. I am asking the minis-

ter if the amendments to the National Housing Act and plans for housing changes will be implemented and brought before the House after the conference in question, with a further delay?

Mr. Basford: Mr. Speaker, I am hopeful of introducing the amendments to the National Housing Act before the conference, but they will, of course, be discussed in parliament and at the federal-provincial conference. There have already been two rounds of consultations with the provinces with reference to this matter, but the program envisaged in those amendments cannot be got under way until the legislation is passed.

Mr. Speaker: Order, please. There are obviously a number of supplementaries. I will return to the hon. members in a moment. If the hon. member for Calgary North will ask his supplementary, in fairness I will then recognize the hon. member for Champlain.

Mr. Woolliams: Do I take it that this conference is basically superfluous in view of the fact that all changes are to be brought before the House before the conference commences?

Mr. Speaker: Order, please. The question as asked is debate. The hon. member for Champlain.

* * *

[*Translation*]

HOUSE OF COMMONS

REQUEST THAT MEMBERS PARTICIPATE IN PREPARATION OF LEGISLATION

Mr. René Matte (Champlain): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

In view of the particular circumstances resulting from the last federal election, has the Prime Minister explored the possibility of asking each of the political parties represented in the House to participate in the drafting of the different pieces of legislation he wishes to bring down during this session?

Right Hon. P. E. Trudeau (Prime Minister): It would seem such a measure would be hard to implement, Mr. Speaker. The co-operation to which the hon. member alludes should normally take place at the time the bills are discussed, I think. I already indicated in the speech that we would welcome amendments which, in our opinion, would strengthen the fabric of the bills. However much we desire this co-operation I fail to see where a decision on a bill itself, normally taken at the cabinet level, could be shared with the different parties, unless of course, members of those parties accepted to be part of the cabinet.

* * *

THE CANADIAN ECONOMY

UNEMPLOYMENT IN QUEBEC—SUGGESTION THAT FEDERAL-PROVINCIAL CONFERENCE BE HELD

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I have a question for the right hon. Prime Minister.

[Mr. Woolliams.]

In the light of alarming statistics indicating that the unemployment rate in Quebec is almost twice as high as in the west, is the right hon. Prime Minister considering calling a conference on economic problems and possibilities in Quebec?

Right Hon. P. E. Trudeau (Prime Minister): I think that if the Quebec Conservative leader looked at the figures he would see that the unemployment rate has decreased in Quebec since last month as compared with the rest of the country.

Mr. Wagner: Mr. Speaker, I have a supplementary. Would the Prime Minister kindly reply to my question and tell this House whether he intends to convene a conference on the economic problems of Quebec?

Mr. Trudeau: If the hon. member wants me to reply to his questions, he should not preface them as he does.

Mr. Wagner: The Prime Minister might wish to reply to my question.

[*English*]

UNEMPLOYMENT IN PRAIRIE PROVINCES—SUGGESTED MEETING WITH PROVINCIAL FINANCE MINISTERS TO DISCUSS CREATION OF JOBS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my supplementary question is for the Minister of Finance. In view of the fact that unemployment increased last month in the prairie provinces and in view of the expressed concern of this government, will the minister undertake to meet immediately with his provincial counterparts, the Ministers of Finance of the prairie provinces, to discuss job creation in that region?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am meeting with the Ministers of Finance of the prairie provinces next week, on January 18 and 19, as well as the ministers from the other provinces and that subject will undoubtedly be on the agenda.

UNEMPLOYMENT IN ATLANTIC PROVINCES—INQUIRY AS TO MEETING WITH PROVINCIAL MINISTERS OF FINANCE

Mr. J. P. Nowlan (Annapolis Valley): I have a supplementary question for the Minister of Finance, Mr. Speaker, and the latter part of his previous answer may have covered part of the question. In view of the tragic unemployment figures in Atlantic Canada, is the minister recommending to his colleagues that they consult or does he intend to consult with the Ministers of Finance in Atlantic Canada in order to discuss the tragic unemployment situation in that region?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the Atlantic ministers will be at the meeting next week.

UNEMPLOYMENT IN ATLANTIC PROVINCES—POSITION OF GOVERNMENT ON 1971 REPORT OF ATLANTIC DEVELOPMENT COUNCIL

Mr. J. P. Nowlan (Annapolis Valley): I have a supplementary question for the Minister of Regional Economic

Expansion, perhaps to assist the Minister of Finance in discussions with his provincial colleagues. Has the minister had time to read and assess the report of the Atlantic Development Council of January, 1971, which sets out its conclusions and recommendations for the development of Atlantic Canada? If so, when can he tell the House how much of that report will be a government objective?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I certainly have read it. It is an excellent report and I agree with a good deal of it. As for consultation, it has begun with three of the four Atlantic province premiers and two out of the three prairies province premiers and I am hoping to consult with the remainder within the next few weeks and that there will be some disclosure. I will be taking part in the debate on the address and will give the hon. member some details at that time, I trust.

UNEMPLOYMENT—SUGGESTED PRESENTATION OF NEW ECONOMIC STRATEGY TO MEET PROBLEM

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Finance. As present indications would lead us to believe that unemployment for January will exceed the 650,000 in January of last year, which certainly makes this an emergency situation is the minister prepared to participate in the current debate before the House and take advantage of that occasion to present to the House a new economic strategy to meet the critical situation in the country?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I hope the hon. gentleman's preamble does not turn out to be the case. In any event, I will be participating in the debate and, as I said earlier and as the Prime Minister repeated earlier this morning, I want to bring down a budget at the earliest opportunity.

UNEMPLOYMENT—GOVERNMENT DEFINITION OF FULL EMPLOYMENT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, may I ask the Minister of Finance a question about the unemployment situation. Can he inform the House what the government's definition is, for its own policy-making purposes, of full employment? Even now we do not know what that definition is.

Hon. John N. Turner (Minister of Finance): Yes, Mr. Speaker, I will be glad to try to do that. The hon. member for Trinity and the hon. member for Don Valley were talking about targets. The Economic Council of Canada suggested, when speaking in terms of targets, that the targets for prices and unemployment needed to be supplemented by 13 or 14 other indicators. My own definition of full employment is a situation in the economy in which every able man or woman legitimately seeking a job can find work.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Hon. members will agree that this type of question and that type of answer are more in the debate field than belonging to the question period. Having said that, the hon. member may ask a supplementary.

Mr. Lawrence: Mr. Speaker, my supplementary simply is: what is that definition in percentage terms? Is it 1 per cent, 2 per cent or 3 per cent? What is it?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman does not understand that the definition of full employment is not a statistical target; it is a human target.

Some hon. Members: Hear, hear!

Mr. Baldwin: On a point of order, Mr. Speaker, I did not hear the minister. Did he say human or inhuman?

An hon. Member: Inhuman, as far as this government is concerned.

Mr. Speaker: Order, please.

* * *

[*Translation*]

POST OFFICE

VOTE ON CONCILIATION BOARD REPORT—DELEGATION OF OBSERVERS TO MEETINGS OF POSTAL WORKERS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a supplementary question to that which I directed yesterday to the Postmaster General.

Does he know that meetings will be held in large urban areas following the completion of the postal workers' vote apparently to explain to the union members the real contents of the resolutions on which the vote was held and the steps expected to be taken on their behalf. Could the Postmaster General tell us whether his department will send some observers to those meetings?

Hon. André Ouellet (Postmaster General): Mr. Speaker, my answer to the first part of the question is yes and it is the same for the second part of the question, if we are invited to those meetings.

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

Can the minister tell us whether he has expressed the wish to be invited to those meetings to the union leaders?

[*English*]

INQUIRY AS TO CONCILIATION REPORT ON POSTMASTERS IN SMALL TOWNS AND RURAL COMMUNITIES

Hon. W. G. Dinsdale (Brandon-Souris): I have a supplementary question, Mr. Speaker, arising out of the question I directed to the Postmaster General yesterday. Is he now in a position to indicate when the report will be tabled on the other important discussions going on with reference to the Canadian Postmasters Association?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, yesterday in his comments concerning a conciliation report about postmasters, I think the hon. member was

confusing two series of negotiations now taking place. Insofar as the postmasters are concerned, I know there is no conciliation report and we hope to reach an agreement without conciliation proceedings.

[*Later:*]

Mr. Dinsdale: Mr. Speaker, may I raise a point of order?

Mr. Speaker: The hon. member for Brandon-Souris on a point of order.

Mr. Dinsdale: Mr. Speaker, in replying to my earlier question the Postmaster General indicated that I was confused about two conciliation board reports. If he would read *Hansard* for yesterday he would see that the shoe is on the other foot and that he is the one who is confused. May I ask the minister this supplementary. Will he deal more expeditiously with the negotiations that are going on with the Canadian Postmasters Association than he has with the current negotiations on the other conciliation board report?

[*Translation*]

Mr. Ouellet: I hope so, Mr. Speaker.

[*English*]

CONCILIATION BOARD REPORT—RESULT OF STRIKE VOTE BY POSTAL WORKERS—GOVERNMENT POSITION ON ACCEPTANCE OF REPORT

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the Minister of Labour. Has he been informed of the results of the strike vote by the postal workers and is he now prepared to give the government's reaction to the conciliation board report in that dispute?

Hon. John C. Munro (Minister of Labour): I am sorry, Mr. Speaker, I missed the question.

• (1130)

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

Mr. Speaker: Order, please. The hon. member for St. John's East should be given an opportunity to repeat his question.

Mr. McGrath: Mr. Speaker, I understand from the minister's reply that he missed my question. Has the minister been informed of the results of the voting in the postal workers, dispute with the government? Also, is the minister now prepared to tell the House and the country what the government's attitude or reaction is to the conciliation board report in that dispute?

Mr. Munro (Hamilton East): Mr. Speaker, I think this is more appropriately a question for the President of the Treasury Board inasmuch as that board deals directly with these matters.

Mr. McGrath: Then I will refer the matter to the President of the Treasury Board and I hope he will be more informative than he was yesterday.

[Mr. Ouellet.]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I should like to be more informative but unfortunately I am ill-informed. The results of the strike vote are not yet known to us and it may not be until tomorrow that we learn anything further.

Mr. McGrath: Since the strike vote has now been concluded, surely the minister is prepared to tell the House and the country whether or not the government is prepared to accept the recommendations of the conciliation board?

Mr. Drury: Mr. Speaker, as I said yesterday, the results of the referendum or the current vote are not yet known to us but we are endeavouring to find out.

Mr. McGrath: Mr. Speaker, I realize that the results of the voting are not known but the voting has been concluded, which surely leaves the minister in a position to tell the House whether or not the government accepts or rejects the report of the conciliation board.

Mr. Speaker: Order, please. The hon. member is repeating the question he first asked. I appreciate that he did not receive a reply from the minister.

Mr. McGrath: Mr. Speaker, on a point of order, I cannot help it if the minister does not seem to understand the question, which surely is an important one. All I am saying is that the minister should now tell the House whether or not the government is prepared to accept or reject the report of the conciliation board in the postal dispute. That is a very simple question.

Mr. Speaker: It is very simple but it is the question that was asked in the first instance. The minister chose not to reply, as is his right. The hon. member for Nanaimo-Cowichan-The Islands.

* * *

ENERGY

FUEL OIL PRICE INCREASE—POSSIBLE SHORTAGE OF SUPPLIES—INQUIRY AS TO IMPOSITION OF CONTROLS ON EXPORT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources arising out of the shortage of oil supplies in the United States and the tendency for Canadian oil to go south to a higher priced market, resulting in increased prices in Canada and a possible shortage of oil supplies in this country. Does the government intend to impose any system of controls on the export of Canadian oil supplies in the same manner as it has with natural gas?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, this question has been the subject of study by the National Energy Board as well as the subject of conversations with both the government of Alberta and the industry itself. At the present time we have no intention of imposing a form of regulation or export control. We have the assurance of the industry that requirements for refinery feed stocks of existing Canadi-

an refineries will continue to be met. In the short term, at least, there is apparently no problem in continuing supplies for refinery feed stocks.

Mr. Douglas: In view of the fact that prices in Canada are already increasing, may I ask what steps the government is taking to ensure that increased demand for Canadian oil in the United States is not used as an excuse for increasing the price to Canadian consumers to an unjustifiable level?

Mr. Macdonald (Rosedale): Mr. Speaker, I think that the government of Alberta would take the view that this commodity should continue to increase in value along with other products in our community. At the present time we are not proposing any action with regard to price, although we will be watching very closely the impact of United States demand on Canadian prices in the Canadian market.

Mr. Douglas: Is the government making or has it made any study of the growth rate of crude oil reserves, and is the government satisfied that they are adequate in order to prevent an oil shortage in Canada in the immediate future?

Mr. Macdonald (Rosedale): Mr. Speaker, this question has been under assessment. Leaving out for the moment the question of the tar sands, I think I am correct in saying that conventional oil reserves in the central plains have not been growing in recent years. Obviously future Canadian demand will, I think, have to be met by the tar sands and by frontier oil. The question of supply is one of the questions that the board has under study and on which we reported last week. This is being given very careful attention in order to make sure that Canadian refineries have priority with regard to Canadian production.

* * *

EXTERNAL AFFAIRS

VIET NAM WAR—UNITED STATES' RESPONSE TO MOTION PASSED BY HOUSE AND MINISTERIAL REPRESENTATIONS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. What response has the government of Canada received from the administration of the United States or from the Secretary of State of the United States to the motion passed by this House last Friday in connection with Viet Nam?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the text of this resolution was handed to the Secretary of State of the United States by Senator Martin when he was attending the memorial service for former President Truman. The embassy has also passed it on to the State Department. There has not yet been a reply.

Mr. Diefenbaker: Has there been any communication by the administration of the United States with the Canadian embassy in this connection? When the minister is answering that question, will he also say whether or not there has been any reply from the United States to the several representations alleged to have been made by the Prime Minister and other members of the government to the United States during the two weeks prior to the motion passed by the House?

Mr. Sharp: No, Mr. Speaker, we have not yet received any replies.

Mr. Diefenbaker: I have one other question, Mr. Speaker. I asked the other day whether the minister would produce to the House the various representations alleged to have been made by the government and he said it was necessary to secure the permission of the administration of the United States, with which I agree. Has the minister asked for that permission so these illusory things can be produced?

Mr. Sharp: Mr. Speaker, the right hon. gentleman omitted one part of my answer the other day; I said that it was not our intention to ask the United States government to reveal these messages. We feel it is important to retain confidentiality in diplomatic exchanges between the two governments. However, I shall be quite prepared to answer questions about the general substance of these representations.

Mr. Diefenbaker: Mr. Speaker, I have never known the minister to be so completely oblivious to the facts. He said the other day that he would, if he could, get the consent of the United States, and I have now asked him whether he had. Is it because there were no such representations that the minister is displaying such reluctance to answer?

Mr. Sharp: Mr. Speaker, it is quite clear from the newspapers this morning that the United States has received such representations and has said so.

* * *

PUBLIC SERVICE

REQUEST FOR TABLING OF BRYDEN COMMISSION REPORT

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a question for the President of the Treasury Board following the line of questions that prompted him to say earlier that he wanted to be more informative. That being the case, would he inform the House when he intends to produce for the examination of members of the House the report of the Bryden Commission?

• (1140)

Hon. C. M. Drury (President of Treasury Board): I believe the so-called Bryden Commission report does not lie within my jurisdiction.

Oral Questions

SPORTS

MONTREAL OLYMPIC GAMES, 1976—GOVERNMENT POSITION ON PROVISION OF FUNDS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I should like to address a question concerning the Olympic games to my namesake, the Minister of National Health and Welfare. Has the government yet reached a decision in connection with federal financial participation in the Montreal Olympics in 1976 and, if so, what will be the extent of such participation?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, in answer to a previous question, I have already indicated that the Montreal Olympics are not under my administrative jurisdiction.

[*English*]

Mr. Rose: On a point of order, Mr. Speaker, may I address my question to the appropriate minister?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, the federal position has not changed from that stated by the Prime Minister in the House some time ago.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

INQUIRY RESPECTING DIFFICULTIES OF AN ANNOUNCER IN EUROPE

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Secretary of State for External Affairs concerning the representations made by the Canadian government on behalf of CBC announcer Gaëtan Barrette who is now in Europe. Could the minister advise us of the nature of those representations and their results, if any?

Mr. Speaker: Some of those questions could easily by put on the order paper. In this instance I shall allow the minister to answer the question, if he so wishes, but I invite hon. members to consider this other means provided by the Standing Orders of the House.

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if I understand the question correctly, it refers to the case of Mr. Gaetan Barrette, a Canadian citizen employed by the CBC who was arrested in Greece on October 6 and charged with possession of one half gram of hashish. His trial took place on December 21 at which time he was sentenced to seven months from the date of his arrest. His lawyer is filing an appeal. The Department of External Affairs and our embassy in Greece have kept in close touch with Mr. Barrette, his lawyer, his family and colleagues in the CBC and have provided all possible assistance.

[Mr. Drury.]

VETERANS AFFAIRS

DISABILITY PENSIONS—REQUEST FOR STATEMENT ON STEPS TO EXPEDITE DECISIONS ON APPLICATIONS

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, my question is for the Minister of Veterans Affairs. Perhaps I could preface it by congratulating him on his appointment to his high office. Many veterans who are applying for disability pensions are faced with long waiting periods between the date of application and the date upon which a decision is reached. Would the minister discuss this matter with the Pension Commission and make a statement on motions outlining the steps already taken and the steps to be taken in order to expedite such decisions?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, certain steps have already been taken. We are aware that some of the requests for pensions have met with considerable delays. This situation has been brought about as a result of the new legislation approved about a year ago in the House, which enabled many veterans who were previously unable to apply for pensions to do so. I believe a great deal of progress is being made by the Pension Commission in this respect. I have held discussions with the commission, and in the not too distant future I hope to be able to make a report to the House which will be very encouraging as far as this situation is concerned.

Some hon. Members: Hear, hear!

Mr. Jack Marshall (Humber-St. George's-St. Barbe): In view of the fact that applications now total 9,400 which indicates that the backlog is growing rather than declining, may I ask what immediate steps the minister is taking to deal with this problem? I might add that the veterans are, of course, getting older and that it seems to be taking a considerable time to deal with their applications.

Mr. MacDonald (Cardigan): As to the backlog increasing, I think it will be pointed out in a matter of days, when I make my report, that it is not, in fact, increasing, and that certain steps have already been taken to remedy the situation. I might point out that the legislation passed by the House provided for the addition of seven new members to the commission. These people have been appointed. Hon. members will, I know, appreciate that learning to interpret the act from a legal and medical point of view is a tedious job. Those recently appointed are now in a position to do their work very efficiently, and I feel that great progress is being made. I met yesterday with the president of the Canadian Legion and others from the War Amputees' Association. They are also very keen that we should process these applications as rapidly as possible—

Mr. Speaker: Order, please. I think we might go on to the next question.

REFERENCE OF REPORT ON BASIC RATE OF DISABILITY PENSION TO STANDING COMMITTEE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the

Minister of Veterans Affairs. Will the report of the group which studied the basic rate of the disability pension that is paid under the Pension Act be acted upon by the government at an early date or, if not, will it be referred as soon as possible to the Standing Committee on Veterans Affairs?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Just as soon as the committee has been formed I shall be referring that report to the Standing Committee on Veterans Affairs for study as the first order.

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—PRIORITY OF APPLICATIONS BY MUNICIPALITIES

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Manpower and Immigration in charge of the local initiatives program. Has the hon. gentleman given a directive to the officials in charge of this program that applications from municipalities should receive a lower priority than those from individuals? Why does this seem to be the case?

Hon. Robert K. Andras (Minister of Manpower and Immigration): They have not received such a directive. Applications from municipalities compete with applications from private organizations.

* * *

CANADA LABOUR RELATIONS BOARD

REQUEST THAT REPRESENTATIVE OF WESTERN CANADA BE APPOINTED

Mr. John Reynolds (Burnaby-Richmond-Delta): Can the Prime Minister or the Minister of Labour please advise us why no western Canadian was appointed to the new Canada Labour Relations Board?

Hon. John C. Munro (Minister of Labour): I shall be pleased to check into that matter and report back to the hon. member.

Mr. Hees: You know why.

Mr. Reynolds: Will the minister undertake to make sure that a representative of western Canada is appointed to that board should an oversight have taken place?

* * *

MANPOWER

NUMBER OF PEOPLE IN RETRAINING PROGRAMS IN 1972

Mr. Reg. Stackhouse (Scarborough East): Mr. Speaker, my question is addressed to the Minister of Manpower and Immigration. Can the minister tell the House how many people received the benefit of federally-funded retraining programs in 1972, or any part of that year—

Mr. Speaker: Order, please. I respectfully suggest to the hon. member that this question should be placed upon the order paper.

* * *

THE CANADIAN ECONOMY

UNEMPLOYMENT—INQUIRY AS TO ACCEPTANCE OF ECONOMIC COUNCIL TARGET BY GOVERNMENT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, my question is for the Minister of Finance. It relates to his concern about unemployment in human terms. As the hon. gentleman is aware, the Economic Council of Canada has set a target of 4.5 per cent with respect to maximum acceptable unemployment. Would the minister advise the House and the people of Canada whether he has accepted this direction from the Economic Council as being the target upon which the government should set its sights?

Hon. John N. Turner (Minister of Finance): That is one of 15 targets the Economic Council recommended as subjects for discussion between the federal and provincial governments. The hon. gentleman's leader has already said he does not accept that figure.

Mr. Alexander: I appreciate the speech which the minister has made to me but I just want an answer to a simple question in order that we can determine in which direction the government is going. Does the minister accept the target for unemployment of 4.5 per cent, I believe, set by the Economic Council of Canada? That is all I am asking. Yes or no?

• (1150)

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I have already dealt with that subject in human terms rather than in statistical terms.

* * *

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Monday, January 8, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield (p. 52).

Mr. Ralph Stewart (Cochrane): Mr. Speaker, I did not expect the complete attention of the House but I expected that at least my loudspeaker would be on.

When the clock struck ten last evening I was attempting to point out that the present system of non-specific election dates is a tradition we can no longer afford. Like so many other traditions, we have maintained it simply because it is traditional. I do not believe it is fair to the people of Canada and it is something the House could easily change.

I mentioned also another tradition, that of the House of Commons going to the other place to hear the Speech from the Throne and not even being able to enter that chamber. Most of us have to watch television in order to find out what legislation is to be placed before us. This is completely ludicrous and has no place in our modern parliament.

It seems to me that these things, with some imagination, could be changed and that it would be possible to have a nice ceremony for the opening of parliament. If we were to have fixed dates and a new ceremony for the opening of parliament there is no reason why we could not take advantage of our best weather and combine it with our national day. It just takes a little bit of imagination to plan these things. There are those who say there are too many lawyers in the House. If that is the case, perhaps lawyers are not noted for their imagination or creativity. In any case, there could be many beautiful ceremonies attached to our parliament covering such things as the display of our flag and the singing of our national anthem. If the ceremony were held outside, taking advantage of our good weather on July 1, we could have the national band of the armed forces and that sort of thing and perhaps 100,000 Canadians would be able to assist.

I want to say a few words about the redistribution being proposed for northern Ontario. I usually describe my present riding of Cochrane as being almost the size of France because this illustrates the vastness of northern Ontario. In fact, the riding of Cochrane is slightly smaller than France. Those who are deciding the changes and these new boundaries have undoubtedly said to themselves that this fellow in Cochrane does not have enough with an area the size of France but should be given an area as big as Europe.

The commissioners have decided that the new riding should begin slightly north of North Bay and extend all the way up to Hudson Bay, a distance of almost 1,000 miles. Obviously the individuals making these decisions do not know very much about northern Ontario. This is not unusual as the people of Toronto, generally speaking, do not know much about anything beyond Barrie.

The point that should be made and which is of extreme importance is that we cannot divide up areas that are culturally and socially linked. The new boundary on the western side of Cochrane would be somewhere between Kapuskasing and Hearst, cutting off the area of Hearst, which is 90 per cent French-speaking, and throwing it in with another riding that is almost completely English-speaking, with the closest community of any size being some 200 miles to the west. Anyone who has travelled in that region obviously knows that the town of Hearst belongs within the district of Cochrane because it is linked culturally and socially to that area of northern Ontario which includes Timmins, Cochrane, Kapuskasing and Hearst.

That is one of the things which have been poorly done by the commissioners in their desire to create a riding almost 1,000 miles long. I object to the way things have been done by this commission. I do not know who chose these commissioners, but it is more than I can understand why they all have to be from southern Ontario when northern Ontario is five times the size. There is not one member from northern Ontario on that commission.

If you want to divide up a province you must have people who know about the area involved. The last redistribution was conducted in a similar way with the result that the riding of Cochrane has parts in the western end which really should not have been included because they more properly belong to the area of Sault Ste. Marie. However, they were thrown in with the rest of the riding of Cochrane. That situation is being rectified under the new proposals, but they are even worse because of these other things I have mentioned.

I object to the fact that there has been no consultation with any of the elected representatives in the north, municipal, provincial or federal. Consultation comes only after the fact, and from past experience of what these commissions do I know it is very difficult to get the boundaries changed after the recommendations have been made. Consultations should take place with the people who know the area. I could understand such a situation when the matter was solely in the hands of federal politicians and there were those who tried to divide areas to their own personal advantage, but that is quite different from putting redistribution into the hands of officials who know nothing about the areas and do not seem to want to consult with anyone prior to drawing the boundaries. These are matters which should properly be brought before the commission, and you can be sure that we from northern Ontario will do so.

I was extremely pleased to note in the Speech from the Throne that finally there is to be a special discussion regarding freight rates. This is a matter I dealt with in my maiden speech in the House four and a half years ago. It is a matter that we in northern Ontario have been pursuing over the years, particularly in the past few years, because it affects our whole economy and prevents new industry from coming into the area. It is of great importance to northern Ontario. Of course it is important to other parts of the country as well, but it is of particular importance to northern Ontario because we have had so little consideration in respect of freight rates. I welcomed this reference in the Speech from the Throne and I was particularly happy to note that the railroads have agreed to participate fully.

Our difficulty in the past has not been in getting committees here in Ottawa to listen to us but rather in getting the railroads to come to some realistic agreement. There has been a passing of the buck. They say it is not for them to decide, it is for the Canadian Transport Commission or some other body to consider, and it cannot be done at the governmental level without full consultation with the railroads.

• (1200)

I wish to say just a word regarding trade not only because I was a member of the Department of Trade and Commerce but because I believe the posture of Canada's trade should change somewhat for the future. I have always felt we have our own common market in this hemisphere. Our largest customer immediately to the south is a country with a population of over 200 million people. However, there are also the countries of Latin

America, the Caribbean and South America. Although we do a good deal of trade with them it seems to me this trade could increase. A few years ago five different ministers went on amission to South America and Latin America. I had hoped that as a result of that mission there would have been an intensified effort to establish our own large group of trading partners here in this hemisphere. But I am afraid that has not come about. I would encourage the Minister of Industry, Trade, and Commerce (Mr. Gillespie) to follow that course a little more assiduously.

Two of my parliamentary colleagues and I recently made a trip to Cuba. At the invitation of Cuba the hon. member for Hillsborough (Mr. Macquarrie), the hon. member for Greenwood (Mr. Brewin) and I had an opportunity to look at the trade in that particular country at first hand. I believe we could have more trade with that country. As trade is a two-way street, of course we would also have to be willing to buy a little more from them. Since this could affect our trade with some other countries it poses many problems. We have the commonwealth trade preference which is a good thing. So long as it remains a good thing I think we should maintain it. It is supposed to be to our advantage to have the commonwealth preference. If it should be a disadvantage to us, then I believe we should take another look at the whole system.

We have not been able to buy sugar from Cuba, for example, to any great extent because of the existing tariff, whereas the Commonwealth countries enjoy preferential treatment. We in this country buy sugar at present throughout the world, from South Africa, Australia and the Island of Mauritius. Sugar has to be transported back and forth across the Pacific Ocean. It seems silly that Australia should sell sugar to us while Cuba sells it to Japan, Malaya and so on. It seems to me there should be a change in that system so that we could buy more sugar from Cuba and perhaps the Australians could sell more of their sugar to other countries. South Africa sells a good deal of sugar to Canada and enjoys the lack of tariff as a result of its former membership in the commonwealth. It no longer is a part of the commonwealth but still enjoys preferential treatment. I believe that, where it would be to our advantage, other countries should enjoy that kind of treatment. This does not apply only to Cuba. We should take a careful look at all trade in this hemisphere. I hope the minister will adopt that posture in the future.

Before finishing I should like to mention something else which is close to my heart. I refer to the control of Crown corporations by the elected representatives of the people. More and more there are bodies which are independent of parliament and therefore independent of the elected Members of Parliament. This is always done under the guise of the suggestion that there should not be any political interference. Political interference is supposed to be a bad thing. Yet we have something much worse. We have people who do not have a mandate from anyone making serious decisions and ignoring the wishes of those of us who have been sent here by the people of Canada. The people of Canada do not understand that. They say their representatives are powerless to say anything about a body created by the federal government. This is why once again I have submitted for the order paper a notice of motion asking the government to present to the House a proposal whereby Members of Parliament would serve on boards and agencies of the Crown. I do not think we would act necessarily as great experts, but at least we would have a watchdog effect on the spending of the government. That is why the people of Canada sent us here. I believe we would also be able to keep an eye on the bureaucracy which is taking the form of an inverse pyramid as the years go by.

I note that my time is just about up and therefore I shall terminate on that note. Once again, I would like to congratulate you, Mr. Speaker, and your colleagues on your election.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, let me first congratulate Your Honour. I think I should also congratulate the House on the fact that Your Honour occupies the place you do at this particular time. I congratulate as well the hon. member for Halifax-East Hants (Mr. McCleave) who, as your deputy, I am sure will bring to the House good judgment, common sense and a knowledge of the rules. I pause here for a moment to say that we appear to be slowly reaching toward a point where there will be in the chair the independence, the objectivity and the capacity to deal with the most difficult problems, not in the form of persons who inhabit the chair but in the sense in which the Chair is regarded. It has been a very difficult problem. My hon. friend, the Leader of the Opposition (Mr. Stanfield), took a very innovative course before the election of 1968. He made a valiant effort during the course of that election to try to attach to the Chair an attitude of independence of a permanent nature.

It is not my intention to talk about a permanent Speaker, although I have my views on that. But at least by the presence of Your Honour here again and by the presence of the deputy to Your Honour I think we are reaching toward a stage where in my view and in my hope—and I believe in the hope of most members of the House—we will be able to attach to the Chair permanently and forever those qualities which are so essential. The giving up of the right to appeal from rulings—there have been times when I have had some doubts about that—basically was a sound judgment if we are to keep that independence. However, I should like to make the suggestion that while this minority parliament subsists it might well provide an opportunity for the House to review the changes made in the rules to ascertain the defects, imbalances and difficulties which have been created—and we have created them—as a result of those changes.

• (1210)

Your Honour was good enough at different times during the last session to make a fairly lengthy list up to the end of parliament of items that should be considered by the Standing Committee on Procedure and Organization. I hope that before this minority parliament runs its course, in light of the proportion of members on both sides of the House, there will be an opportunity to review what we have done and to make those changes which have to be made. One of them which I would like to see, Sir, would be at least the right to have in the form of a stated case from Your Honour from time to time a review of some of the decisions that have been made so that we will not dig

ourselves into the pit of permanency with regard to some of the decisions under which we operate.

I congratulate the mover and the seconder of the address in reply. They lived up to the high traditions and standards of this House. It was a particularly difficult task this year in light of the contents of the Speech from the Throne, but they managed to surmount this monumental obstacle in doing their job. I congratulate the new ministers and the old ministers who have moved sideways as well as those who have moved upwards. I congratulate the parliamentary secretaries, some of whom have moved down and some of whom have moved out. I think there is one very substantial member of the government who will be moving out completely before too long. I say this to the hon. gentlemen opposite who inhabit the treasury benches: make the most of your time because you may not be there too long.

Yesterday the leader of this party, in a very statesmanlike, rational and objective speech devoid of partisanship, made four suggestions to the right hon. Prime Minister (Mr. Trudeau). I will repeat them because I think that at the stage at which we find ourselves it is very important to reinforce the proposals made by my hon. friend. They appear at page 50 of yesterday's *Hansard.* In case there were some hon. members who did not listen or who did not understand or who were too busy dealing with complaints from their constituents to have had a chance to read *Hansard,* I will read what my hon. friend said.

> Point No. 1 is that the Prime Minister should tell the House today, in concrete terms, what the government proposes to do to increase employment and reduce unemployment.

That was pursued again today, not only by the Leader of the Opposition but by other hon. members, and brushed off in the same way as it was brushed off yesterday.

> Point No. 2. The Prime Minister should indicate today what the government proposes to do about reducing income tax rates for 1973.

This does not involve any breach of budget secrecy. This is a major government decision. We pressed the government on this and we pressed the Minister of Finance (Mr. Turner) on it last May. At that time we were met with a stonewall rejection. The Minister of Finance, supported by the Prime Minister, said "in no way are we going to do that". Surely, Sir, at this time when we are into the new year we would not be discharging our duty if we did not continue to press the government, as my leader did yesterday, on this issue. We got nowhere. We got no reply and no indication.

> Point No. 3 . . . I say that the Prime Minister should tell the House today what the six pieces of legislation are that are highest on the government's list of priorities and which it wants to see introduced and passed. This would give us some idea of the legislative priorities of the government.

This is a very reasonable request in light of the rather peculiar and extraordinary situation in which the House now finds itself. In light of what happened yesterday and what has happened before, for the Leader of the Opposition to ask the Prime Minister for a list of the six most important pieces of legislation and their priority is a reasonable request and I am deeply sorry that the Prime Minister either did not know what it was or did not want to give it or simply brushed the request aside. After all, we have the practice of the last three years. For the last three sessions the Prime Minister saw fit to introduce a detailed list of legislative proposals related to the Speech from the Throne. In a few minutes I will deal very briefly with what happened to the last one, but in light of the government's record in this respect in the last three sessions surely we are entitled to that information which we are not getting.

My leader went on to say:

> Point No. 4. Whether or not the Prime Minister give the information I have requested about employment policies, income tax policies or legislative priorities, we wish to see this debate adjourned after the other party leaders have had their say, at least until first thing in the morning. After all, we should have had this speech and we should have had some urgent legislation in December.

To that there was no reply in the House although outside the House the Prime Minister scoffed at it and said that in his view we should proceed with this debate in the usual way because he wants a vote of confidence. I say through you, Sir, to the members of the House that if the Prime Minister felt that way, why did he not call the House together in December? Why did he not summon parliament in December?

Some hon. Members: Hear, hear!

Mr. Baldwin: It is now six months since the House adjourned. We did have two days, one at the end of August and the first day of September to deal with a very special matter, the strike at Vancouver. In December it was five months since the House adjourned. The House should have been called together; there are pressing and urgent problems with which it is imperative that we deal. If the Prime Minister feels so keenly about a vote of confidence as being essential to carrying on his government's activities—possibly there is a case to be made although not a very strong one—why did he not call us together in December and say, "I want this vote of confidence"?

I would like to finish my comments on what the Leader of the Opposition said yesterday. The final request he made was that the government should introduce the bill with respect to old age pensions. We are in the middle of a severe and difficult winter, not only with regard to physical but with regard to economic conditions. These are the people who are the first victims of inflation, of the problem which lies squarely at the door of this government. Surely the government must have available—if it does not then it is delinquent in its duty—legislation to deal immediately with this very pressing and serious problem. My hon. friend, the Leader of the Opposition, said yesterday that we will waive the necessary notice required to bring the legislation on the order paper and we will waive the notice required to let it be debated on second reading today. I look at the order paper and I find it blank. It is just as barren as the minds of the government when they come to deal with the problems of this country. On compassionate and humanitarian grounds, I think it is a shocking indictment of their disregard of the plight of the unfortunate victims of the government's inhuman programs in the face of the economic conditions in this country.

• (1220)

Now we come to the question of what we can do and what we must do. I am going to assume that the government has some legislation. Maybe that is a wrong assumption, but I note that on Friday last in response to a question the Prime Minister said:

> It will be our intention to indicate, through the House leader, as many bills as are necessary in the coming week—

That is this week.

> —to permit the House to see the business ahead of it.

That is an implicit statement that the government has legislation ready. Despite the past conduct of the government I will resolve my doubts at this time and hope that the Prime Minister really meant what he said, that he has legislation ready that the House can deal with, and that the government House leader will list the legislation for us.

Presumably the bills that are ready will be introduced for first reading. Why can we not have one of those bills before us today? Why can we not have the bill dealing with old age pension problems before us today? Why is that bill not before the House at this time?

We are prepared to give up our opportunities to challenge the government on several occasions in this debate. We are prepared to waive those opportunities, to postpone them, so that we can get on with the urgent business of the country. I think that the attitude of the Prime Minister and of the government in response to this reasonable request is shameful.

Apart from the very precise reason I have already given, another reason we are so anxious to get started is the past legislative record of the government. There is not enough time available to me to deal with that, but it is an appalling indictment of the government that it has the worst legislative record of any government in at least the last 50 or 60 years. Even if I went back 100 years I would probably find the same to be true, but I was charitable to hon. gentlemen opposite and only went back 60 years.

I point out that in 1968, 1969 and 1970 only about one-third of the legislative proposals which were put forward were passed. In the first of those years 17 of the bills proposed in the legislative list attached to the Speech from the Throne never saw the light of day. Either those bills were not in legislative form or they ran into the rigidity of the cumbersome cabinet structure the Prime Minister has introduced which constitutes such a barrier to the legislative process. I suggest that an examination of the succeeding year shows almost the same record, and in the last session of the preceding parliament less than a third of the bills listed, I think about 12 or 13, were passed. I do not have the precise records with me now.

My hon. friends in the New Democratic Party are aware of this situation. My hon. friends in the Social Credit party are aware of it. Are they prepared to sit quietly by and accept the continuation in office of the government on the basis of its legislative record, and give to the government a vote of confidence before they have seen the colour of the government's money and the kind of legislation it intends to introduce? If they are, then they are showing a great deal more naïveté and innocence than I ever thought they possessed, and my past experience with hon. gentlemen in those parties makes me believe they are neither innocent nor naïve. They may be other things but those things they are not.

Could it be a fact that the government has not got the legislation ready? Is that possible? We need to find out. I may move a motion before I conclude which I hope will give us an opportunity to find out. Indeed, based on the past record of the government it is likely that the legislation may not be ready, but I will give members of the government credit and will believe that some bills are ready, including the old age pension legislation, simply on the basis of what the Prime Minister said.

Under those conditions was the Leader of the Opposition not justified in making his request for a postponement of this debate? We must bear in mind the stumbling, bumbling record of the government in the legislative sense. Here I am reminded of the story so well told by the right hon. member for Prince Albert (Mr. Diefenbaker). I cannot tell it quite as well as he; in fact I do not think anyone can. No doubt he will have a lot to say later in this debate, but if one regards the government's legislative record as a 500-acre pasture, then if one cow passed through that pasture leaving a memorial behind it, in the legislative sense the Prime Minister and the government would be sure to land on that face down. That is the way I apprehend their legislative approach, their bumbling, stumbling ineptness, incapacity and incompetence. It is just tragic, Mr. Speaker.

With a minority House it may well be that we could improve on the legislative programs of this inept and incompetent government. Today we find that the government has not got all the answers. I do not pretend that our party has all the answers, but I believe that the answers are to be found in the totality of all the people of this country and that this House of 264 members is the institution most fitted and best equipped to ascertain the needs of the people of Canada and to respond to those needs in terms of legislation.

We, Mr. Speaker, are not able to initiate legislation. Nor can the House do it. Under our system of government it is the responsibility of the government. It is the government's responsibility to secure the essential financial recommendations from His Excellency and then introduce bills in the House and let the House deal with them.

In the previous majority House we found a great degree of incompetence in providing the type of legislation that was so essential for the good of the country. If any other proof is required, surely what we found out today with regard to the unemployment statistics is the best answer to this question.

If the government would introduce its legislation there would be an opportunity for the House to deal with it and make the legislation responsive to the true needs of the people of Canada. That is what we are asking the government to do. This is a minority House of Commons. The government ought to be prepared to introduce its legislation at once so that we can look at it, so that we can start dealing with it and so that we can start to improve it. This is imperative at this stage.

Yesterday the right hon. Prime Minister sought to evade this issue. I am not going to deal with his speech in detail. I am not going to go into the same channels as he entered in his attempt to evade the questions which were asked by the Leader of the Opposition. I think he would have been much better advised as a true leader of a political movement in this country not to have spoken as he did yesterday but to have responded to my hon. friend by dealing with the questions he asked. Unfortunately, he did not see fit to do so. Like some of his colleagues he whined, whimpered and bellyached about some of the reasons for losing the election. Even the Minister of Energy, Mines and Resources (Mr. Macdonald), that rare, blithe and kindly spirit, murmured some cross words after the election about red necks, I am told. Even that hon. gentleman was seeking alibis for the election results.

• (1230)

I only deal with the Prime Minister's statement, Mr. Speaker, to say that this party will not be deflected from its duty and responsibility to deal with the economic issues and economic evils that plague this country. That is what we were sent here to do and that is what we intend to do. That is what we want to get started on as soon as the government can be persuaded.

To achieve this we will need the assistance of my hon. friends on my left and across on the other side. I suggest to them that they should review the position they have taken. I suggest to them that they should consider whether, under these circumstances, they are prepared to continue their support of the government. In light of what the Prime Minister said yesterday and in light of his refusal to bring forward legislation—and I believe this is legislation in which they are as interested as we are—are they prepared to sit back and allow him to have his way in delaying those steps which need to be taken for the good of the country? This has been called a House of minorities. If what I saw yesterday is to be repeated, if my friends in the New Democratic Party and in the Social Credit party are to yield up their virture so easily, I think that in a political sense this House might well be called a House of easy virtue.

It is my intention, Mr. Speaker, to suggest that this debate should be adjourned. I seconded the amendment of the hon. the Leader of the Opposition and it may well be that I am thus prevented from making this motion. However, I suggest that the government be given one more opportunity to proceed in an orderly way for the good of the people of Canada. They should bring forward a copy of the bill to deal with old age pensions today and should table their other legislative proposals. We are prepared to waive all notices required in order to commence debate at once. We are not dispensing entirely with this debate, Mr. Speaker, but what can be said today can well be said a month from now and maybe even better. Let us proceed at once with these measures and let us postpone this debate until a month from now. By that time we could have dealt with the important bills and could have had a budget. Also, my friends to the left could reassess their position and decide whether under the circumstances they still want to support the government. This is the last chance the government will get to make this decision.

Some hon. Members: Hear, hear!

Mr. MacEachen: Mr. Speaker, may I ask the hon. gentleman a question?

Mr. Baldwin: Yes, of course.

Mr. MacEachen: Is the hon. gentleman suggesting that the government ought to introduce legislation and place legislative proposals before the House before the question of confidence has been resolved by the House? Is he suggesting that we ought to call the amendment immediately, dispose of all the motions and thus clarify the question of confidence and then proceed to legislation or is he suggesting that the government should advance proposals for legislation to the House while a motion of non-confidence is still unresolved?

Mr. Baldwin: Mr. Speaker, I think we should see what the government is going to do to find out whether it is entitled to confidence. In any event it now has 109 members and 46 auxiliaries.

Mr. Speaker: Order, please. The hon. member for Northumberland-Miramichi.

Mr. G. A. Percy Smith (Northumberland-Miramichi): Mr. Speaker, since the throne speech debate apparently is to continue—I think we all agree that the rules of long standing should not be broken without very serious cause—in opening my remarks I should like to join with other members who have already spoken in extending to you, Sir, my sincere congratulations on your re-election to the high office of Speaker of this House. During my comparatively short experience here, I have come to appreciate the dignity, the ability and the impartiality with which you have discharged the duties of your high office. I am also appreciative of the courteous assistance you provided me as a new member, and I am sure the new members of this 29th parliament will also soon come to appreciate your unfailing good humour and your helpfulness to all members of the House.

I wish also to extend to Mr. Deputy Speaker my sincere congratulations on his election to this high office. His courteous conduct in the House during the time I have been a member, as well as his ability in debate, make me feel sure that the House has made an excellent choice. Although his riding is Halifax-East Hants in the province of Nova Scotia, he was born in New Brunswick. His connections with the county of Kent, part of which forms part of Northumberland-Miramichi, leads me to hope that I may see him there more frequently in the years ahead.

I should like also, Mr. Speaker, to congratulate both the mover and the seconder of the address in reply to the Speech from the Throne. Both the mover, the hon. member for Nipissing (Mr. Blais), and the seconder, the hon. member for Lachine (Mr. Blaker), both new members of the House, both speaking in both official languages, performed their traditional roles in a manner in which we can all take pride.

I would like to take this opportunity to thank the electors of Northumberland-Miramichi for the confidence they have shown in electing me to represent them for a second time. I assure them that it is a great honour to

represent them in this House, and I hope I can justify the confidence they have shown.

It is customary in the throne speech debate for a member to speak about his own constituency and to extol its beauty and other merits, and as well to sing the praises of the Canadians who are fortunate enough to live there. About the riding of Northumberland-Miramichi, I can do this with the utmost sincerity. The Miramichi River intersects it from east to west for over 100 miles. This, together with its many branches leading north and south, serves to make the river the dominant geographical factor as well as a leading economic consideration in the riding. Almost 90 per cent of its population lives within a few miles of its shores. Our people have settled along its banks not only because of its beauty, and it is a beautiful river, but because their livelihood either directly or indirectly depends upon it.

• (1240)

While economic conditions are relatively good on the Miramichi, I would be remiss in my duty to my constituency if I did not bring up certain economic problems that we face. I will confine myself, Mr. Speaker, and rather briefly, to two of these problems before coming to my main remarks on the Speech from the Throne. We are fortunate in having two pulp mills located at Newcastle and Nelson-Miramichi. We also have a plywood manufacturing plant and a chipboard plant. All of these wood-using industries depend to a large extent on water transportation to market their product, chiefly in the European markets. Transportation and the cost of transportation are perhaps the most serious problems these pulp mills face.

There is, of course, the cost of transportation of the raw material to the mills. The source of supply is yearly becoming more distant as the closer stands of timber are depleted. This, however, is a problem faced by all pulp mills in Canada to a greater or lesser degree. But the most costly transportation problem is that of water transportation to market. This cost on the Miramichi is greatly increased by the shallow draft of the bay and river. This means that only small ships are able to enter the river and proceed upstream to the wharves at Newcastle and Chatham. The cost per ton to move the product in small ships is of course much higher. Moreover, such small ships are becoming scarce and difficult and expensive to charter.

At this time pulp mills throughout Canada, as I think hon. members know, are suffering economically. The problem results from the higher cost of raw materials and wages coupled with the lower price for their product as a result of the strength of the Canadian dollar in comparison with that of the U.S. dollar. My concern is that the high cost of water transportation for the pulp mills in my region may mean the difference between those pulp mills in my constituency being viable operations which will continue or uneconomic operations forced to close.

You may ask, Mr. Speaker, what concern this is of the government of Canada, or in what way the federal government ought to be involved in this problem. The answer is simple. For many years shippers and those depending directly or indirectly on our resource industries have been requesting the Department of Public Works to do a proper dredging job and to open up a shipping channel to a depth of 26 feet. The cost is considerable, cost estimates in excess of $5 million having been made. This cost, however, would be small compared with the economic dislocation and unemployment that would be consequent upon the closure of these industries. Ore concentrates are also shipped to European markets by water through the port of Miramichi and the shippers involved are also experiencing difficulties as a result of lack of adequate depth in the bay and river. Many studies have been made by the Department of Public Works, and lately my constituents and I have been trying to enlist the support of the Department of Regional Economic Expansion to go ahead with the dredging. I ask both departments I have mentioned to give the project top priority for 1973.

The other problem that I want to touch on briefly which has caused considerable economic hardship is the ban on commercial salmon fishing in eastern Canada. The imposition of this ban was a serious step affecting, as it did, the livelihood of hundreds of fishermen and their families. Nevertheless, I agreed with the minister when he announced the closure of the fishery. He was acting on the best scientific evidence available which indicated that the ban was necessary to preserve this wonderful and valuable species. Runs had been declining steadily and rapidly since 1967, aspecially the runs of large adult salmon. During the summer of 1972 salmon runs were much improved over those of 1971. This led many fishermen to feel that the ban had been unnecessary. I am personally convinced that the 1972 improvement in runs reflects the normal five-year salmon cycle. The 1972 runs represent the return of the salmon hatched in 1967. That run, also, of course, must reflect the effects of the ban on the Port aux Basques fishery which historically took many fish destined for New Brunswick rivers.

During the election campaign the Leader of the New Democratic Party visited Newcastle in my riding, where he participated in an open line radio program. During this program he was asked what he thought of the ban on commercial fishing for salmon. He replied to the effect that he believed there should be a ban on the sport fishery if there was to be one on the commercial fishery. I feel sure, Mr. Speaker, that the hon. gentleman did not realize the economic benefits brought to the province of New Brunswick by the sports fishery and did not realize that hundreds of guides and outfitters would be out of work if a ban on the sport fishery were imposed. I am sure the government of New Brunswick could ill afford the considerable loss of revenue that would be entailed in such ban. I feel that such a complete ban would not be justified in view of the relatively small percentage of total runs taken by anglers. This percentage was estimated by the former department of fisheries, now the Department of the Environment, at about 5 per cent. This contrasts with 86 per cent, again estimated by the department, as taken by fisheries of all kinds, including the Greenland fishery, the Port aux Basques fishery and the drift and set fisheries of the Miramichi. This left, if the figures are correct, an escapement of only 9 per cent for spawning purposes. A general rule cited by conservationists is that an escapement for spawning in the order of 30 or 40 per cent is required and is essential to ensure the perpetuation of any species.

• (1250)

If these figures are correct—and they are the best obtainable—the fishery, and consequently the future livelihood of those engaged in the salmon fishery, was in grave danger. For the ban to have any noticeable effect, it should be continued for one complete salmon life cycle, namely, for about five years.

The Leader of the Opposition (Mr. Stanfield) was in New Brunswick during the course of the election campaign, and particularly in my riding though in other ridings in New Brunswick as well, the commercial salmon fishing ban was quite an election topic. The Leader of the Opposition was questioned on his position with regard to the salmon ban and he replied to the effect that in view of the better run in 1972 the ban should be reconsidered. This does not make sense to me from a conservation viewpoint. Neither does it make any economic sense to the fishermen in view of the generous compensation formula announced by the minister to be in effect during this ban.

If any member wonders why the government of Canada should be involved in paying compensation as the result of declining stocks of a certain species of fish, I would agree that this is the first time that this has been done in similar circumstances. The compensation with respect to swordfish which were found to have an unacceptable mercury content was a different situation. The sale of that species was prohibited by regulation of a government of another jurisdiction. In the case of salmon the decline was due to various factors, notably the high seas fishery on the part chiefly of the Danes, and to some extent pollution of spawning rivers.

These are factors over which the fishermen had absolutely no control. But they were matters over which the government of Canada could or should have some control or jurisdiction either by persuasion or by legal means. Hence the principle of compensation was agreed upon. It is a tribute to members from all parts of Canada that not one dissenting voice was heard when the government of Canada decided to spend an as yet unknown sum amounting to millions of dollars in order to save this valuable species of fish on the east coast of Canada. Salmon have long since disappeared from the rivers of the eastern United States, at least for all practical purposes.

The Minister of Fisheries is also to be congratulated for his efforts in convincing the government that measures should be taken to relieve the economic hardship on fishermen during the ban. I feel I should offer this word of congratulation to him in view of the roasting he is being given by officers of various commercial fishermen's associations, as published in the daily papers in New Brunswick during the last two weeks or so.

It is also a tribute to our federal system of government that the nation as a whole can come to the rescue of an area or a group or industry that is in difficulty. It is obvious that the province of New Brunswick with its limited financial resources could never have provided the millions of dollars required to avert the disaster, which is what it would be, of the decline and possible demise of the Atlantic salmon.

I regret, Mr. Speaker, the time I have taken in pursuing this subject but I make no apology for it. All members have listened with great interest and patience to problems in other parts of this wide country far removed from the immediate concerns of their own region or constituency.

I have said that a generous formula of compensation was offered to those salmon fishermen, so hon. members may ask what is the probelm—and I indicated that there was a problem. The compensation formula provided for payment annually during the ban, up to five years, of an amount equal to the average of each fisherman's best three consecutive years' gross income catch in recent years. The best years chosen varied in different areas. In the case of the Miramichi set net fishermen, the years 1965-66-67 inclusive were chosen by the fishermen. As I have said, the formula was generous and the intention of the minister was obviously to be generous. The problem that now arises is that his departmental officers, either at the regional office at Halifax or here in Ottawa, or both, apparently thought that the formula was too generous and have taken it upon themselves to set arbitrary figures for the catch of individual fishermen, mailing them a cheque marked "final payment".

This is why I asked the minister in the House yesterday whether he would provide an appeal procedure. This he said he would do and indicated that he would undertake the task himself. I wish him success, but it will require a long time to delve into the details of individual claims by those who wish to appeal. I doubt whether the minister has the time to spend hearing appeals in the province or on the east coast from fishermen in the Saint John area and the Miramichi area, and it would be unrealistic to require the fishermen to come to Ottawa with their records and other evidence, including witnesses. I therefore feel than an appeal committee comprised of some person or persons acceptable both to the department and to the fishermen will have to be established.

The question is complicated because many of the fishermen, being small operators mostly earning below the level that would require them to pay income tax, did not keep adequate records of their catch. The payments made to them by the department indicate that they are being severely, and I feel unjustly, penalized for this. Many of the compensation payments appear ridiculous to me, and I have a considerable knowledge of this fishery. They bear no relationship to the claims filed, even those which were supported by adequate records.

In this connection I should mention that because of a policy set out by the minister in 1971 several salmon fishermen lost their licences by the operation of a section that disqualified them if they held a full-time job in an industry other than fishing. However, the minister at that time set up a licence review committee to relieve hardship where extenuating circumstances existed. This would apply, for example, to a fisherman with a large family who, although holding steady employment, had an income from such employment in the $3,000 to $4,000 range. The appeal committee, acting as it was meant to act, reinstated about ten fishermen, but in these cases no compensation was paid or offered by the department. I feel that these reinstated fishermen should be treated in the same manner as others.

I have talked for a long time about fishermen and salmon but I shall conclude this part of my remarks by

saying that even full compensation in terms of dollars cannot recompense these people for the loss of a way of life. They are rugged individuals who compete with nature, the winds and the tides, often at their personal peril, to go out to sea in order to earn a living. Neither are they afraid of work. They spend days, even months, during the winter and spring preparing their nets and gear to be ready to undertake this precarious operation. With the optimism that all fishermen must have in great measure these men prepare for the fishing season, and I have a soft spot in my heart for them.

Mr. Speaker: Order, please. It being one o'clock, I do now leave the chair to resume same at 2 p.m.

At one o'clock the house took recess.

AFTER RECESS

The House resumed at 2 p.m.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, the old saying goes that adversity produces strange bedfellows. Here in this House we see the spectacle of two parties and two leaders who, in all other circumstances and until the present time, have been at each other's throats, and who fought each other tooth and nail in the past general election and criticized each other in every way possible, desperately clutching each to the other's bosom, engaging in a marriage of convenience designed to make it possible for the government to cling to power for as long as possible and to enable the New Democratic Party to avoid for as long as possible a general election in which, as they well know, they would be squeezed between the present government and the next government to be elected very soon.

Some hon. Members: Hear, hear!

Mr. Hees: While this is going on, we hear pleas from the government benches, in particular from the Prime Minister (Mr. Trudeau), urging that the country and parliament be reasonable, asking the Members of Parliament to allow him to stay in office and deal with the economy of the country despite the fact that for several years the government has proved over and over again that it is completely unable to deal with the economy in a satisfactory way.

But, Mr. Speaker, we are a fair party. We wish to give every proposition a fair and reasonable examination, and consistent with this outlook we intend to take a look at the way in which the government has handled the economy in the months since its last budget was presented. Mr. Speaker, in the eight months since the government presented its last budget, a budget which was the sixth of six budgets brought down over a period of three and a half years, each with the assurance that it would stimulate the economy and materially reduce unemployment, the economy has not improved. Indeed, output has declined, as I intend to show.

The best way in which one can present a fair and accurate assessment of the way in which the economy has evolved since the last budget was brought down would be to look at the government's own record of what has gone on in those months. This record is produced from time to time, as we all know, by the government's own statistics bureau, Statistics Canada, formerly the Dominion Bureau of Statistics. The latest of these reports dealing with the economy as a whole is a report having to do with the third quarter of the year just completed. These are the latest figures on the basis of which we are able to make an assessment, and these figures, from which I shall quote in a few moments, show very clearly the direction of the economy of the country since budget night, May 8, when the budget was brought down with such a fanfare by the Minister of Finance (Mr. Turner).

The report to which I have referred, produced by the government's own agency, contains several very interesting statements. I quote:

> The volume of goods and services (real output) produced in Canada during the third quarter declined below the real output of the second quarter. This is the first time in nearly three years in which real output has declined from one quarter to another.
>
> Business outlays on plant, equipment and inventories during this quarter declined below their second quarter level.
>
> The advance in the over-all Gross National Product during the third quarter was the smallest to have taken place in any quarter during the past five years.

These are very strange results to be derived from a budget which was brought down with such fanfare on May 8 by the Minister of Finance as one which he promised the House and the country would stimulate the economy and start unemployment on a downward trend. On the night the budget was presented, unemployment in this country stood at 5.2 per cent of the work force, seasonally adjusted. Eight months later, today, we are told by the government's statistics agency that unemployment has risen to 6.8 per cent of the work force. It is very interesting but rather sad to note that during the same period unemployment in the United States was lowered from 5.5 per cent to 5.2 per cent of the work force. All of the figures I have quoted are, of course, seasonally adjusted.

• (1410)

A re-reading of the budget makes it very clear that if the credibility of this government were plotted on a graph it would just about match the decline in the economy that has taken place since the Minister of Finance introduced his last budget some eight months ago. What has caused this very sharp reverse of the upsurge the minister predicted with such confidence on budget night? To get the answer let us take a look at what the minister proposed to do.

His plan was based primarily on a reduction on January 1, 1973 in corporate income taxes for manufacturers and producers, which together comprise 34.2 per cent of the total economy. We were told by the minister with great confidence as he came into the Chamber that night in his shining armour that this would be a new wave. This was the man who could do it when Ben Benson had failed so badly. This was the new man who was going to show that party how he could do this when everybody else had failed. He told us that these things would stimulate the whole economy to such an extent the economy would move on to higher ground.

During that debate we voiced some scepticism. We pointed out some of the things we thought were wrong and some of the things that would not come true, and we pointed out why they would not come true. We were laughed and scoffed at by this new champion of the Department of Finance, this new wave, this new brain, this new man and leader who was just about ready to take over. For eight long months we have had to endure the downgrading of the economy which has taken place since that budget was produced.

The government's plan was to reduce taxes on manufacturing and processing which together make up 34.2 per cent of the economy. The government neglected one very important fact in presenting that budget, and that was that also on January 1, 1973, on exactly the same day this tax reduction for manufacturing and processing would come into effect, all other businesses in this country and the whole economy would have corporate income taxes substantially increased as a result of a previous budget of October 20, 1971. Therefore, we can see that the government's plan for stimulating the economy was simply a promise to lower taxes for one-third of the economy, on exactly the same day taxes increased for the other two-thirds of the economy. Any child taking public school mathematics could tell you that this type of arithmetic does not add up to a stimulus for the economy as a whole.

The government is run by a lot of impractical theorists who have had little or no business experience, who know little of what is needed to stimulate the economy and get it moving. They do not understand business problems. These impractical theorists thought this kind of arithmetic would stimulate the economy as a whole. Surely, this kind of cloudy-minded thinking cannot be allowed to continue any longer with its misdirection of the economy of this country. This country simply cannot afford this kind of thing.

As though that was not enough of a deterrent to a business expansion in this country which would lift us up out of the decline we have been in for so long, the businessmen of this country knew very well that on the same day taxes would be lowered for one-third of the business community, taxes would be raised for the other two-thirds and that all of the people of Canada would have their personal income taxes increased by 3 per cent. All the businessmen of Canada, in whom the minister was so confidently relying to create this great upsurge in business by going out and buying machinery and expanding their operations, knew perfectly well that taxes would be raised for two-thirds of them.

All these men knew that the buying public in Canada would have their purchasing power diminished substantially on January 1 as a result of this 3 per cent increase in income tax. They knew this would substantially reduce the purchasing power available to Canadians with a resultant substantial slow down in business. Yet the Prime Minister said during the election that he was puzzled by the reason for unemployment remaining so high. If this Prime Minister had any business experience whatever he would know that the reason unemployment remained high was that there was no continuing, effective stimulus to the economy. This Prime Minister does not seem to realize that in order for industry to absorb our steadily growing work force the economy must increase as a result of a substantial and continuing stimulus which would keep the economy expanding at the necessary pace to absorb that steady growth in the work force year by year.

What kind of a stimulus will do the necessary job? It is very obvious to anybody who understands business that to employ more you must first produce more, and you must sell more both in Canada and in the export market. Let us take a look at what is needed to sell more in Canada. The quickest and most effective way is to put more money in the hands of the Canadian buying public by means of a substantial cut in personal income taxes. That is what the Leader of the Opposition (Mr. Stanfield) told the people of Canada during the general election a Conservative government would do. This Liberal government laughed at that. This government has not done that and that is one of the main reasons unemployment is at 6.8 per cent of the working force today. If we made a substantial cut in income taxes, as the Leader of the Opposition assured the Canadian people a Conservative government would do, this would enable the Canadian buying public to go out and buy the things they needed for some time but could not afford.

By putting people to work producing the additional volume of goods required to fill this additional demand this tax cut would pay for itself. First of all, it would reduce unemployment insurance payments which are mainly paid today by the federal government. The additional people at work would be paying income tax and the additional commodities being sold would generate additional commodity tax. The greater volume of goods would result in a lower unit cost of production and make available greater business profit subject to taxation.

Let us look at what could be done to increase sales in the export market. To increase exports we must do two things. First of all, we must slow down the rapid increase in costs of Canadian production and make it more competitive. During the 12 months—these are the latest figures available to us—between November 1971 and November 1972 wholesale prices in Canada rose by no less than 9.8 per cent. This is the largest rise in wholesale prices in the country during the past 25 years. It has, therefore, become painfully obvious that many Canadian products are simply pricing themselves out of the market. It will be difficult to hold the present volume of sales let alone increase that volume if these price increases continue at the present rate. In a few moments I intend to outline what I believe must be done to control the rapid rise in prices so that we can both increase exports, which produce jobs for Canadians, and slow down imports which take away jobs from Canadian workers.

• (1420)

The second thing which must be done to increase exports is to initiate a massive trade drive to include, first, a greatly expanded number of trade missions to the markets of the world where our trade commissioners indicate increased sales can be made if the proper selling effort is put behind them; second, a doubling of the number of trade fairs participated in by Canadian producers in the markets of the world; third, a greatly expanded program of export credits and export insurance, and, fourth, "fly

and buy" missions to bring the most important buyers from world markets to see Canadian products displayed in trade shows in our major industrial cities right across this country.

These and other techniques were used by a previous government—of course it was a Conservative government under the leadership of the right hon. member for Prince Albert (Mr. Diefenbaker)—to reverse, in one year, ten years of trade deficits and lay the foundation for the prosperity of the 1960's. Such a program can be just as effective today. Because of our already far too heavy reliance on the United States market, our greatest potential for trade expansion lies in the European Common Market. During the past year, only 5.7 per cent of our total exports went to the ECM. These were broken down as follows: 48.9 per cent, raw materials; 33.4 per cent, semi-processed; 17.7 per cent, finished products. From these figures it is obvious that there is a very large potential market in the ECM for our finished products if we will get our prices down. Recognizing this, and also that on January 1 Canada will lose the Commonwealth preference which has been of great assistance to this country in selling three quarters of a billion dollars worth of products to Great Britain each year, the Prime Minister made a hurried trip to Great Britain to try to persuade Mr. Heath to try to persuade the member countries of the ECM to include Canada in some kind of special membership.

Anyone in touch with any person in the governments of the European Common Market knows perfectly well that under the present circumstances, because of the coolness which has developed between the members of the ECM and this country, there is very little if any chance of this being done. The reason for the resentment felt by these countries is Canada's unilateral reduction in its contribution to NATO. We reduced our contribution unilaterally by 50 per cent four years ago. This sentiment is still very strong indeed. There is very little inclination on the part of the members of the ECM to make any concessions to Canada in matters to trade or anything else for that matter.

Why is NATO so important to the members of the ECM? Simply because they believe it is their best guarantee that they will not become embroiled in a third world war. It was to provide this kind of collective security that 14 countries of the western world joined together after the conclusion of the Second World War. Each of these member countries agreed to provide and maintain certain parts of a composite force calculated to deter any potential aggressor from the kind of adventures which precipitated the first two world wars. When one country reduces its contribution, this provides a temptation to follow suit with the possible result being the reduction of the strength of the composite force to a point where no real deterrent to aggressive action is provided. I think it has become obvious that if we are to play our full part in providing a practical deterrent to action which could lead to a third world war, and if we are to regain the respect and co-operation of the NATO allies we should now restore the strength and effectiveness of the NATO contribution which this country pledged to make and did make. It did this for many years and should be doing so today.

Finally, what can be done to control the rapid rise in prices of Canadian products which has made possible the increase in imports of more than 20 per cent during the past year and which is making it increasingly difficult to sell Canadian manufactured products abroad in any satisfactory volume? Imports which of course take jobs away from Canadians have been gaining ground because Canadian prices have been rising too quickly to allow many of our products to remain competitive. It is all too clear that Canadians are not willing to pay more for a Canadian made product than they are required to pay for a similar article made in some other country. With wholesale prices of products made in Canada rising at a rate of nearly 10 per cent during the past year the switch to foreign-made products has now become very serious indeed.

What is to be done about it? Price rises must obviously be controlled, but how? Although President Nixon has recently announced that price controls in the United States will be continued for another year, I do not believe that we have to take the full step to price, wage, rent and income controls at this time, because I am convinced that another step will be more effective. I have been told by top leaders of management and labour right across the country that if the government introduces guidelines designed to keep the annual rise in prices to between 2½ per cent a year, and 3 per cent a year, and makes it very clear that mandatory controls will be introduced if these guidelines, backed by a flat statement by the government will have no alternative but to obey these guidelines. The reason is that they know that mandatory controls will put their operations into a straitjacket from which it may take years to emerge. I think it has become obvious that such suidelines, backed by a flat statement by the government that non- compliance will be followed by mandatory controls, are long overdue and should be introduced without further delay. So it is clear there are straightforward steps which this government should and must take now to stimulate the economy, to get it moving again and to bring it out of the lethargy in which it exists at the present time.

Unfortunately the Speech from the Throne does not contain any specific steps the government proposes to take to stimulate the economy and get it moving at this satisfactory pace. That speech is simply a public relations document designed to lull the people to sleep and make them believe that something will be done. But it will not be done. This government did nothing in four and a half years and, unfortunately, it is no better today than it has been during that time.

• (1430)

Some hon. Members: Hear, hear!

Mr. Hees: It has become obvious that the woolly-minded theorists who run this government must be replaced by practical men, men who have had some experience in the practical aspects of business, who understand business, understand the economy and understand what has to be done to revive it and to get it moving again. It has become obvious that the only men who are available to this parliament to do that job are the members of the Conservative party.

Some hon. Members: Oh, oh.

Mr. Hees: It has become more and more obvious that the Conservative party is going to take over the reins of government in the very near future.

Some hon. Members: Hear, hear!

Mr. Hees: I have arrived at the conclusion of my remarks and I am sure my friends opposite are sorry to hear that. Under the present program of the government for operating the House there is no way in which any legislation can be dealt with before at least one month has passed. There are a great many people in this country who cannot wait for one more month. Those are the people who did so much to make this country the great country it is today. They are the senior citizens, the people who receive the old age pension. But, as we know, the old age pension is far too low to meet their needs today. These people have had to tighten their belts for the past seven years. This must stop. A Conservative government would stop it. The only way that this problem can be dealt with is to bring in the legislation dealing with the old age pension right now.

Some hon. Members: Hear, hear!

Mr. Hees: We call on this government to stop this debate temporarily and bring in their old age pension legislation which will be dealt with quickly and effectively. Let the old people of this country have the benefit of what has been long overdue. Let the government bring in that legislation and present it to the House for inspection, as well as legislation that the government claims to have to deal with the economy to get it moving forward so that something can be done to cure unemployment, to halt inflation and to deal with the other economic problems that exist in the country. We do not need to hold up the House, but we want to look at the legislation so that the NDP and the Creditiste party know why they should be voting non-confidence in the government when the vote comes.

Therefore, on behalf of the party for which I am speaking, I suggest that we should adjourn this debate and get on with the old age pension legislation. Therefore I move:

That the debate be adjourned.

Mr. Gray: You want to muzzle parliament.

Mr. Hees: May I bring to your attention, Mr. Speaker, that the seconder of the motion is the hon. member for Saint John-Lancaster (Mr. Bell).

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. Hees) which was negatived on the following division:

[Mr. Hees.]

• (1440)

(Division No. 1)

YEAS

Messrs.

Alexander
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Blenkarn
Carter
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates
Cossitt
Crouse
Danforth
Darling
Dick
Diefenbaker
Dinsdale
Ellis
Epp
Fairweather
Forrestall
Frank
Fraser
Gillies
Grafftey
Hales
Haliburton
Hamilton (Qu'Appelle Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hees
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Howie
Hueglin
Hurlburt
Jarvis
Jelinek
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Kuntz
Lambert (Edmonton West)
Lawrence
Lundrigan
MacDonald (Egmont)
MacDonald (Miss)
MacInnis (Cape Breton-East Richmond)
MacKay
MacLean
Macquarrie
Madill
Marshall
Masniuk
Mazankowski
McCain
McGrath
McKenzie
McKinley
McKinnon
Mitges
Morgan
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Nowlan
Oberle
O'Connor
O'Sullivan
Paproski
Patterson
Reilly
Reynolds
Ritchie
Roche
Schellenberger
Schumacher
Scott
Skoreyko
Stackhouse
Stanfield
Stevens
Stewart (Marquette)
Taylor
Thomas (Moncton)
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—104.

NAYS

Messrs.

Allard
Allmand
Andras
Barnett
Basford
Beaudoin
Béchard
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boisvert
Boulanger
Breau
Brewin
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caouette (Charlevoix)
Caouette (Témiscamingue)
Caron
Chrétien
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
De Bané
Demers
Dionne
Douglas
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Firth
Fleming
Fortin
Foster
Fox
Gauthier (Roberval)
Gauthier (Ottawa East)
Gendron
Gillespie

NAYS

Messrs.

Gleave	Lessard	Poulin
Godin	Lewis	Prud'homme
Goyer	L'Heureux	Railton
Gray	Loiselle	Reid
Grier	MacDonald (Cardigan)	Richardson
Guay (St. Boniface)	Macdonald (Rosedale)	Rodriguez
Guay (Lévis)	MacEachen	Rompkey
Guilbault	MacGuigan	Rooney
Haidasz	MacInnis (Mrs.)	Rose
Harding	Mackasey	Rowland
Harney	Marceau	Roy (Timmins)
Herbert	Marchand (Langelier)	Roy (Laval)
Hopkins	Marchand (Kamloops-Cariboo)	Saltsman
Howard	Mather	Sauvé (Mrs.)
Hymmen	Matte	Sharp
Isabelle	McRae	Smith (Northumberland-Miramichi)
Jamieson	Morin (Mrs.)	Smith (Saint-Jean)
Jerome	Munro (Hamilton East)	Stanbury
Knight	Neale (Vancouver East)	Stewart (Okanagan-Kootenay)
Knowles (Winnipeg North Centre)	Nelson	Stewart (Cochrane)
Lachance	Nesdoly	Stollery
Laflamme	Nystrom	Symes
Lajoie	Olaussen	Tétrault
Lalonde	Olivier	Thomas (Maisonneuve-Rosemont)
Lambert (Bellechasse)	Orlikow	Trudeau
Lang	Ouellet	Trudel
Langlois	Pelletier (Hochelaga)	Turner (London East)
Laniel	Pelletier (Sherbrooke)	Turner (Ottawa-Carleton)
Laprise	Penner	Walker
La Salle	Peters	Watson
Latulippe	Portelance	Whelan
Leblanc (Laurier)		Whicher
Leblanc (Westmorland-Kent)		Yanakis—153.
Lefebvre		
Leggatt		

• (1520)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, before we were interrupted by the hon. member for Prince Edward-Hastings (Mr. Hees)—

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): I want to say I always enjoy listening to him and following him. His speeches are refreshing in tone if, sometimes, not as refreshing in substance. I remember when he was playing football for the Toronto Argonauts he got the ball to the ten-yard line but he never quite succeeded in getting it over.

Some hon. Members: Oh, oh!

Mr. Hees: Your Honour!

Mr. Speaker: Order. Is the hon. member for Prince Edward-Hastings rising on a question of football privilege?

Some hon. Members: Oh!

Mr. Hees: I would simply remind the hon. member for Ottawa-Carleton (Mr. Turner) that we did happen to win the Grey Cup. And you do that by getting the ball over the line.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): I don't know whether or not in that game the hon. member was picking up slivers on the bench. In any event, it was a novel gimmick this afternoon, attempting to adjourn the House, suggesting the government should be bringing in legislation before it had secured the confidence of this chamber, which, after all, is the important question now before the House constitutionally under the British parliamentary system which calls upon the representatives of the people in parliament to decide whether the government has their support. That is the first step any government must take before bringing in any legislation at all.

Some hon. Members: Hear, hear!

Mr. Baldwin: What about that billion dollars in the supplementary estimates?

Mr. Lambert (Edmonton West): The supplementary estimates contain a legislation item.

Mr. Turner (Ottawa-Carleton): If I may turn to a matter on which the constitutional experts on the other side are a little less sensitive, let me say, Mr. Speaker, that I welcome your re-election to the chair of this House over which you have presided during two former parliaments. To add a personal note, I trace our friendship back to your nomination at the old county seat at Finch in Stormont in 1962. I echo the praise which has been accorded you by my leader and others in acknowledgement of your good judgment, your fairness, your courage, and, above all, of your sustaining sense of humour. May I say, too, that we on this side feel the nomination of the Deputy Speaker to his high office to be a handsome innovation. Those of us who have known him over the years respect his impartial tact. We respect his understanding of this House of Commons. We want to assure him he has friends on both sides of the House, and I doubt very much if he will lose one of them.

• (1530)

May I say to the mover and seconder, through you, Mr. Speaker, that I thought they acquitted themselves with competence, flair and dispatch in the traditional rewarding task they were given by the Prime Minister (Mr. Trudeau) of moving and seconding the address in reply to the Speech from the Throne.

Before I address myself to the economic situation I should like to deal briefly with the political scene, if I may. The last election did result in, I suppose from our side, an unfortunate polarization of votes, and I want to suggest, in a certain respect, an unfortunate polarization of votes as reflected in this House of Commons. I think it is not necessarily an unhappy circumstance, but not a circumstance to be wished for by any member of the House of whatever political persuasion, culture or linguistic attribution, that so many members having as their mother tongue the French language sit on your right. I think that places a special burden on every member of the House of both languages in order that anything we say here enhances the unity of this country. I do not believe that any political party has a monopoly on national unity.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): All members of this House are deeply sensitive to the problems of making bilingualism in the public service a working reality in this country. All members and, I am sure, Your Honour, will recognize that nothing is more central to the unity of Canada, which we all seek to maintain, and nothing is more essential to the enduring partnership of the two founding peoples of this country. By now I think we all recognize that it is not enough for anyone in this House merely to assent to institutional bilingualism as a noble ideal and as a principle in support of the abstract. I make the point "institutional bilingualism" because what I am talking about now refers to bilingualism in the public service of Canada. It is that institutional bilingualism which should not be confused with individual bilingualism, the ability of any Canadian to speak either language.

Institutional bilingualism refers to the public service being conducted in either language, available to the people of Canada in either language, and the opportunity for any citizen to work in the public service of Canada in either language, thus preserving the right of any Canadian to remain unilingual if he wants. It is that distinction between individual and institutional bilingualism that I think must be made very carefully.

There is nothing abstract about the objectives of the Official Languages Act. I had some responsibility for introducing that piece of legislation in this House and I had some responsibility for negotiating its provisions with the western attorneys-general, with the attorneys-general of Ontario and Quebec and those in the Atlantic provinces, and there is nothing abstract about its objectives. It gives the authority of law for making the federal institution of Canada reflect the linguistic realities of this country. Surely, it is fundamental to the continuing unity of Canada that Canadians of either language be able to deal with the government and agencies of Canada in their own language. Surely, it is also fundamental to the unity of Canada that we should work toward Canadians being able to work in the public service of our country in the official language of their choice.

I do not think we need disguise the underlying motivations behind the policy of bilingualism. These were stated by the late Mr. Pearson in 1966 when he introduced his resolution in the House of Commons. It is to ensure that French-speaking Canadians have in reality in this country an equal opportunity and, just as important, that they be made to feel that they have an equal opportunity. It is an invitation particularly to young French-speaking Canadians in Quebec and elsewhere to exercise their option for Canada rather than to flirt with the dream of a separate nation state.

I have said on many occasions that nowhere is Canadian unity more important than in the National Capital. This city does not make any sense without a country and it is absolutely crucial for the prosperity of the people of Ottawa, the people of Hull and the people of the whole national capital region, that the policy of institutional bilingualism succeed.

It is a sign of the commitment of this House of Commons in principle and in practice that the Official Languages Act was supported by all parties when it was passed by the last parliament. Implementing the goals of that act has been a massive undertaking. A great task and great challenge has been to move toward the creation of a public service which truly serves both languages of Canada and the citizens of either language in this country; moving forward with speed and determination, responsive to the will of parliament, yet moving forward with the sense of equity and justice which was also within the collective mind of parliament. There were no charts, no guidelines. There were no paths well trodden. No nation in the world ever attempted this type of program on so large a scale. No body of experience has been revealed and only experience can reveal how the fundamental principles can be refined and developed in order to make the implementation of bilingualism more effective, more rational and more acceptable.

The guidelines which my colleague the President of the Treasury Board (Mr. Drury) enunciated last month represent a welcome and even, perhaps, overdue set of basic principles which will immeasurably aid the Public Service Commission and reassure public servants whether they be French-speaking, English-speaking or bilingual. The positive way in which these principles were accepted by all public service staff associations has, I believe, been most encouraging. The staff associations asked for a say in the identification and designation of bilingual positions. They will now have that say. New flexibility has been introduced into the whole program, a flexibility which at the same time protects careers, yet provides an opportunity for all civil servants.

Leaders of staff associations were forthcoming in their expression of willingness to try to make it work. In this latter connection, it is crucial that consultation and negotiation between the Treasury Board on the one hand and staff associations on the other be meaningful and genuine.

Mr. Lewis: And the Public Service Commission.

Mr. Turner (Ottawa-Carleton): Yes, and the Public Service Commission, as the hon. member for York South (Mr. Lewis) has interjected.

I am not going to attempt any exposition of the nine principles which the President of the Treasury Board has enunciated. I think there will be another occasion for the House to pronounce itself on this issue, and at that time I would like to intervene with an exposition of what I believe the principles mean in practice.

It is my privilege to be the representative of a constituency in this national capital region and a Member of Parliament for thousands of public servants both French and English-speaking. I happen to know in an intensely personal way how important it is to press ahead humanely and steadily, yet flexibly, toward the goal of making the public service of Canada an institution in which Canadians can work easily in the official language of their choice and through which citizens can deal with their government in either French or English.

I do not for a moment underestimate the human difficulties that will be encountered in trying to make this policy work, but the government is determined to make the policy work. We are also determined to make it fair. It has to be done in a way that takes into account the careers of men and women who work for the people of Canada in

the public service. It must be done because the stakes for the future of this country are so high. I have little patience with those who insist they are in favour of bilingualism in principle, but then proceed to engage in destructive criticism of almost anything beyond token efforts to put this into practice. I think Members of Parliament should welcome the opportunity to engage in debate and to examine the policy in principle and practice on the floor of this House of Commons. Members of this House should welcome the opportunity to affirm the policies which the government has developed. I think hon. members should use such an opportunity to reaffirm their commitment, one expressed in the last parliament, to the Official Languages Act, to its principles and its provisions.

• (1540)

I think such a reaffirmation in this House, and particularly in this House, would go far toward reassuring both those who fear that bilingualism in the public service of Canada is going ahead too fast and those who are concerned that it is not going ahead fast enough. No one has ever claimed that bilingualism would be easy. No one has ever claimed that it would not arouse apprehension or would not add to the cost of government, but Canadians calculate such difficulties small beside the goal of national unity. For me, I believe it is a very small price for being and remaining a Canadian. I think Canadians want to do more than pay lip service to such an ideal. I believe they will approve the effort of the public service, above all places, to show that the ideal in Canada can become a proud reality, increasing the richness of being a Canadian and the dimensions of their mutual understanding.

Having said that, I want to deal with some of the issues in the country which received the proper attention of this House early in its reassembly and this morning in particular. I look at some of the musketeers on the other side. I want to start by saying that in the budget of last May, which the hon. member for Prince Edward-Hastings (Mr. Hees) referred to in such generous terms, I placed before the House on behalf of the government a number of major proposals for strengthening the economic and social fabric of the country. In terms of the social fabric, there was some immediate relief for those on fixed incomes caught in the escalating cost of living. In terms of the industrial front, those measures were medium and long term and structural in their effect in order to make the Canadian economy more competitive on a medium and long-term basis with our competitors both abroad and within our own market. The hon. member for Prince Edward-Hastings knows this well enough. He knows that the prime industrial thrust of that budget was structural and not meant in terms of immediate stimulus. Foremost among my concerns at that time, and those of the government then and now, was and is, to bring about a rapid increase in the number of available jobs so as to substantially reduce the number of Canadians out of work. Unemployment is a serious economic problem. It is too serious to play politics with, I want to suggest to some hon. members. However, it is much more than an economic problem. It is a deeply and gravely serious social problem and a gravely serious human problem, a problem, as I suggested this morning, which cannot be solved merely by theoretical abstraction or by statistics.

I say it is a deeply social problem because for those who really want and need work, and their families, unemployment can be a bitter and deeply frustrating experience which warps and wastes lives perhaps forever. An essential prerequisite for the maintenance of a strong and healthy economy—an economy strong enough to give us rapid growth in job opportunities and thereby reducing unemployment—is the maintenance of reasonable price stability in Canada. It is essential to contain the forces of inflation and protect the competitive position of Canadian producers both in our own domestic markets and in markets abroad. Here my friend from Prince Edward-Hastings and I are at one. But the containing of inflation is also important in reducing the squeeze on the rising prices of family budgets, particularly family budgets of those on fixed incomes, and in preventing the erosion of the hard earned savings of Canadians. That again is a human problem which is affecting every Canadian, particularly on shopping days.

Over the past few years Canada's competitive price position generally has improved in respect of other industrial competitive structures. I submit that is true. Even during the period from November 1971 when the United States adopted the second phase of its price and income control program until mid-1972, the end of the second quarter of this year, the rate of increase in Canadian consumer prices was the same as that of the United States and considerably lower than that of any other industrial country. During the summer months, however, there was a substantial increase in Canadian consumer prices, primarily due, if hon. members will carefully and thoroughly look at the statistics, to the sharp rise in food costs. As members are aware and as Canadians are only too painfully aware, sharply rising food prices have become a world-wide phenomenon, a problem for which no country has found a quick and easy answer. The countries which now apply price and wage controls, Britain and the United States in particular, have had to make exceptions for food products. In any event, the experience of other nations today and the experience of Canada have indicated that price and income restrictions offer no ready-made solutions since this is an area which is perhaps least amenable to controls, particularly in the absence of some form of rationing.

While we in the government have been giving, and will continue to give, intensive consideration to the whole question, I very much hope that the House will approve of the resolution to establish the joint Senate-House of Commons inquiry proposed in the throne speech. I hope that the inquiry will be able to shed some new light and provide useful additional education both for the producers and consumers concerning the nature of the problem and recommend means to resolve it. Also, I hope that parliament will pronounce itself upon that in a fair, equitable and effective way.

[*Translation*]

Mr. Speaker, the budget I brought down in the House last May had two basic objectives and also, to a great extent, was meant to spur the economy in order to stimulate a strong and continuous upsurge in production and employment.

It aimed at bringing about greater social justice by alleviating the immediate financial burden of pensioners, of the blind and the disabled, of students, and of all those who are faced with heavy medical expenses. It contributed to the strengthening of our economic structure at medium and long term, improving the competitive position at home and abroad in our highly important manufacturing and processing field in order to supply our rapidly expanding labour force with an increasing number of productive jobs directly, or indirectly in service firms.

The last parliament approved the proposals embodied in the budget in view of increasing the guaranteed income supplement of pensioners and allowing for subsequent increases of this supplement and of benefits under the old-age security and veterans allowances plans in order to fully compensate for increases in the cost of living since the beginning of 1972.

As of January last, the total amount for old age security pension and maximum income supplement went from $135 to $150 a month for single people, and $255 to $285 for married couples. As a result of the cost of living adjustment provided for by the act, the old age security pension will go up to $86.61 from $82.88 in coming April. Together, the old age security income pension and maximum guaranteed income supplement will go up from $150 to $156.75 a month for single people and $285 to $297.82 for a couple.

It is imperative that the House approve as soon as possible the financial measures contained in last May's budget so that the taxpayers can know where they stand.

[*English*]

As I indicated at that time, the corporate measures included in the budget represent a first major step in the development of a coherent set of new industrial policies for Canada—and there are other steps contained in the throne speech which will be expanded upon before this House by my colleague the Minister of Industry, Trade and Commerce (Mr. Gillespie)—to strengthen the foundations of our economy and its job-creating capacity. While the pace of employment growth in Canada for several years has far exceeded that of any other industrial nation in the world, it is clear that we must create new job opportunities at a still faster rate to deal with the problem of unemployment. To contribute further to the strength of our economy, the Speech from the Throne outlines a number of other measures that are planned by the government to bring about basic structural changes that are required to increase the efficiency and competitiveness of Canadian industry. Hon. members will recall that in the budget speech last May, I expressed my belief that the economy would continue to grow strongly during 1972 under the stimulus of expansionary fiscal and monetary policies at home and of accelerating economic growth abroad. This was my forecast then; this was a forecast shared by the Institute of Quantitative Analysis at the University of Toronto and shared by virtually every forecaster in the country from labour, management and the universities.

[Mr. Turner (Ottawa-Carleton).]

• (1550)

During the first half of 1972, the economy grew very strongly indeed. Real national input increased at an annual rate of 6.1 per cent, and in the second quarter alone it rose at an annual rate of 8.3 per cent. Employment expanded sharply during the first six months and unemployment was on a downward trend. As I indicated previously, Canada's price performance matched that of the United States and was better than that of any other major industrial country.

It is now evident, based on data which came to hand well after the events, that the economy suffered a setback during the third quarter. What was the nature of that setback? In my judgment, and this seems to be confirmed by nearly everybody, the cause was temporary and the result of a series of unforeseeable and uncontrollable developments at home and abroad, unforeseeable even by forecasters.

An outburst of strikes both at home and abroad crippled production in a number of important Canadian industries and hampered exports of many commodities. During the five month period from April to August, the number of man days lost as a result of domestic industrial disputes came to more than 5,750,000. This was more than twice the total amount of time lost through strikes in the whole of the previous year and, in fact, was also greater than the total for all but two of the 11 years before that. Frost and heavy rain in different parts of the country drastically reduced the production of a number of crops, which in turn had an adverse impact on employment in agriculture and in the food processing industries.

Mr. Stanfield: Too much "snow" in the election campaign.

Mr. Turner (Ottawa-Carleton): In August, for example, agricultural employment was down 54,000 from the level of a year ago. If agricultural employment had been maintained at the same level as in 1971, actual unemployment in August would have been 10 per cent less and the rate of unemployment would have fallen to 4.9 per cent from 5.4 per cent. In addition to the adverse impact on production and employment, the poor weather also seriously aggravated the price problem already confronting us as a result of the worldwide upsurge in food costs and a shortage in a number of food supplies. Primarily as a result of these factors, the growth of employment in the third quarter was seriously retarded, unemployment climbed sharply upwards, our trade balance deteriorated, and there was a levelling off in real national output from the high level reached in the previous quarter.

The setback suffered by the economy during the summer months had serious consequences in terms of rising unemployment and prices. As I said before, however, all the evidence indicates that the slowdown was the result of special and temporary factors rather than of any underlying weakness in the economy. But it has forced the government to readjust its fiscal stance. That is reflected in the additional winter employment measures that were announced during the course of the fall. It is also reflected in the urgent tone of the throne speech, and it will be reflected also in the budget which I hope to introduce at an early opportunity.

Mr. Lambert (Edmonton West): But the land was strong at that time.

Mr. Turner (Ottawa-Carleton): I want to acknowledge very frankly to the House—I always try to lay my cards on the table in their place—

Mr. Stanfield: Face down.

An hon. Member: A marked deck.

Mr. Turner (Ottawa-Carleton): —that I am disturbed and disappointed that the figures published today by Statistics Canada show that the seasonally adjusted unemployment rate rose moderately in December after declining during the two previous months. Certainly, this development underlines again the difficult problem we face in this country because of the rapid growth of our labour force.

In actual fact, Mr. Speaker, there were 250,000 new jobs created in Canada during 1972, which is more than the number in any previous year since 1966. In December alone, employment in seasonally adjusted terms rose by nearly 60,000 which was the second highest increase in any month during 1972. Over the year, however, the labour force rose by 260,000 and in December alone it increased by 77,000, which was the largest increase in any month last year.

For reasons that are not readily apparent, the problem in December centred mainly in British Columbia where the labour force increased substantially on a seasonally adjusted basis and employment declined moderately. In every other region in Canada there was an increase in employment during December.

To return to the review of more recent economic developments, let me point out that the sharp upward climb in food prices experienced between July and September came to a halt in the following two months,—although the threat of continuing upward pressure on consumer prices generally still remains a matter for concern. After levelling out during the summer, industrial production rebounded sharply in September and October, rising at an annual rate of more than 20 per cent. Labour income has continued to grow strongly and in October was up 11 per cent over the level a year ago.

Consumer spending has also continued to provide a major impetus to economic growth. Total retail sales in October were 11.8 per cent over the same month a year before and total sales during the first ten months of 1972 were also up by more than 11 per cent over the same period in 1971.

The fall months also brought a dramatic improvement in the trade picture. Merchandise exports in October were up 27 per cent over the level a year ago and in November they were up 24 per cent.

Mr. Peters: You told us that during the election campaign but the electorate did not buy it.

[*Translation*]

Mr. Turner (Ottawa-Carleton): Our economy has really picked up in the last few months but there is no denying that the recession felt last summer has left problems in its wake. Of these, the most acute is unemployment which is higher than it would have been otherwise, bearing in mind the basic strength of our economic progress.

[*English*]

The Acting Speaker (Mr. Laniel): Order, please. I regret having to interrupt the minister but the time allotted to him has expired. Is there a disposition in the House to let the minister continue his remarks?

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): I want to thank hon. members for their courtesy, Mr. Speaker.

Mr. Lewis: Why don't you speak about the present and the future instead of the past?

[*Translation*]

Mr. Turner (Ottawa-Carleton): Therefore, the government came to the conclusion that more incentives were needed quickly to take up the economic slack and to combat unemployment which reaches its highest level in our country during the winter months.

In early fall, the government announced its intention to invest $125 million to renew the Local Initiatives and Training on the Job programs to relieve once again this winter seasonal unemployment. However, when the full impact of the events that occurred during the summer months was felt this fall on the performance of the economy, the government decided to strengthen already existing programs by setting up a new $500 million program to create jobs this winter, which will help reduce unemployment, not only this year, but also during the next two.

The new program, as well as those announced earlier, will increase federal expenditures for new job creating activities to about $325 million this winter and will supply jobs for almost 140,000 people. To those expenditures should be added $50 million carried forward from last year and covering expenditures for the related loan program which brings the total expenditures for job creating activities this winter to about $375 million. Comparatively, actual expenditures last year were about $300 million.

The basic item in the new program is the establishment of a winter capital projects fund totalling $350 million and intended to make loans and grants available to other government levels for the financing of job creating projects this winter and over the next two years.

A new major incentive has been provided and is intended not only to encourage the provinces and municipalities to undertake job intensive new projects but also to have them carried out during the winter months. Half the total labour costs incurred at work sites, before the end of the program, will be deducted or not subject to reimbursement. But, in fact, the federal government will pay all the labour costs incurred on sites from December 1 to May 31.

We have been criticized for not launching sooner this new extended program. Had we been able to forecast the events which occurred during the third quarter we would certainly have implemented sooner the additional program. It is very easy to criticize economic policies when all the facts are known. However, those responsible for establishing policies must bear in mind indicators of economic performance which lag far behind the facts.

• (1600)

[*English*]

As I have said, I think anyone who has had even a glimpse or made a professional study of economics would realize that one of the problems in achieving stabilization today is estimating the time lag for fiscal and economic policies to take effect.

Mr. Lawrence: The premiers told you in August what would happen.

Mr. Turner (Ottawa-Carleton): I am confident that the new plan can be very effectively utilized to create jobs this winter. The Local Initiatives and Training on the Job programs are already in operation and can quickly be expanded to absorb more of the many applications already on hand. The $60 million put into additional job creating activities by federal departments will all be directed to types of activity that can be launched with little or no delay.

As I have stressed on many occasions since becoming Minister of Finance nearly a year ago, my first and most urgent priority is jobs, and the economic thrust of the government has to be in that direction. The goal of the government is to bring about the creation of a sufficient number of jobs to provide productive employment for every Canadian who wants to work, who is able to work, and who is prepared to make a reasonable effort to find work.

No one should be under any illusion that this goal will be easily or quickly reached. We in this country face unique and extraordinary problems in achieving this objective because of the fact that our labour force is growing much more rapidly than that of any other industrialized country in the world, because of the chronic disparities of economic opportunity that have confronted a number of regions across Canada, because of unusually large cut backs in production and employment during the rigorous winter months, and because of our exceptional vulnerability to developments abroad. The substantial job creating programs that I outlined earlier will play an important part in helping to alleviate the problem of seasonal unemployment this winter and during the next two years.

The Speech from the Throne outlined a number of new proposals designed to reinforce the structure of our economy. Because of my particular responsibilities in this portfolio, I am very much interested in those measures that are aimed at strengthening the position of small business in this country. One of the prime aspects of the economic thrust of the throne speech is the health of small business in Canada. The government intends to aid independent entrepreneurs by strengthening and coordinating its management and consulting services across the country, and by improving access for the small businessman to financing facilities. This will involve, among other things, a fundamental review of the role of the Industrial Development Bank.

I have been concerned ever since I took on this portfolio, and have said so often, and not by way of plagiaristic exercise, about new policies and new programs to strengthen small and medium sized business in this country. It seemed to me then, and it seems to me now that much of our industrial dialogue is among big business, big labour and big government. It is all too easy to overlook the vital role played by the thousands and thousands of small businesses in Canada.

An indication of the importance of that role is provided by the fact that an estimated 30 per cent of all Canadians are employed in businesses with 100 workers or less. But small business is more than just a significant source of employment in Canada. It is also a major and dynamic creative element in the economy, playing a large part in generating new inventions, new technologies, new products and new marketing methods. For all these reasons I am determined, as Minister of Finance, that not only should the vital role being played by small business in Canada not be overlooked, but that we in the federal government should do everything that is reasonably possible and practical to reinforce it. My colleague, the Minister of Industry, Trade and Commerce (Mr. Gillespie), will elaborate on that.

Maintenance of the strong and balanced growth of our economy, that is a fundamental prerequisite for the achievement of so many of our other objectives, depends to a considerable extent on the proper exercise of monetary and fiscal policies. Both of these policies have been highly expansionary over a period of many months, and have played a major role in stimulating strong economic growth.

Sir, I believe that there is widespread confidence in Canada that production, employment and real incomes will continue to grow strongly during 1973. In its recently published Economic Outlook for December, the Organization for Economic Co-operation and Development forecast that real economic growth in Canada in 1973 would again exceed that of every other major industrial nation except Japan. A few months ago the Institute for Quantitative Analysis at the University of Toronto, one of the foremost independent short-term forecasting groups in this country, projected that the economy would grow by nearly 7½ per cent in 1973, following an increase of around 6½ per cent last year.

I do not want to indulge in any forecasting of my own at the present time. Economic forecasting is not an exact science, and it has never been my policy to get into the forecasting game. But, as the throne speech said, and as I have already told the House, it is my intention to bring down a budget at the earliest opportunity, to report to the House fully on the state of our economy and of government finances. I can assure hon. members that this budget will put forward major new fiscal and other measures to deal responsibly and effectively with our most pressing economic and social problem, our most pressing human problem, the problem of jobs, and ensure that strong and balanced economic growth, accompanied by reasonable price stability, is achieved in Canada during the year ahead. Mr. Speaker, I wish to thank hon. members for their courtesy.

Mr. Jack Murta (Lisgar): Mr. Speaker, at the outset I would like to say it is somewhat of an honour to follow the Minister of Finance (Mr. Turner). Since coming here in 1970, I have watched his career with some interest. Today it seems that basically what he has done has been to throw

a smokescreen of figures over the whole unemployment situation in Canada. Those people who are unemployed must realize that a smokescreen of figures is very unpalatable. To coin an old phrase, it is still the same old gang sitting across from us. They have not changed very much.

It is indeed a pleasure for me to take my seat in this House once again as the Member of Parliament for Lisgar. I would like to devote a portion of my speech this afternoon to what I believe are the major agricultural concerns that face the country at the present time. Agriculture is the principal interest of many people in my constituency, just as it is of people in may other parts of Canada. It is my principal interest here in the House of Commons. While it is heartening to see that agriculture is once again in a relatively buoyant condition, the agricultural community must guard against a false sense of security. A slight fluctuation in world markets could result in a return to over supply in basic commodities, a situation which the agricultural community must always guard against.

I am sorry that the Minister of Agriculture (Mr. Whelan) left the chamber part way through the speech by the Minister of Finance.

Mr. Stanfield: You can't blame him for that.

Mr. Murta: No, you can't blame him for that, but I had hoped he would be in the chamber to take note of what we in this party will be saying about agriculture. However, I wish him good luck in his new portfolio because I am sure he will need all the luck he can muster during the next few weeks. I believe that in the Conservative party at the present time we have the best collection of people from all across Canada to represent agriculture and devise an agricultural policy that will more fully benefit all areas and segments of Canada. I do not believe this was the situation in the last parliament from 1968 onwards, and I think that resulted, during the last election, in the defeat of the former minister of agriculture. I believe he is now a Liberal organizer in that province and his job is almost as large as the job he had in 1968.

• (1610)

The buoyancy that our grain sales are experiencing at the present time comes from the misfortune of other countries and not necessarily from aggressive marketing approaches instituted by the present Liberal government. While the situation in agriculture is relatively buoyant, we must not overlook the fact that realized net income of farmers across Canada is decreasing at the present time. Costs have been rising at a very fast rate. All agricultural inputs such as land, buildings, machinery, fertilizer and chemical controls, have been increasing in price and the cost-price squeeze that has affected farmers over the past few years has not lessened to any great extent.

Mr. Speaker, I believe the government is faced with some very serious questions and problems in the agriculture industry. With the great process of review and re-examination which the government has been forced to undertake following the election, I hope that it will be asking some very serious questions about agriculture and the people who will be involved in agriculture, over the next few weeks.

Above all, I believe that the government must question its use of what I would like to call band-aid and patch-work solutions, with their constant emphasis on the short-term view of things that affect agriculture. I believe that the agricultural community must opt for the longer view of things; they must plan for more than the immediate future and those plans must be concrete. Programs such as Lift are a good example of the short-term thinking I am talking about. The Lower Inventory for Tomorrow program has come back in the last few months to haunt the government. The main purpose of that program was to relieve the government of the political embarrassment of a huge wheat surplus which they had failed to move. If they had not been so short-sighted in their point of view and had the interest of the farmers at heart they would not have introduced the program called Operation Lift. Because of that program, Canada does not now have the inventories necessary to take advantage of record prices in international grain markets, so millions of dollars have been lost to the western economy.

Mr. Speaker, the government must examine its attitude toward grain storage. It has to ask itself whether the present system is adequate and if it is providing for the farmers' needs? Should additional grain storage be built, not only in Canada but in countries with which we trade? Should Canada help finance the construction of that grain storage to provide a necessary source of inventory for a very valuable commodity?

We also have to look very closely at the feed grains aspect of our policy in Canada. I believe we must have an equitable feed grains pricing system for supplies to all parts of Canada, and not only to certain areas.

Mr. Speaker, it is also my belief that the government must take a long, hard look at the dairy industry in Canada. I believe that in consultation with people at all levels of the dairy industry some very basic questions must be asked. I refer to such questions as: what kind of an industry do we really need in Canada and, is the dairy industry more efficient now than in 1965 prior to the creation of the Canadian Dairy Commission? One very basic question is whether supply-management will work, and another is whether limiting production and entry into an industry really helps it in the long run. It is my belief that the Canadian Dairy Commission has set national policy without stating, in specific operational terms, where the industry will be in two, three or five years.

Like many other people, Mr. Speaker, I believe that planning has its limitations but plans arrived at by people whose future economic welfare is at stake are far more relevant than ad hoc programs developed and administered by non-elected bureaucrats. I think it is clearly the role of the politician to provide leadership, but it is the responsibility and the right of the people in industry to provide the ideas and the spark needed. The present legislative framework does not provide the dairy industry with the adequate long range approach which I believe it needs so desperately.

In another area, with regard to pricing in the grain industry, I believe that the government must again ask itself if what it has done in the past is good enough for the future. Here I come back to the two-price system for wheat which was introduced some time ago and it is my

contention that it has not been working satisfactorily. Some economists who have looked into the matter have stated that most of the money is not getting to the farmers. It is evident that the system is unfair because non-wheat producers receive benefit from it in the same way as wheat producers. It is plain that by making the payments only to wheat farmers, the government would be encouraging more farmers to go into wheat production. I believe the government must challenge this assumption. The two-price system is a two-price system of payments to all western farmers. Western agriculture would be better served, I believe, by a more realistic pricing mechanism. The two-price system was basically brought in as a political gimmick or a sham, to try to entice western Canada's support for the Liberal government. Of course, it failed.

This brings me to another suggestion, Mr. Speaker. If the government truly desires a stable economy in western agriculture, I believe they should consider a system of floor prices for grain. Such a system would ensure that the price for a particular grain would never fall below a minimum established by consultation with the agriculture department, producers organizations and grain interests—the grain industry itself. Farmers would be guaranteed a certain amount for their products and if the world demand was such that their products could be sold at a higher price, then they could profit. If prices fell below this level, the government could ensure that the farmer still received a fair return for his production. I am thinking in this instance of our so-called Wheat Board grains. I believe that such a concept would ensure more rational planning in our economy. A floor price for grains would do more for farmers than any of the short-term, hastily conceived plans put forward by this government and, in the long run, ensure more valuable results.

• (1620)

It is apparent that a crisis is facing the farming community which will deepen if more young farmers are not attracted to the industry. To this end, I suggest that more and easier credit be made available to young people wishing to enter farming. I believe that emphasis must be placed on people entering agriculture rather than on speeding up their exit from agriculture. At the same time, several departments of government must concern themselves with improving the quality of life in rural areas. The departments that would be concerned, I suggest, are those involved in transport, agriculture, fisheries, regional development, health and welfare, urban affairs and housing. These departments ought to establish a decentralized authority for the various regions of Canada and they should be responsible for ensuring the continued maintenance of services as well as the high quality of life in rural areas. There are many people in urban areas of Canada who are becoming increasingly interested in such advantages of rural life as clean air and water and an abundance of recreational space, to say nothing of plain room for moving around. I think we must make sure that there is adequate planning to support these objectives.

Where possible new industries should be set up in a rural area. Such development should capitalize on the advantages of that area. The best opportunity for this type of development is in the field of food processing. When these products are processed near their source they take on an added value, hence returning more money to the grain farmer and livestock feeder. There is an added benefit, that of starting an important and natural secondary industry in our rural areas, namely, processing. I think that this is within our grasp.

It would also be wise at this time to examine the government's policy respecting the Canadian Wheat Board. The Board has tended to be under the thumb or jurisdiction of the federal government, which has not made it as responsive as it ought to be to the needs of those people it was designed to serve, our agricultural producers. The government should act in a way which would increase the involvement of the producer in those decisions which affect them. I am talking of decisions the Wheat Board might make. And government should consider not only the Wheat Board; it should re-examine its basic philosophy regarding supply management.

It is my understanding, Mr. Speaker, that the present Minister of Agriculture (Mr. Whelan) is a strong advocate of marketing boards. I believe most members in this House would agree that marketing boards are fine if used exclusively for the promotion and sale of our agricultural products. I do not know of any product that could not benefit from a more aggressive marketing approach. Yet all too often these boards fall into traps created by inward-looking, protectionist politicians and bureaucrats, and become burdened under quotas and controls. From the minister's past history, it is clear that he could easily fall into this trap. Only time and legislation will tell, assuming that the members of the NDP, my hon. friends to my left, allow him enough time to remain as Minister of Agriculture to enable him to consider some of the questions I have asked today.

One of the most important areas that the Canadian agricultural industry must consider today is the area involving the selling or exporting of its products in world markets. I said earlier that our present sales are buoyant because we are benefiting from someone else's misfortunes. At the same time remember that the people in the United States are talking about increasing their total exports of agricultural produce this coming year by 28 per cent. Great Britain has entered the Common Market, so we shall lose some of our preferential status. If we look at Pacific rim countries to which we sell oil seeds, rapeseed, grain and other products, we can see that the continued prosperity of our agricultural industry rests on very, very aggressive selling approaches in those countries. You can be sure, Mr. Speaker, that if we do not pursue markets aggressively, our good friends to the south, the Americans, will. They have demonstrated over and over again that they will do so.

At the same time, we must display a good deal of caution when we talk about marketing and the marketing board approach for agriculture. The basic philosophy behind all agricultural legislation must be that the agricultural producer shall be able to function with the greatest freedom possible in the market place. The government's main obligation ought to be creating a climate in which all segments of the agricultural industry can work together, and in which government and the industry can complement each other.

To conclude, Mr. Speaker, it is my hope that in the weeks ahead, however short or long that time may be, my colleagues and I will be able to outline more fully our advice to the government on its agricultural policies, and advise this House of the clear alternatives which we will offer in this field in the months to come.

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I should like to preface my remarks by congratulating you on your election and by observing that because of the seating arrangement I find myself so far from Mr. Speaker that at one point I wondered whether I should send him a copy of my speech by telegram. I have reconsidered and, although I am last, so to speak, as a result of the seating arrangement, I take great solace in being a member of a generous party which has given me the honour of being the second member of our caucus to speak on the Address in Reply to the Speech from the Throne. It is with great pride that I stand before you as the first New Democratic Member of Parliament for the riding of Sault Ste. Marie, Ontario. I consider it a great honour to be the first socialist ever elected to the House of Commons by the citizens of this great riding.

It is traditional, Mr. Speaker, that many members, in their maiden speech, devote most of their time praising their constituency and discussing parochial matters. I intend to depart somewhat from this tradition in my speech. I shall naturally make reference to my constituency, but I also want to discuss two issues which I consider vital to the nation as a whole, namely, the state of the economy, with particular reference to economic independence and national unity in the context of French-English relations. Unfortunately, the time-limit prevents me from discussing the social legislation proposed in the Speech from the Throne. I am sure my colleagues will give it its due attention in subsequent speeches.

Sault Ste. Marie, whose history may be traced back to the seventeenth century and the days of the early French explorers, lies at the juncture of three Great Lakes, Superior, Michigan and Huron. Geographically, it is a part of what the hon. member for Nipissing (Mr. Blais) referred to the other day as "glorious northern Ontario". Visitors from the earliest times have remarked on the scenic beauty of the area and the hospitality of its citizens.

Yet I would be remiss in my duty if I did not temper my laudatory comments for the area I love with an analysis of the special problems and needs of my constituency and its environs. "Glorious" northern Ontario is also neglected northern Ontario. This neglect has been manifest time and time again in the policies and attitudes of Liberal and Conservative governments. Northern Ontario is coveted for its abundance of natural resources, so much so that our economy is resource oriented, with the consequence that we have become reduced to hewers of wood, and drawers of water. Where is the manufacturing? Where is the secondary industry? Where are the jobs? The people of northern Ontario have the choice of digging up the minerals or cutting down the forests, but little else. In the case of my constituency, workers are dependent on one large industry, namely the Algoma Steel Corporation. Let there be a slump in the nickel, gold, uranium, pulp and paper or steel markets, and disaster strikes such a one industry town. Indeed, it would appear that certain members of the Liberal front bench would prefer to keep things this way so that when an election is called they can threaten the inhabitants of northern Ontario with the spectre of ghost towns if they dare to challenge government tax policy.

• (1630)

The Speech from the Throne mentions the government's intention to decentralize the Department of Regional Economic Expansion to better identify opportunities for economic development. I want to see the department pay particular attention to promoting secondary industry in Sault Ste. Marie and northern Ontario, and with more good sense in its decision making than was evidenced by the Michelin Tire Company fiasco in Nova Scotia. The neglect of the north is evident in the lack of an over-all economic policy for this area of Canada which is so rich in resources. But this neglect is also apparent in the attitude of the government toward the citizens of this area. Because the population of northern Ontario is relatively small and scattered, northerners all too often fail to get the ear of government. It is essential that they, who have so much in common, have strong representation in Ottawa.

Yet what has just recently been proposed? Through re-distribution, northern Ontario will lose two seats in this House. I cannot think of a more retrograde step than this denial of the right of the citizens of this region to have an effective voice in Ottawa. Further, I deplore the attitude of the hon. member for Port Arthur and Minister of the Crown (Mr. Andras) when he stated recently that to protest would do no good, that the decision on redistribution had been made. That kind of attitude, that indifference, we can do without. Northern Ontario in general, and Sault Ste. Marie in particular, deserve a better deal. The area is rich—rich in resources, rich in potential. Here we find an energetic, talented and generous people, a people who given the proper leadership and, above all, the opportunity can and will do great things for their country. I call upon the government, through sound economic planning, to give them this opportunity.

Mr. Speaker, I should like now to turn my attention to a matter which concerns all Canadians, namely, the state of the country's economy. It is most encouraging to hear in the throne speech that the government intends to reduce unemployment and contain inflation. What an about-face from the position taken by the Prime Minister (Mr. Trudeau) in 1969 when he stated:

> "I'm afraid there are a lot of people in this country who are bargaining . . . this country can't hang tough (on inflation) too long because it will be frightened when it sees unemployment go up to 6 per cent . . . . But if the people think we are going to lose our nerve because of that, they should think again; we're not".

Well, Mr. Speaker, unemployment surpassed 6 per cent, prices skyrocketed, the Liberals kept their nerve and lost their majority. The people of Canada have spoken. A truly just society means that people have the right to live with dignity, self-esteem and in reasonable comfort. To deny them this by denying them jobs in order to combat inflation is heartless, cruel, outdated and unnecessary.

Inflation can be controlled not by creating unemployment but by controlling price increases. I welcome the government's intention to set up a joint committee to

make a special study of rising food prices. But let this committee not merely investigate the problem; give it the power to take action, because action is needed now.

Action is also needed in the area of corporate tax reform. However, the Speech from the Throne indicates that the government will pursue its earlier policy of more tax concessions and write-offs to large corporations, mostly foreign-owned. How in the name of social justice can this government rationalize examples such as International Nickel which, despite a clear profit of $94,200,000 in 1971, paid not one cent of federal income tax and laid off 2,000 workers? When INCO, in the period 1966-1971 did pay income tax, it did so at a rate of 17.2 per cent while the average citizen of Sudbury was paying at a rate of 25 per cent. Such inequities cannot be rationalized on economic grounds but only on the basis of political expediency, for in the words of a Liberal fund raiser the Liberal party for many years has depended upon Canada's 95 largest corporations for meeting its election expenses. It would seem that if there is one lesson the Liberals have yet to learn it is that the Canadian electorate wants, and deserves, a fair tax system.

The throne speech indicates that the government intends to give aid to small businesses. This is needed and timely legislation, especially with the current trend toward monopolistic and unfair competition practices by big business. On the other hand, I search in vain for any indication of the government's intention to institute a comprehensive labour policy to cope with future problems of technological change and automation. It is bad enough that Canadians cannot find jobs, but what future does the working man have when technological change replaces him by a machine? Long range study and planning among government, business and labour is required if our economy is to have a healthy future.

It is to the future of the economy and Canada that I now wish to turn. I would caution this House that we do not become so engrossed with contemporary problems that we ignore the two-fold crisis that is descending upon us as a nation. Canada is faced with the threat of external control and internal break-up. We lament Canada's perennial problem of unemployment, and governments take short-term measures to try and reduce it. Yet I submit, Mr. Speaker, that we shall never rid this country of high unemployment until we retain control of our national economy.

I need not detail the degree of foreign domination of our economy, as I am sure the members of this House are familiar with the statistics on foreign ownership, which vary anywhere from 50 per cent to 99 per cent, as in the case of the petroleum industry. Earlier, Mr. Speaker, you heard me declare that northern Ontario has a "hewer of wood and drawer of water" economy. Much of Canada's economy can be described in such a manner. Foreign controlled companies have perpetuated the resource-based nature of our economy. Our resources—oil, gas, minerals, forest and water—are exploited, in the process of creating jobs. But the greatest number of jobs are found where the raw materials are processed and manufactured, and that is now outside the country. To make jobs in Canada the processing must be done in Canada.

[Mr. Symes.]

As long as foreign interests make the decisions we will never get these jobs.

Royal commissions have recognized this. Government reports have recognized this. Indeed, even the Prime Minister has recognized this. If only he would practice what he has preached. I quote from the May 1958 edition of *Cité Libre*, wherein the Prime Minister stated:

> Even if this government—

That is the United States government.

> —had been well disposed towards our industries, that would change nothing in the decisions taken abroad by mother-companies, in accordance with their own profits and not with the welfare of the Canadian worker ... in the key sectors of the Canadian economy, non-residents are in a position to take decisions contrary to the well-being of Canadians.
>
> Foreigners will decide if our oil wells are to be worked or closed, if our ore is to be transformed here or elsewhere, if our factories are to be automated or not, if our products are to be put on the world market or not, or if our workers are to be free to exercise their right of association or not. Foreigners will decide ... and will collect the profits.

• (1640)

Yet to this day foreigners are still making the decisions and collecting the profits. Time after time the government has examined the problem but failed to act in a significant manner—witness the fate of the Watkins and Gray reports. The legislation referred to in the Speech from the Throne is only a token gesture which will do little to bring Canada's economy back to Canadians.

The time has come, on this issue, not for political expediency, but for political courage. What is at stake is the very future of Canada, her survival as a sovereign nation. In the words of the Prime Minister (Mr. Trudeau) himself, "political domination and economic domination are inextricably tied together".

The future of Canada is also threatened by internal pressures. French and English speaking Canadians seem to be drifting farther apart. The English-speaking majority grow resentful at Quebec asserting her rights, and the French-speaking segment of the population grows increasingly sceptical that English Canadians are serious about supporting bilingualism and biculturalism.

The roots of our misunderstanding lie in our past. The fall of Quebec in 1760 is referred to by English Canadians as the conquest, but this term is a misnomer. The French may have been defeated, but they were never conquered. The British, after their attempts to assimilate the French in 1763 and 1840, finally learned this. It would seem that many English-speaking Canadians, with their majority versus minority syndrome, have yet to learn this lesson.

When we strive to analyze the origins of our confederation we find that it was a reluctant union. This reluctance was based not only on linguistic and cultural differences, but regional ones as well—as witnessed by Prince Edward Island celebrating the one hundredth anniversary of its entry into confederation this year and not in 1967.

Professor J. C. Bonenfant has observed the following:

> The great majority of nations have been formed not by people who desired intensely to live together, but rather by people who could not live separately.

This observation fits our confederation, and it fits Canada today. If Quebec were to separate, she would be doomed to become a cultural and economic ghetto; English Canada would be assimilated first culturally and then economically and politically by the United States.

Professor Jean Hamelin of Laval makes this penetrating comment on the events of 1867:

Confederation came as a challenge to Quebec, for the province would now have to co-operate in building a unified Canada as well as develop its own tradition. Moreover, the presence of Quebec was a challenge to the other provinces which now had to accept with all of its problems an alien community whose geographical extent would not be limited to Quebec. The general refusal to accept these responsibilities is at the root of the great political crises which have shaken the Dominion ever since.

Both French and English must accept these responsibilities if Canada is to survive. Both cultures must realize that they cannot survive separately. What does the government intend to do to promote this realization?

We read in the Speech from the Throne that the government is committed to the goal of national unity and to furthering the objectives of the Official Languages Act. Commendable objectives, but the crucial factor is the manner of their implementation. During the past four years we have witnessed the rise in popularity of the Parti Quebecois, the FLQ crisis and a backlash among English-speaking Canadians in the civil service—not an enviable record. The government must learn that the diplomatic approach in instituting bilingualism and biculturalism is the only approach likely to succeed. And I would think the performance of the Prime Minister yesterday—I have in mind the barbs he directed at certain unnamed members of the opposition—shows he should be the first to learn the necessity for this diplomatic approach.

Some hon. Members: Hear, hear!

Mr. Symes: I think we would all do well to heed the message of the late Governor General Georges P. Vanier. He said, in part, in his 1967 New Year message:

The measure of our unity has been the measure of our success in the past . . .

If we imagine that we can now go our separate ways within our country, if we think that selfish interests can now take precedence over the national good, if we exaggerate our differences or revel in contention, if we do any of these things, we will promote our own destruction.

Canada owed it to the world, he maintained, to remain united because—

—no lesson is more badly needed than the one our unity can supply, the lesson that diversity need not be the cause for conflict but, on the contrary, may lead to richer and nobler living.

Let us open the windows and the doors of the provinces. Let us look over the walls and see what is on the other side. Let us know one another and that will lead to understanding . . .

I pray God that we may all go forward hand in hand. We can't run the risk of this great country falling into pieces.

Mr. Speaker, Canada is faced with immediate social, economic and political problems. She is also faced with the question of national survival. This twenty-ninth parliament must face these issues squarely, with a sense of immediacy and in a spirit of co-operation. Only with such determination can we build the true north, strong and free.

• (1650)

Hon. Bryce Mackasey (Verdun): Mr. Speaker, my first duty, a very pleasant one, is to congratulate the Speaker on his reappointment and the Deputy Speaker, on his appointment. They are both wonderful Members of Parliament and I suspect they will be badly needed in the weeks to come.

I congratulate also the mover and seconder of the address. I had the pleasure of meeting both members before their election, having worked in their particular ridings. I was very impressed by their degree of bilingualism.

I was also impressed by the remarks of the hon. gentleman who just sat down. I could not help but note when we voted earlier the number of new faces in the House which, I suspect, is close to 100. Noticeable among them are several ladies. I am sure they will make the House more pleasant, but I must confess that my favourite still remains the very young lady from British Columbia who has graced this House now for several sessions.

I should like as well to thank the people of Verdun who, for five consecutive elections over a period of 10 years, have seen fit to return me to office. Let me tell the hon. member for Saint-Hyacinthe (Mr. Wagner) that something went wrong with our machinery, since I lost my first poll in four elections, but I have not had time to do much about finding out just where we went wrong. For a while I had hopes that the hon. gentleman might have selected Verdun for his maiden attempt. I am sure this would have been quite a battle as I am afraid we would have had an awful time dividing up the same machinery. I welcome the hon. gentleman to the House as a personal friend. This is a friendship which goes back over many years. Having said that, he can rest assured that he will not necessarily be clear of any barbs I might throw in the future.

Mr. Wagner: Likewise.

Mr. Mackasey: However, he knows that my nature is such I will never resort to personalities.

When one is here for 10 years, he begins to realize that this represents a lengthy period in his life. Perhaps it is not as long as the time spent here by some hon. members, but it is longer than most. These have been 10 very eventful years. I began, naturally, as a backbencher and then became the leader of the national caucus, a parliamentary secretary, a minister without portfolio, the minister of labour and the minister of manpower. The significant thing about each one of these changes was that I moved each and every time from one seat to another. This is the closest I have been placed to the back door of the House of Commons. I almost think that someone has a Pavlovian wish or Freudian desire that my next move will be out the back door. When that happens I can assure you it will be of my own volition, and when I go I will take with me my sense of integrity intact as well as my own concern and feelings for the people of Verdun in particular, and for the people of Canada in general.

I do not intend to talk too long about the throne speech because I may unintentionally be familiar with some of the legislation contained in it. I should have liked to have seen the very persuasive Minister of National Health and

Welfare (Mr. Lalonde), and I assure you he is a persuasive gentleman, include some reference to the daycare centres which are so badly needed in this country.

I am glad there are to be some changes in industrial relations that pertain to civil servants, because I think that some of the adverse reaction our party felt in this general area was due to the fact that we have not in the last few years been the best employers in Canada, as the government should be. I am hopeful that new legislation in that particular area will be more consistent with the type of legislation one sees in respect of private industry.

Let me say very briefly in passing that we should not react quite so readily to the reactionary forces in this country. It is interesting to note that we have cut back on immigration from about 260,000 people to less than 125,000 people in the last couple of years, in spite of the fact that we had a unique method of permitting visitors to become landed immigrants in this country under certain conditions. I made the decision to cut this particular feature, not because I was against that concept, but because I realized that the appeal system was being very badly abused and could not be rectified without a change in the Immigration Appeal Board legislation. I am pleased that the new minister, a very excellent man, has indicated in the throne speech that he will change this piece of legislation. I hope when he does so he will enlarge the overworked and underpaid board and thereby rectify these issues as well.

I was hoping that the throne speech might finally give recognition to the moral obligation the House of Commons has to the retired pensioners of our major railways. It seems to me that both the CPR and the CNR could well afford to increase their pension plans to at least equal what any other decent employer in this country feels is adequate for those people who have given the better part of their lives to the service of their employers.

I was struck by the speech of the Minister of Finance (Mr. Turner) today. It was a very good speech. I want to make it very clear that in no way can he be held responsible for the present level of unemployment. This is something he has inherited, but he has a responsibility to reduce it. I stand as guilty or as innocent as the rest of the Cabinet under the rules of Cabinet solidarity for the present level of unemployment. That minister spoke of the difficulty of forecasting. The only suggestion I can make is that there are some forecasters in his department he would be better off without. I can assure the hon. gentleman that if they had been in the Department of Labour they would have departed 15 minutes after I took over that department.

Back in 1970 when I was Minister of Labour I said the following, and I stand by it. This statement has a strange similarity to that of the Minister of Finance. Let me quote from page 1860 of the Commons Debates of December 8, 1970:

> I might sound rather like a heretic if I were to suggest that a country as rich as Canada should never again be faced with this degree of unemployment. People today are interested in the quality of life rather than quantity of life. A better educated work force and, paradoxically, a better educated non-working force will no longer tolerate the booms and busts of our economy. They have been synonymous with most of the economies of what is loosely known as the western world.

• (1700)

> The targets of this and all future governments should at all times be full employment. I think I am really echoing the sentiments of the cabinet in general, and certainly those of the Prime Minister (Mr. Trudeau), in saying that, everything being equal, this government is dedicated to the concept of full employment.

An hon. Member: What happened?

Mr. Mackasey: Further, for the benefit of the gentleman who just shouted "what happened", I shall quote something I said in reference to the former leader of the socialist party:

> Big business does generate jobs and the opposition must realize that if we are to have the social policies this country needs, and if we are to create the jobs we need for perhaps the fastest growing force in the world, we will have to encourage Canadian investors, multinational and international corporations to invest in this country, preferably along guidelines that will protect the Canadian economy and prevent further erosion of Canadianism. Nevertheless, I think the suggestion of the hon. gentleman who leads the New Democratic Party that we should be prepared to introduce selective controls might very well be the answer to the next round of inflation. The point I am getting at is that this country can no longer afford the type of unemployment that faces us this winter.

I might suggest that I was talking about the winter of 1970.

An hon. Member: Things have not improved a bit.

Mr. Mackasey: I think things are worse now which is nothing to boast about. I will agree with you. Having suggested that perhaps some improvement is needed in the method of forecasting, I have taken the trouble to list some of the excuses that these Mandarins have been using in recent months to excuse their forecasting inability. The first was the greater number of women in the work force. I realize that this began in 1949. Then, they switched to the growth in the work force as pointed out by the Economic Council some years ago. Then they moved to what is called the participation rate. That lost favour when it became obvious that there could be an increase in the participation rate and a decrease in unemployment, if you look up the figures say of 1956. Then, they coined the phrase, "the welfare bums"—not corporate welfare bums, just people. Then, when that got tiresome they swung to, "work ethic". Now, the Mandarins in Ottawa have discovered a new word, "disincentive". The disincentive has to be the result of unemployment insurance, particularly the increased level of benefits.

As long as you can keep the problem of unemployment insurance, and the alleged abuse of unemployment insurance in the headlines of newspapers which all too frequently are happy to co-operate in this regard rather than perhaps answer the arguments of the New Democratic Party, then you take the spotlight off the unemployment figures of this particular country. We have heard a lot about abuses. In recent months we have heard a lot about unemployment insurance. I have waited a long time to speak on this subject. I will have another opportunity in a couple of weeks to speak about unemployment insurance when the amendments proposed in the throne speech come forward. I am not apologizing for the so-called generosity of a plan which pays $66 average to the workers of this country for a period of 16 or 17 weeks of the year as opposed to what they would have received three

years ago, which was $35. I have looked up the results of polls, not only the Gallup poll but private polls which people were kind enough to place at my disposal after the election. I find that 51 per cent of the people who voted against the government voted because of unemployment, that 13 per cent voted because of inflation and 6 per cent because they thought old age pensions needed improvement.

The grouping together of welfare, baby bonus, need to help poor families, poor administration of the unemployment insurance fund and abuses of unemployment insurance made the sum total of 5 per cent. Only 5 per cent of the electors of this country voted against the government because we increased unemployment insurance. That did not prevent people jumping off the bandwagon or moving from the traditional humanitarian approach to one of extreme reactionaryism. The tragedy is not that it affected me. The tragedy is that we have temporarily placed a stigma on one of the most progressive pieces of legislation in any country in the western world.

Some hon. Members: Hear, hear!

Mr. Mackasey: I am not a graduate economist, but I remember when I took the subject getting "D's" instead of "A's". Someone asked me why I did not switch classes until I found a professor who agreed with me. This I did, and I received "A's" for the rest of the course. This is an old trick with which I suppose many hon. members are familiar. However, I see very little difference between distributing $2 billion through unemployment insurance payments, which leads to consumer spending in the regions where the unemployed live, and cutting personal income taxes which has been suggested by the Leader of the Opposition (Mr. Stanfield) and by other famed economists in the front row. I see very little difference between putting that $2 billion in the hands of unemployed people who have a propensity to spend the money in the region where they are unemployed and cutting personal income tax, thus putting that $2 billion in the hands of everybody, the rich and the poor. Under the latter method, those who are so poor they pay no income tax receive nothing. Those who work and receive it will place it in savings, and the rich perhaps will use it for a trip to Europe.

I wonder whether we quite appreciate the beneficial side of unemployment insurance as an economic instrument. I do not have the figures precisely to the end of December, but I do have them for the first six months of this year. I hate reading statistics because they bore people, but I think it is interesting to note that in Newfoundland—the members from that beautiful province will be interested in this—$42 million was distributed through unemployment insurance in the first six months of 1972 as opposed to $20 million in the previous year. In Prince Edward Island, the figure was $7½ million as opposed to $3.6 million in the previous year. I am using round figures. The poverty in Nova Scotia is certainly something about which the Leader of the Opposition should know. If one looks up the unemployment figures for the period when he was premier of that province, one finds they were shocking.

Those figures may not necessarily have been the hon. gentleman's fault. He enjoyed my use of the phrase "a drop in the bucket". I might remind him that the people of Nova Scotia are still waiting for the first opportunity to have a drop of heavy water in their bucket. It was $42 million in the first six months, for Nova Scotia, as opposed to $22 million the previous year. Even in wealthy Ontario it was $327 million, as opposed to $107 million; and in Alberta it was $61 million, as opposed to $30 million. I could go on and on.

• (1710)

I do not know what is wrong with the concept of providing sufficient income to the unemployed in this country, people who are unemployed through no fault of their own. What is wrong with providing them with sufficient money to at least live with dignity, and not in poverty, while they vainly seek for jobs that do not exist?

Some hon. Members: Hear, hear!

Mr. Mackasey: Much has been made of the 75,000 jobs that are not filled. The following are the words, not of a politician but of Dr. Kliman of the economics department at McMaster—and we are all used to academics being quoted, as did the Minister of Finance (Mr. Turner) earlier, almost as if they were gospel:

> It has been shown before that the numbers of unemployed and the numbers of job vacancies have been misused in statements by the candidates. It suffices to say that it is just as unrealistic to talk of an economy with a zero job vacancy rate as it is to talk of one with a zero unemployment rate. The other side of the frictional unemployment coin is the existence of frictional job vacancies.
>
> The filling of a job takes time. No realistic employer can expect a worker to be standing by waiting to take up a job the moment it becomes available. The mere communication process regarding job opportunities is time consuming. This and other important "frictions" in labour markets mean there will exist at any time a pool of unfilled jobs, even in a period of high unemployment. Each day some are filled; each day new ones become available.
>
> More efficiency in the job search process and changes on the part of the unemployed as to what kind of work is acceptable could have an effect on the jobless total, but likely it would be a minor one.

This comes, not from a Liberal or a Tory apologist but from an academic who has approached this matter in a very clinical manner.

We have heard much said about abuses, and I can make a very good case of the fact that there are less abuses of the unemployment insurance fund now than there were a year ago, because a year ago I recall going to hospital from sheer exhaustion. At that time the problem was one of administration, of efficiency, of getting cheques out on time in spite of poor mail service and in spite of the breakdown of computers. I apologized for it every day. We do not have that problem any more.

An hon. Member: Yes, we do.

Mr. Mackasey: You will hear about the individual case, but you do not have the questions and the telephone calls that cannot be answered. You do not have the problems which existed in Toronto, because now we have placed in at least 144 Manpower offices a representative of the Unemployment Insurance Commission in order that people can be helped to fill out that all-important computer card which starts the process. It is a fact that we have set up permanent facilities in Newfoundland in order to

help with the administration of cheques; the winter there made the system very vulnerable as their cheques came from as far away as Moncton.

The following are some of the abuses that were removed from the act: the seasonal benefits which, in the eyes of some people, were abused because, theoretically, anybody who gets something for nothing is abusing the fund. So seasonal benefits have been eliminated. Another concerns the rules for retired people, people over 65; the rules are much more restrictive than they were. Now these people cannot draw at the same time unemployment insurance and benefits under the Canada Pension Plan.

What seems to have escaped the notice of critics is the change in the basic entitlement. It used to be limited to 52 weeks and is now limited to 25 weeks. At the end of the twenty-fifth week the plight of the unemployed person is assessed and the period is extended depending on the rate of unemployment in the country generally and in whichever of the 16 regions he happens to lives. The 25 weeks can, theoretically, be extended to 51 in Newfoundland, but not in Alberta simply because we are now assessing the probability of a person finding work rather than rewarding him for his past labour attachment. So people should look at this problem in that light.

What about the high benefit level, about which there is much dissent? This question really concerns me. Ten years ago the Gill report recommended benefits of 60 per cent non-taxable. Today 66 2/3 per cent is taxable, consistent with the Carter report. In Holland it is 80 per cent. Of $100, the average that we are paying out is $66 to $67. Although these "bums," these people with maximum disincentive, these Canadians who do not want to work in jobs that do not exist, could theoretically stay unemployed for 51 weeks, the average time of unemployment allowed is only 17, a fact that has been consistently ignored by people who do not appreciate the moral obligation of the government to the unemployed of this country, and by members of the opposition who thought they could ride into power by being as reactionary as some of the newspaper headlines with which we had to put up last September or October.

Some hon. Members: Hear, hear!

Mr. Mackasey: I am not saying that the plan is not being abused. There have been abuses of it for 30 years; the average rate is about 3 per cent. Two weeks ago I read an issue of the *Globe and Mail* which reported on a survey of the medical profession in Toronto, carried out by the doctors' own critic. It said that over 10 per cent of the doctors in Toronto abuse medicare. Their average income is $77,000. Yet when Canadians are broken down into classifications of who is most concerned about abuses of welfare measures, heading the list are professionals, including doctors.

Yesterday I read an article by James Gray, written in Alberta. What is everybody in Alberta so upset about? They have discovered that once women become pregnant they run out and get a job, work for eight weeks, then get laid off, go home and draw maternity benefits. That is the story by Mr. Gray. The slightest bit of research on his part would have indicated that maternity benefits are paid only to women who have at least 20 weeks attachment to the work force, not eight, and who had been working at the time of conception—not conceived on the job, but working. When you translate this section of the act into plain English, it means that in order to draw maternity benefits one must be in the work force for 40 weeks. As the hon. member for Hull (Mr. Isabelle) and the new minister would tell you, this is one month longer than is necessary to carry a child, even in Alberta.

• (1720)

I could go on, but I have a little more confidence in people than some members of the opposition, and more than some members in my own party have shown.

An hon. Member: Name them.

Mr. Mackasey: The other day I was hurt when a colleague said publicly that the reason for our defeat was that we went forward too fast with social measures. I was here ten years ago when it was argued that medicare was greatly needed but, of course, not just then. I was here five years ago when the argument was made that the Canada Pension Plan was badly needed but, of course, we should not proceed with it too quickly. Apparently it is never the right time to worry about people. Mr. Speaker, I can tell you who speaks for this group and for that group, but sometimes I have a hard time finding out who speaks for the poor of Canada.

The Acting Speaker (Mr. Boulanger): Order. I regret to interrupt the hon. member, but I must inform him that his time has expired.

Some hon. Members: Continue.

The Acting Speaker (Mr. Boulanger): Is this agreed?

Some hon. Members: Agreed.

Mr. Mackasey: I have almost finished, Mr. Speaker. Because I do have a degree of affection for the Leader of the Opposition (Mr. Stanfield)—we never get down to personalities, and I am no longer what he described as the hatchet-man; that honour has been transferred to the minister of health and welfare—for him I have prepared a list of amendments that he can propose when the Unemployment Insurance Act comes before the House for amendment within a couple of weeks, and if he can get the support of the House for them he can bring down the government.

For instance, Mr. Speaker, the Leader of the Opposition can move to extend the eight-week period to 12 weeks. This will affect 72,000 people across Canada, according to the statistics available at the end of November. But the hon. member for Bonavista-Twillingate (Mr. Lundrigan) and other Conservative members from Nova Scotia, New Brunswick, P.E.I. and Quebec should know that of those 72,000 people, about 50,000 live in the Atlantic provinces.

Some hon. Members: Oh, oh!

Mr. Mackasey: I do not know how this will sit with the hon. member for Saint-Hyacinthe (Mr. Wagner), who during the election promised the fishermen more generous benefits, but at least it is one suggestion that would

reduce the cost about which the Leader of the Opposition worries so much. Here I speak about the cost of financing the unemployed. Of course, the ultimate is to bring an end to the act entirely. In that way you will provide maximum incentive to work for the "lazy bums" who live on unemployment insurance.

Indeed, Mr. Speaker, we could go all the way back to the 1930s when we had maximum incentive to work. We had riots in Winnipeg, we had to split up families, we had men riding the rails, we had bread lines: all of these were maximum incentives to work. That is one alternative, if the Conservative party is not concerned about finding an additional 72,000 jobs, and it would be very easy to do, if that party ever became the government.

As I have already said, the official opposition could move to broaden the definition with respect to a worker from eight weeks to 12 weeks, even though—and this is the shame of the suggestion—there are only 19,000 people in Canada today who are on unemployment with only eight weeks labour force attachment. Where is the abuse there? Where is the incentive to scheme and cheat to draw unemployment insurance, when it is a fact that there are only 19,000 collecting unemployment insurance who have as little as eight weeks attachment to the labour force?

A further interesting statistic is that people who are on unemployment insurance, with eight to 11 weeks attachment to the labour force, remain on unemployment insurance an average of 15.8 weeks, ranging from 18.2 weeks in Newfoundland—this emphasizes the regional disparity involved—to 13.3 weeks in Alberta. Further, those who qualify for unemployment insurance and who have more than 12 weeks attachment to the labour force remain on unemployment insurance for an average of 17 weeks, not 50 weeks.

Certainly, Mr. Speaker, we can eliminate unemployment insurance and save a lot of money. In that way we can give more money to the corporations, we can reduce personal income taxes. But we will also have to set up the bread lines once again. Or we can reduce benefits from 66 per cent taxable to 50 per cent. This would also save a lot of money. The only trouble is that people would then be drawing what they drew under the old act. They would have to supplement their unemployment insurance benefits with welfare and we would be adding $100 million to the welfare bills of the provinces and the municipalities. In Toronto alone we would be adding 7,800 people to the welfare rolls if we did that. It was stated that was the number taken off the welfare rolls as a result of the new schedule of unemployment insurance benefits.

Further, we could save a lot of money by increasing the waiting period from two to four weeks. Would that be very consistent, coming from a party that once suggested we reduce it to one week, at a cost of $176 million? I remember that party's amendment on that occasion. It was a humanitarian and a good one, if only we had had the extra $176 million at the time.

Now we can go the other way and save money. We can shift the 4 per cent level at which the government takes over the financial obligation for the plan, thus assuming its responsibility for the level of unemployment reached as a result of the fiscal, monetary and other policies resorted to by the Department of Finance in an attempt to keep unemployment at its lowest possible level. We could change that to 5 per cent, thus shifting more of the burden on to the employers. Alternatively, we could shift it from 4 per cent to 3 per cent, placing more of the burden on the government and less on the employers. I think that would please some of my hon. friends in the far corner, Mr. Speaker.

Another very legitimate amendment which the Leader of the Opposition could propose is the elimination from the plan of fishermen who are self-employed. Would hon. members from Newfoundland get very upset if we changed the regulations to eliminate self-employed fishermen from qualifying for unemployment insurance? After all, this would be perfectly legal and consistent with the act; you pay unemployment insurance only to those people who are employed. But I do not think that would be very popular in the Atlantic region. The hon. member for Trinity (Mr. Hellyer) has talked about the fisherman who earns $43,000 and spends the winter in Mexico. Mr. Speaker, 20 years ago the same fisherman used to go to the Bahamas.

Another amendment which the Leader of the Opposition could move would propose the elimination of the woodworkers who are self-employed and who are included in the act by regulation. That would reduce the number of people receiving unemployment insurance. That would save all kinds of money, but it would affect a lot of people in New Brunswick who are self-employed. In his terms, it might eliminate a lot of abuses; there may be a lot of abuses in woodworking. According to the *Financial Post*, one of the leading lumber companies laid off 287 people and a month later called the unemployment insurance office to get them back, but nobody showed up for work. The company promptly did what any good, red-blooded employer would do; they went running to the press, talking about the 287 lazy people who refused to turn out for work, having decided to live on unemployment insurance. I got their social insurance numbers and names and addresses and ran it all through the computer. I found that 14 of them were drawing unemployment insurance and the remaining 273 were working for the competitor, with better working conditions and better pay.

• (1730)

Some hon. Members: Hear, hear!

Mr. Mackasey: Another category is the truck owner-operator.

An hon. Member: Why don't you bring these forward?

Mr. Mackasey: The hon. member can move a motion when we bring forward the amendments to the Unemployment Insurance Act. That will eliminate a few more people from the rolls and save money.

Mr. Speaker, in conclusion, because I am a little over my time, let me say that when I resigned from the cabinet, one of the reasons I did not resign from the House of Commons was that I was determined to stay here and see that the reactionary forces in this House did not destroy some of the decent things in our system.

Some hon. Members: Hear, hear!

Mr. Mackasey: I do not profess to have ever suffered poverty, but I can remember the hungry thirties. On Friday nights my father would give me a $5 bill to change into dimes, and every night my mother would make sandwiches to be handed out to people who knocked on our door the next day. I remember that as vividly as yesterday. What stands between that type of existence and the affluence of 1972 is the unemployment insurance program which provides the worker with some income so that he can retain his dignity and not have to hide in shame from his children who expect to be properly fed and clothed in a country as wealthy as Canada.

Mr. Speaker, as long as I remain in the House of Commons, which may be one more day or one more week or one more month, I will remain a Liberal—

Some hon. Members: Hear, hear!

Mr. Mackasey: —and I will pledge my loyalty to the Prime Minister, Pierre Elliott Trudeau, because I know no other way of being a House of Commons man. In conclusion, may I say to the new members that they should learn to appreciate the House of Commons; it is the only thing that really guarantees democracy in this country.

Some hon. Members: Hear, hear!

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, it is a distinct honour and privilege to take part in this throne speech debate and to do so under your distinguished guidance and direction. It is also an honour to follow the distinguished member for Verdun (Mr. Mackasey). I congratulate him on parts of his speech, but with other parts I intend to take issue.

Just as this promises to be an interesting year, an interesting parliamentary session, so the Speech from the Throne reflects an increased awareness of the importance of parliament and heightened interest in this great institution by Canadians generally.

Before making my modest contribution, may I, on behalf of myself and my constituents, place on record the respect we had for the late Right Hon. Lester B. Pearson. He was held in great esteem and affection in Nova Scotia, as indeed he was in the entire nation and the international community of nations.

When a junior member such as I looks at the contents of this Speech from the Throne, he is perhaps—at least I am—in doubt as to whether he should be more concerned with its direct effect on Canada as a whole or the very real concern it has for his constituency. Certainly, Mr. Speaker, in perusing this Speech from the Throne, and indeed having listened to the Prime Minister (Mr. Trudeau) expound upon it, there does not at this stage appear to be much rejoicing to be done, for me at least, on either the constituency or national aspect.

I commend the government for finally recognizing, at least by implication, that freight rates do have an impact on economic development and consumer prices. What a penetrating look at the obvious, Mr. Speaker! I find it ironic that the government permitted so much time to expire during its previous term in office without having come up with any national transportation policy, only now evidencing concern. It is high time that railways were examined, and not only freight policies but maintenance policies. Roadbeds are becoming unsafe because of unsatisfactory maintenance. Pensions for railway employees need examination as well, as the distinguished member for Verdun has just said.

With reference to the hon. gentleman, I should like in passing to comment that he is still dragging the heavy water red herring into the House of Commons.

An hon. Member: It is no red herring.

Mr. MacKay: I should like to refer him and hon. members opposite to a speech made by a former colleague of his, the hon. member for Trinity (Mr. Hellyer), last spring. He knows where most of the blame lies; it lies on this government which is trying to place this unjust and unfair aspect on the leader of this party. Mr. Speaker, this does not say much for their sense of fairness or accuracy.

There is in the throne speech more high-handed philosophy, and statements such as this:

> To preserve the ecological integrity of Canada's coastal and maritime areas, further presentation will be made for the third United Nations Law of the Sea Conference.

Laudable and overdue as this stated objective may be, what our hard-pressed fishermen want is some direct, practical help. To repay them to some extent for the neglect of the past they want protection from encroachment by foreign fishing fleets, they want adequate compensation for being forced out of their livelihood, and they want treatment to make up for their loss of sick mariner benefits and their fishing bounty.

In agriculture, the farmer in eastern Canada has little to rejoice about either in terms of actual or promised aid by this government. No plans for a regional approach for problems peculiar to eastern Canadian farmers are evidenced in this Speech from the Throne.

There is nothing to indicate that, pursuant to its announced intention to assist home owners, the government intends to remove one of the greatest direct costs to prospective home owners, the 11 per cent federal sales tax on building materials. The government can do all it likes to make it easier to buy a house, but what about the cost and the unfortunate fact that between interest, taxes, etc., the buyer will be saddled with a mortgage for the rest of his life because so few young Canadians can afford the price of a new home? Please, let us attack the initial cost for houses, and let us take this inequitable tax away, as a beginning.

One of the most intriguing and promising statements in the Speech from the Throne was the reference to the much heralded Department of Regional Economic Expansion. This is a good program, or could be. It is an equitable concept following the bipartisan line of thought that results in the sort of benevolent federalism that was responsible over the years for equalization payments, the recognition that the richer provinces should help the poorer and recognizing there should be equality of opportunity, economically as well as linguistically. However, somehow the government has in its familiar way failed to co-ordinate and develop its philosophy and in a practical or meaningful way to develop a comprehensive industrial strategy and policy for Canada.

• (1740)

At this point I want to stress that I agree with the recent announcement by the minister concerning decentralization. Our party has consistently advocated this since the inception of DREE. I agree with the Prime Minister when he stated, as he did in western Canada before going to England, that it makes him sad to see DREE used as a divisive issue by people making comparisons between one area and another. Some of us, perhaps, have done this not out of malice but as representatives of our constituencies, fighting for what we hoped was a fair share for our own areas. However, the Prime Minister, in his usual obtuse style, in the next breath proceeded to make comparisons. He compared Quebec with Nova Scotia, to show that Nova Scotia receives more per capita. As usual, he was saying one thing and proceeding to do another.

The feeling of our party is that these grants should be accorded on the basis of economic feasibility and need. Perhaps DREE should be used as an instrument of industrial development and as a social welfare program as well. But it has been badly mismanaged. The statistics and results generally relating to its policies have been hard to evaluate simply because the government has not made them available.

In a recent column, Charles Lynch dwelt at length on the type of information that the Prime Minister and government officials were releasing concerning DREE programs and the comparisons the Prime Minister was making in the areas that I have described. Charles Lynch wrote:

> My own impression was that Quebec got the most because it needed the most.
>
> Is it really true, as Trudeau says, that half of all DREE's outflow has gone to the maritimes and that "Quebec only comes later, ahead of some western provinces and behind some others"? Ahead of what western provinces, and behind what others?
>
> Statistics can be made to prove anything, and Trudeau must have been working from a specially concocted set that we have been unable to get DREE to cough up. We're still trying, but it's easier to get a grant from DREE than to get province-by-province comparative figures on per capita grants and total DREE expenditures to back up the Prime Minister's claim.

I agree with Charles Lynch and I hope that comparisons between regions will only be made from the point of view of statistical information and not to establish innuendos or excite paranoiacs who seek to read into those comparisons anything but normal competitiveness as between recipient areas.

One of the commitments made by our party in the recent election campaign was that of decentralizing DREE. I am interested to see that now the government concurs in this, as it concurs, indeed, in many other areas of our policy. Interesting statistics indicating the degree of centralization in DREE and DREE-related agencies show as follows. There are approximately 1,700 employees, as near as I can discover, working in DREE and allied agencies, and 730 of those individuals apparently are centralized in Ottawa.

In Newfoundland, where there are more special areas than in any other part of Canada, there are 15 employees. There are seven in Prince Edward Island, which incidentally is a related area in the sense that the province is totally designated under the so-called FRED program, the fund for rural economic development. There are 14 employees in Nova Scotia, 13 in New Brunswick, 90 in Quebec, 17 in Manitoba, 12 in Saskatchewan, 10 in Alberta and 6 in British Columbia. One wonders what those six lonely souls are doing in British Columbia. Are they doing useful work? Are they setting up some petty bureaucracy which does not need supervising?

Why can we not have a more frank and comprehensive set of DREE statistics published every month whether parliament sits or not? These ought to be published in the same way as unemployment statistics are published. Statistics from DREE would give us the basis for valuable economic analysis with regard to what is going on in our country and would be useful in the compiling of data for the study of our unemployment difficulties.

It is to be hoped that the minister will realize that it is imperative for DREE to be more closely associated with the aims and aspirations of provincial development agencies, that he will examine infrastructure programs and that he will check into funding procedures vis-à-vis federal, provincial and municipal governments. He should move cautiously but, I trust, progressively to explore with the provinces better ways of dealing more directly with the often neglected third level of government, that of civic and municipal administrations, in processing DREE grants and loans. At present, Mr. Speaker, some recipient municipalities must pay service charges of a quarter of one per cent on considerable sums of money. They can ill afford to pay these charges.

There is obviously not enough co-ordination between DREE objectives and the efforts of other federal and provincial development agencies. These bodies often compete and work at cross-purposes. For example, while the former minister responsible for DREE tried earnestly to tackle regional disparities, his friends in the Department of Finance were introducing policies to fight inflation. Those policies increased the gap between the wealthy provinces and those less fortunate. Departments of governments like DREE tend to be hermetically sealed. There is not enough concern about what goes on in other departments; the Department of Industry, Trade and Commerce should have greater input, so should the Department of Transport.

I feel, as do hon. friends to my left in the NDP, that DREE often promotes inequity. I do not go as far as they do in their philosophy, but I do feel that large corporations which have money to expand often take what is available from DREE. However, because of existing marketing organizations, branch plants, economies of scale, capital cost allowances, depreciation provisions, and so on, they are often already in a pretty good competitive position. It is small businesses in the formative stages which often need help to a much greater degree than older businesses which may be a bit shopworn, a bit obsolete but still viable. Those types of businesses may need an economic blood transfusion; perhaps their priorities should be looked at more closely by the new minister. Like the Industrial Development Bank, DREE should be oriented more toward assisting small industries. For example, 80 per cent of IDB loans are for less than $50,000. I would be interested in seeing statistical information of this type concerning DREE.

Perhaps there is merit, as I said before, in some of the allegations made by the leader of the NDP. However, as usual, he goes too far, overstates his basic position and minimizes the very real and essential contributions made to the Canadian economy by large corporations. He is certainly remiss in his thinking if he feels that he or his party have a monopoly on concern for the welfare of small Canadian businesses, farms or, indeed, average Canadians.

We need more information about DREE. One would like to know which provincial and federal policies have been successful, which have failed, why, and what lessons can be drawn from different plans, procedures and administrative arrangements. Evaluation in recorded form seems to be one of the most neglected aspects of government policy. There are enough bodies working in DREE to do this in an exhaustive way.

I feel that the Regional Development Incentives Act must be amended, specifically section 16 which allows the minister and the government to refrain from submitting a monthly report when parliament is not sitting. How ridiculous, Sir! Hundreds of millions of dollars have been spent, and there has been no report since last spring. These moneys are actually trust funds and the Canadian people are entitled to an accounting. They are also entitled to better administration. A more efficient advisory board must be constituted so that DREE grants can be better evaluated.

• (1750)

There must be a better way to run DREE. There is little point in locking the stable door once the horse is stolen, complaining of the many instances where DREE grants have been misused, about companies that have gone bankrupt and citing other failures of the program when in my opinion it is more constructive to have a better advisory board and to find a more efficient way of placing surveillance on the granting of funds and on expediting the disposal of grants, thus eliminating the sorry spectacle of companies depending on DREE funds that they thought were committed, only to find that they were not committed after all.

This department officially came into existence on April Fools' Day, 1969, according to my information. Since then those who have been affected by it must at times have felt that this date was indeed significant. In some instances, instead of being called the Department of Regional Economic Expansion it could have been better referred to, as the "department of ridiculous economic expectations". However, it remains, in our opinion, basically a good program and, like the legendary bird of Greek mythology, the Phoenix, I hope it can regenerate itself and go on refurbished, revitalized and regenerated under its new minister.

The concept of DREE, and indeed our national policy in economic development, has been shaken to some extent by recent developments, one of which affects my constituency. The United States treasury authorities have recently seen fit to impose countervailing duties on Michelin Tires manufactured in Nova Scotia. This is a very unfortunate and worrisome precedent since, as far as I am aware, it is the first time this type of action has been taken against Canada. It has been invoked against other nations but never against us. At the same time, a duty has been levied against some of our pulp and paper companies, two of which are Domtar and the Eddy Company of Pembroke. The two firms I mention, as well as Michelin, are in receipt of assistance from DREE. The Michelin countervailing duty could have direct and international implications so far as our regional development plans are concerned.

The Minister of Industry, Trade and Commerce (Mr. Gillespie) plays this down, and the minister in charge of DREE says that he hopes the Michelin case is an isolated instance. It is only natural that the ministers would say that because, after all, it was under their inept stewardship that this precedent was set. I charge the government with not placing sufficient priority on ongoing and high-level negotiations with the United States, and as a result we are now faced with a very unfortunate precedent. I trust that there will be continuing high-level negotiations with the United States in an effort to get the United States to rescind their course of action, at least until we have some far reaching, multilateral trade negotiations.

In closing, may I make a submission to the minister. I trust that he and the minister responsible for Devco will immediately explore the contentions of so many members, notably the hon. member for Cape Breton-East Richmond (Mr. MacInnis), to the effect that all appropriate provisions of the legislation setting up this unique Crown corporation have not yet been implemented to the benefit of unemployed miners and their dependants. It is my contention that these miners and their dependants are not treated equitably in accordance with the real intent of the legislation. Neither are the approximately 200 miners on the mainland now in receipt of less than the Devco miners, though many of them were part of the same operation.

Lastly, I would ask the minister in charge of regional economic expansion, along with his counterpart, the Nova Scotia minister of development, to take every possible action to benefit a very neglected area of Nova Scotia, the region known as the eastern shore. There is a great need for some initiative to be taken and for some form of development assistance. As I said on another occasion, I am looking forward to a constructive association with the minister in charge of regional economic expansion in exploring and suggesting ways to expedite in a co-operative fashion the operations of his department, which has such potential to attack the all too obvious economic problems that are facing the nation.

Finally, I trust that the Prime Minister will put aside his paranoiac preoccupations with the last campaign and stop brooding about why his "philosopher king approach" failed with the Canadian public. Then he, too, will attempt to do something constructive to attack all this nation's problems.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Boulanger): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Consumer Affairs; the hon. member for Hillsborough (Mr. Macquarrie)—Sports; the hon. member for Saint John-Lancaster (Mr. Bell)—Fisheries.

Shall I call it six o'clock?

Some hon. Members: Six o'clock.

The Acting Speaker (Mr. Boulanger): It being six o'clock, this House stands adjourned till eight o'clock p.m.

At six o'clock the House took recess.

[*Translation*]

AFTER RECESS

The House resumed at 8 p.m.

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and of the amendment thereto of Mr. Stanfield (page 52).

Mr. Eudore Allard (Rimouski): Mr. Speaker, may I first congratulate you on being called upon for the third time to sit as Speaker of this House. You have been chosen unanimously by hon. members because your fairness of judgment and your competence qualify you to fill this position with dignity.

I should like also to congratulate the hon. member for Halifax-East Hants (Mr. McCleave) who has been appointed Deputy Speaker and Chairman of Committees of the Whole House.

It is the first time, Mr. Speaker, that I have the honour of sitting in this House. I am not familiar with the Standing Orders. I shall try, nevertheless, to learn the rules of procedure and should I ever depart from them, will you be kind enough to excuse me for it.

I also want to thank the people from the riding of Rimouski who showed me their confidence when they elected me member of the Canadian Parliament. The people of the riding of Rimouski include workmen, farmers, businessmen, industrialists, travellers and a lot of teachers. The city of Rimouski is in a way the academic capital of the Lower St. Lawrence since it holds many institutions of learning which are attended by eastern Quebec students.

In this riding, information is of very poor quality. For a few months I have been trying to determine needs and to find means to solve the many information problems from which my riding suffers.

Rimouski and its surroundings are not getting adequate television service, as I said earlier. It is appropriate to remind you, Sir, that there is but one T.V. station in Rimouski, namely station CJBR.

Mr. Speaker, we learned from newspaper reports that on a beautiful star-lit night on November 9, 1972, a satellite called Anik was launched 22,000 miles into space. As pre-arranged, Anik will keep a geostationary position, that is a fixed position over the Equator in relation to the earth's rotation. From this select spot, Anik will be able, 24 hours a day, to lend an eye and an ear to all of our land. For once, Canada has reached the top in the communication field. Anik will simultaneously rebroadcast ten colour television programs and will include over 9,000 telephone channels.

We from the Gaspé Peninsula were pleased to hear about that development in the scientific field, but unfortunately we were soon disillusioned, because Anik seems to have forgotten us. This deplorable condition of poor relatives has lasted too long and I would therefore ask the government to alter it as soon as possible.

If my memory is correct, during the summer of 1970 the present Minister of Communications (Mr. Pelletier), then Secretary of State and minister responsible for the CBC, had been quite sympathetic during a tour of the Gaspé Peninsula to the grievances of its inhabitants, finding first hand how deplorable was the condition of information in that area. Always conscious of our problems, the minister has apparently stated that Anik carried in its flanks the solution and would give birth to it in the fall of 1972.

Mr. Speaker, Anik is in orbit, but where are the projects aiming at properly serving Gaspesians?

We also know that everything is ready to serve our Eskimo citizens, in the course of February 1973. We know that the CBC has rented from Telesat the services of at least three television channels for $9 million a year. We know that in three of four places, there will be some automatic relays connected with a transmitter for local broadcasting. Frobisher Bay and Resolute Bay will also be able to communicate both ways with the outside. I feel very happy for our northern citizens, but what about us from the Lower St. Lawrence?

Yes, and what about us? Mr. Speaker, what plans are being made to bring in the CBC in this part of Quebec, one of the major Canadian provinces in which information services should be available just as freely as anywhere else in the land? I did believe in the minister's sympathy, and I would like to continue to believe in it.

The people in the riding of Rimouski, who used to live almost exclusively from farming and lumbering, have, like everybody else, undergone many changes. Industries have settled there, and when economic conditions are normal and they operate to full capacity, they provide a living for part of the population. Farming operations in this riding used to be carried on a large scale but they also have declined, because they are no longer profitable.

Some citizens of my riding are fishermen, although because of pollution that industry has become less profitable. The government should take special steps to safeguard the industry and protect the sources of income of those who are involved in this field.

As for existing industries, in order to develop normally they would require financing at very low interest rates, in order to bring down their production cost and become competitive.

The Throne Speech mentions this problem. I hope that bills and legislation to be introduced in the House will be drafted in the same spirit and that the Throne Speech will not have merely raised false hopes.

For several years, we have been hearing about industrial decentralization but unfortunately, because of lack of adequate services in several towns in eastern Quebec, inadequate communications and high cost of transportation, those who are interested in opening new industries still go to the major centres and we, of the Lower St. Lawrence are missing the bus. This explains the ever increasing number of unemployed in remote areas.

The Throne Speech states that further steps will also be taken to reduce regional disparities persisting in spite of the action already announced in previous Throne Speeches.

The government says that additional funds will be assigned to LIP. I hope it does so soon to enable the officials of the Department of Manpower and Immigration to approve a greater number of applications because, to date, we have witnessed a real disaster in that many worthy projects have been turned down for lack of funds. How can a program intended to create jobs do so when most of the projects are turned down? The government is only bluffing which I think is not very wise on its part.

In any event, I ask the Minister of Manpower and Immigration to see to it that the state pay some attention to my riding and show enough understanding to create jobs if it cannot manage to convince industries to move in. The Social Credit party of Canada, of which I am an elected member, presented the people with an economic security program comprising a guaranteed annual income for all.

I must say that voters in my constituency have given a majority vote to this program. Therefore, it is my duty to tell the government that they will have to introduce good legislation in order to reach this goal and to eradicate as much as possible this unbearable situation where poverty exists in the midst of affluence. So, I can hardly wait for the tabling of bills intended for the realization of objectives mentioned in the speech from the Throne to this effect.

Senior citizens, disabled and unemployed people are worried by the constant increase in the cost of living as they cannot benefit from corresponding increases in their income.

On behalf of all the people of my constituency and of the Gaspé region, I ask the government to take immediate steps to insure security and freedom to the labour force, the farmers and every family, as well as more stable employment for our fine youth who ask nothing more than to work for our beautiful and great country.

[Mr. Allard.]

In conclusion, I wish to raise the subject of abortion which is getting to be a real problem in Canada. The government should take a different attitude in this regard and should be more concerned with education. It should try to open a greater number of family planning clinics for consultation so as to try and stop the action of those who kill instead of facing the real problems of life.

Finally, family allowances should be raised substantially and distributed better, so that the mothers and couples in financial difficulty could keep and raise their children.

[*English*]

• (2010)

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Sir, may I at the outset join all members of the House in extending to you and to the Speaker of the House our congratulations—condolences might be the appropriate word—on your unanimous election to these high posts. I hope you will forgive me, Sir, if I say in passing that I am particularly pleased with your appointment because, as you well know, our association goes back a great many years and I think it can be said that since the 1950s we have shared a genuine and deep concern for maximum communication with the people of Canada and for the proper utilization of the media in this country.

I should like to tell my colleagues in all parts of this House that the Deputy Speaker of this chamber is a man who has a profound wisdom and knowledge about the media and who has, to a very rare and unusual extent, a comprehension of both the positive and dangerous sides of the new developments that are occurring in communications. I can think of no one more suited than yourself, Sir, to hold the high and honoured post which you now occupy, which has been given to you with the unanimous consent of all members of this House. I am happy to endorse that election.

Some hon. Members: Hear, hear!

Mr. Jamieson: I should also like to convey to Mr. Speaker the congratulations of all members upon his elevation, if that is the correct word. I notice that he is in the chamber. I have found him, in my several years in this chamber, to be not only a man of sagacity and wisdom but a man of profound common sense. There is a difference, sometimes, between sagacity and wisdom and common sense, but he employs them with a rare combination and blending of which we are all very proud. We are happy to have him back as our Speaker in this particular assembly.

Some hon. Members: Hear, hear!

Mr. Jamieson: For a particular reason I also wish to compliment the mover and seconder of the address in reply to the Speech from the Throne. I suppose one tends to get into something of a rut in this connection after one has been here a reasonable period of time, but I keep saying during each throne speech debate that I did have the honour of moving the address in reply in our centennial year. I say that now with a rather special significance but with no apology for having repeated it, as I said, before because I remember with vividness and unabashed and unashamed sentimentality, when sitting, as I was

then, in the back row of this House, the gentleman who occupied the seat of the Prime Minister, a man for whom I had a tremendous affection and endearment, along with the then leader of the opposition, the right hon. member for Prince Albert (Mr. Diefenbaker), who together gave a new and "wet behind the ears" member a compliment on that speech. I refer, of course, to the late Right Hon. Lester B. Pearson.

• (2020)

To me, tonight there is both a sense of continuity and discontinuity in this respect because I think we all realize, regardless of party affiliation and what we may feel as individuals in the sense of our philosophy, that there is in this House not only a sense of continuity, not only the fact that the business of government goes on, but also there are those tragic moments when we realize that men who have served their country, perhaps at the expense of their health and welfare, are no longer with us. It was my privilege not merely to have expressed the sentiments I did in the address in reply in 1967, our centennial year, but to have done it in the presence of the Right Hon. Lester Pearson whom we all think about with such fondness and such affection tonight.

Some hon. Members: Hear, hear!

Mr. Jamieson: So I wish very much to compliment the mover and seconder, because this ritual, if it can be called that, is rather important. It not only emphasizes the importance of the so-called individual Member of Parliament, the Member of Parliament who does not occupy either the treasury benches or the front or second-row benches of the opposition; it symbolizes, it seems to me, the importance of the ordinary Member of Parliament, a man who is here because the people of his constituency have sent him here.

That is one of the things that is important about being the mover and seconder of the address in reply. The second thing is that traditionally the role has always been given to new members of this House. That, to me, too is something that is quite important because it illustrates that while there is a continuity in this House, it is not a moribund cure-all. It is tradition, if you wish, that new members of this House in this way can, and have the opportunity to do so, speak out on behalf of their constituencies. This, of course, is another aspect about moving and seconding the address in reply which is important. There is the fact that it polarizes, more than any other event in the whole parliamentary spectrum, the right and the duty of the individual Member of Parliament to speak out for the people whom he represents and to talk about his constituency.

Mr. Alexander: Right. That is what we want from you.

Mr. Jamieson: Believe me, there is no argument between myself and the hon. member for Hamilton West (Mr. Alexander).

Mr. Lawrence: In that regard.

Mr. Jamieson: In that regard. Incidentally, in any other regard.

Some hon. Members: Oh, oh!

Mr. Alexander: You got carried away there.

Mr. Jamieson: I will explain. However, I want to say something to the hon. member opposite. I am sorry, but I do not know his constituency.

An hon. Member: Northumberland-Durham.

Mr. Jamieson: I wish that, coming from the minor leagues, he would spend a little time learning what the batting order is in this House before he starts trying to be the star of the show, because it will not work in that way.

Some hon. Members: Oh, oh!

An hon. Member: You are getting nasty now.

Mr. Jamieson: Mr. Speaker, the usual word from the opposition when one hits a raw nerve is that one is being "nasty". The fact of the matter is that the hon. member has succeeded in the first two or three days of this league in batting out on each occasion. I simply suggest he learn a little first.

An hon. Member: You do not learn by sitting here, either.

Mr. Jamieson: I want to speak in a non-partisan sense. Members will understand, of course, that I am always non-partisan in these matters. The hon. member for Northumberland-Durham (Mr. Lawrence) and a number of his colleagues would be wise to heed, as I did, the advice of the right hon. member for Prince Albert. I remember it well because it made so much sense, as do so many of the things he says.

Some hon. Members: Hear, hear!

Mr. Jamieson: The right hon. member for Prince Albert told me when I entered this House, having had a close association with him in the broadcasting field for many years before that, "If you have any sense at all, you will sit and listen and keep your mouth shut until you know what it is all about". That has not happened, I fear, in the last two or three days in respect of many recruits of the party opposite. However, that is aside from the point.

Mr. Alexander: That is right. Get on with the job.

Mr. Jamieson: It is not my intention to spend the limited time I have talking about the past.

Some hon. Members: Hear, hear!

Mr. Jamieson: Thank you very much. I really appreciate the fact that many of these gentlemen are contributing to what we call in the media a clack. When everything is dead on your side, you hire those on the other side to start the applause.

Mr. Paproski: We wanted to make sure that you look good this evening.

Mr. Jamieson: Thank you very much. At least I am doing better with my dieting program than you are. Mr. Speaker, I am not really worried about the political balance of this House, but I am disturbed that the hon.

member and myself have been put at the same end of the room; I think there is a real problem there.

In all seriousness, I do intend to talk about the future. The leader of the New Democratic Party this afternoon said, "Tell us what you are going to do".

Mr. Nielsen: He is your leader, too.

Some hon. Members: Hear, hear!

Mr. Jamieson: I am pleased my hon. friend said that the leader of the New Democratic Party is my leader, too; it gives me an opportunity to talk about something to which I believe we all ought to pay a little attention in this House.

Mr. Alexander: Are you going to be serious now?

Mr. Jamieson: Very serious. Do you want to sit back and listen?

An hon. Member: Yes.

Mr. Jamieson: Relax. It is interesting to note that we have been talking a good deal—of course the media has been engaged in this to the maximum extent possible, and as someone who lived in the media for many years, I understand it—about majority and minority governments and the like. This particular parliament, of course, is one in which there is a so-called minority government. But it is an oversimplification to talk in those terms and simply speak of the number of seats and whether that establishes either a majority or a minority. I did a little arithmetic this afternoon and it is interesting to note the result. I hope hon. members will accept the fact that this is a totally non-partisan comment.

• (2030)

Mr. Nielsen: Oh, oh!

Mr. Jamieson: I see the hon. member of the opposition, who is completely incapable of non-partisan comment, does not agree with me; but that is beside the point. In any event, I do say with all sincerity that having looked over the results of the election, I begin to wonder what really constitutes a majority or a minority government in this country, in terms of any group being able to say that it speaks for the majority of the people. For instance, there are 151 members of this House—they exist on this side and they exist in all parties—who are here despite the fact that far more than 50 per cent of the voters in their constituencies opposed them.

An hon. Member: What about the highlanders?

Mr. Jamieson: I have been reading constituency reports from Nova Scotia as well as from other parts of the country.

In any event, what I am saying and what I am seeking to do, as I said, in an objective fashion, is to point out that if one looks at the statistics and goes beyond simply the first set of those statistics, that is, the number of seats that a party controls or does not control in the House or who sits on Mr. Speaker's right or Mr. Speaker's left, one finds that substantially more than half of us are here with substantially more than half of the voters in our constituencies saying that they did not want us. I use the word "us" and not "you"; I am talking about it in a general sense. In other words, the truth of the matter is that historically in this country—and I think the exceptions probably prove the rule—we have had a situation where it has been very rare when any party has had a true majority.

The hon. member will find the boy's room on the right, if he has not discovered it already.

Some hon. Members: Oh, oh!

Mr. Jamieson: I made that remark, Mr. Speaker, because I was here for six months before anybody bothered to tell me where it was.

But really, Mr. Speaker, without spending a great deal of time upon this particular matter and without being partisan in any sense, let me say that it has been very rare in the history of this country when any government could honestly say that it was a majority government. I will not quote statistics, because they are available to anybody who wants to look them up and it would suggest that I was being partisan. The fact of the matter is that in a great majority of cases members are in the House with less than half of the citizens in their constituencies voting for them. Therefore, I thoroughly agree—and perhaps it is a terrible piece of presumption on my part to agree with Winston Churchill, but I see from the statistics that he was so right—with Winston Churchill when he said that democracy is the worst possible form of government except for all of the others.

There is a lesson in this for us, surely, in recognizing that there is a difference between what happened in the democratic electoral process, with which of course I am in full agreement, and how we act during the electoral process and how we act once we become members of the House, because in the House, constitutionally and in every other respect indeed, there are no parties, and when people talk about about power, when people talk about the acquisition or the relinquishing of power and they talk about it in the penny-ante sense of whether half a dozen or more people move from one side of the House to the other, what they are doing is playing the kind of games which in fact the press, the media and the public have come to recognize as being one of the faults of our whole parliamentary system because we are incapable of rising above them. This has been evident in the last two or three days in the House.

Mr. Grafftey: But you have been in power for a whole generation and a half.

Mr. Jamieson: I do not particularly care whether or not my friend thinks of it in terms of a generation and a half. All I am saying is that we have a multiparty system with which we are prepared to carry on.

Mr. Grafftey: Poppycock!

Mr. Jamieson: So the hon. member opposite is becoming highly indignant. He has had his chance. What I am saying is that when one talks in terms of who should exercise power in this country, the answer surely has to be that it is the people of this country; and it is the people of this

country who have sent us here to decide what is going to be done and what we are going to do about the immediate and pressing problems of this country, not to play the kind of games that have been evident here in the last two or three days and which, I suspect, will go on for some time to come.

Mr. Grafftey: I had a better professor in my freshman year.

Mr. Jamieson: The hon. member said he had a better professor in his freshman year. Thank God I was never a professor. Thank God I never made it to my freshman year, because I had enough gut common sense to understand that what the public is telling us is to get on with the business of this country.

Mr. Alexander: Let us hear about your ministry, Sir.

Mr. Jamieson: We will get to that. Mr. Speaker, All I am seeking to say—and perhaps the jibes of the members opposite have prompted me to go beyond what I might otherwise have said—

Mr. Alexander: Don't do us any favours.

Mr. Jamieson: A fellow needs what we used to call, in show business, a straight man; the hon. member is pretty good at it.

Mr. Alexander: I am doing all right.

Mr. Jamieson: What I am trying to say is that the important thing at the moment is not who occupies the benches on the right or the left of Mr. Speaker. For my part, I do not particularly care what happens in those terms because, believe me, anybody in this House who thinks that he has some potential claim to immortality because he is here, he is there or he wants to move from there to here, has only to go out to the back of this building and see the statues of the men who have been forgotten for 100 years, 20 years and even 10 years and he will realize that all this is not important.

Mr. Alexander: Tell your leader that, don't tell us.

Mr. Nielsen: Methinks thou doth protest too much.

Mr. Jamieson: May I say to the hon. member that his brother does it better on the ads for the Bank of Montreal.

All I am seeking to say—

An hon. Member: Then say it.

Mr. Jamieson: Give me time. All I am saying is that it is about time we realized that we have to come to grips with the important problems and not just play games and not just, as the Leader of the Opposition (Mr. Stanfield) or someone, said, have one's tongue hanging out, anxious for office. To me that is singularly unimportant. The point is that I find it rather difficult to accept—

Mr. Paproski: Lately?

Mr. Jamieson: I will not answer that remark of the hon. member because in *Hansard* it will not look half as funny as it should. However, Mr. Speaker, I find it very difficult to accept that the total solution to this country's problems, as complex as they are, can be simply achieved by transferring one group of individuals from one side of the House to the other. I find it very hard, in looking over, not only the individuals who now occupy the front benches of the official opposition but in examining some of the things they have said over the years, to believe that at the very moment there was a change of government in this country the clouds would open and the Leader of the Opposition would be delivered of tablets of stone on which every problem of the country would be resolved in a split second.

• (2040)

I say that because I find it hard to understand how the hon. member for Trinity (Mr. Hellyer), who might become the minister under those circumstances, having spent some 20 years establishing the kind of reputation that he now deplores in this government, could suddenly transform this country into some magical Shangrila.

Mr. Nielsen: Have you got an embassy there?

Mr. Jamieson: We don't have an embassy in Shangrila at the moment, but I can assure the hon. member that if he gives us a vote of confidence and he would like the job, I will see that he is first on the list. And I am not at all sure that he would not accept it, Mr. Speaker.

Let us look at what this miraculous group is going to achieve. I wonder how the hon. member for Trinity feels, seated as he is within shooting distance—I use that word advisedly—or those people who tried to destroy him a few years ago, who said he was a total disaster, who damned him into the ground in this House. I am speaking of members who are here now and members who are no longer here. Now he finds it possible to make common cause with them. Is this the man who is going to lead us into the new Jerusalem?

Some hon. Members: Oh, oh!

Mr. Jamieson: I have my doubts. Now we come to the *pièce de résistance*, the hon. member for Saint-Hyacinthe (Mr. Wagner). Great Liberal principles? He stands up for them until the time comes when he is no longer the leader and then he switches over to something else. Is this the man who is going to lead us into the new Jerusalem? Is this the party to which we ought to give confidence in this House?

I sympathize with hon. members in the second and third rows opposite, Mr. Speaker. They fought their own battles. They are the ones in this House who tried to keep the real spirit of conservatism going throughout a long period of dreary, arid years. Where do they find themselves now? They find themselves in the third-row; new, "wet behind the ears" members, to quote the right hon. member for Prince Albert. Among them is the hon. member for Northumberland-Durham. Then the Leader of the Opposition says it is terrible to change one's policy. He has changed everything.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, I just want to ask how much the minister charges for a ticket to this show.

Mr. Jamieson: Mr. Speaker, I have the highest priced ticket this side of Broadway, with not one nickel going to any corporate welfare bum in the theatrical business.

Some hon. Members: Hear, hear!

Mr. Jamieson: Mr. Speaker, I made a conscientious decision that I was not going to talk about the NDP this evening.

Mr. Lewis: I don't care whether you do or not.

Mr. Jamieson: Don't feel offended if I have not done so.

An hon. Member: It won't hurt, if that's all the harm you can do.

Mr. Jamieson: All I want to say to the hon. gentleman who made that interjection is that he really synthesizes what I was saying earlier. I do not say this in any bootlicking fashion—

Some hon. Members: Oh, oh!

Mr. Jamieson: Hon. members can laugh if they choose, but if they, particularly those who have not been here before, would take a little time to read the record they would know I have consistently said there are many things, not only about the leader of the NDP, but about his followers and his policies, that I admire. Of course I do, and it did not take an election to make that kind of determination on my part. I ask hon. members to refer back to the last throne speech debate in which I said precisely the same thing. I see that somebody else in the audience wishes to ask a question, Mr. Speaker.

Mr. Yewchuk: Would the minister mind if I asked him a question?

Mr. Jamieson: Not at all.

Mr. Yewchuk: Mr. Speaker, he has only a few minutes left. Would he care to tell us what action he intends to take in the Department of Regional Economic Expansion in order to solve the unemployment problem of this country?

Mr. Jamieson: I thank the hon. member for bringing me back to earth. One of the happy things, and also one of the unfortunate things about this House is that one gets into this kind of argument, or debate, if one wants to call it that, and I readily admit I have not devoted as much time in my speech as I ought to the Department of Regional Economic Expansion. But to end on a serious note, Mr. Speaker, judging from the mood of the House I think all members have taken what I have said in reasonably good grace.

On this subject, the other day I came across something which was written many thousands of years ago. It was by a critic who was writing about the fallings of Peloponesian policy-making. That was a long time ago, in Greece.

An hon. Member: What about today?

[Mr. Jamieson.]

Mr. Jamieson: We will come to today in a moment. You haven't been here long enough to know about today. In the position in which the country finds itself now I would like to commend these words, in all seriousness, to hon. members:

> Each member presses his own ends which generally results in no action at all. They devote more time to the prosecution of their own purposes than to the consideration of the general welfare. Each supposes that no harm will come of his own neglect, that it is the business of another to do this or that. And so, as each separately entertains the same illusion, the common cause imperceptibly decays.

All I have been trying to say, and perhaps I have been doing it in a little too humorous and dramatic form, is that the important point is for us now to get on with the business of Canada.

In the time I have left I wish to say, with respect to the Department of Regional Economic Expansion, that there are a number of things which I can specifically commit to the House at this time. The first is that there will be substantial provincial-federal consultation; that first of all it is important that we as a federal government understand and comprehend what are the philosophies and objectives of individual provinces, and it is not in the first instance our responsibility as a federal government to impose our priorities on the provinces.

Therefore, I commit to the House that we will consult with the provinces. Indeed, the process has already started. We are trying to help them in every conceivable way that we can, to determine what their economic objectives are and, more than that, what it is they want for themselves in its totality, that is, in terms of a life style, in terms of what they want for their citizens. This is something that has been undertaken and which we will carry through to the extreme. We very much want to have that kind of co-operation with the provinces.

Mr. Nielsen: But what have you been doing?

Mr. Jamieson: I have not been doing anything, because I have not been in this particular portfolio.

Mr. Deputy Speaker: Order, please. I regret to interrupt the minister, but the time allotted to him has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: The minister may continue if there is unanimous consent.

• (2050)

An hon. Member: He has just started.

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed?

Mr. Bell: Mr. Speaker, on this business of extra time, I should point out that I have a long list of members who wish to speak in this debate. We gave extra time to the hon. member for Verdun (Mr. Mackasey) because he resigned from the cabinet; he was being used as a scapegoat and we wanted to hear the story. The Minister of Regional Economic Expansion (Mr. Jamieson) had an opportunity to be serious, but he did not deal with serious

things. I may not be very popular, but I really think we have to stick to the time limit.

Mr. Deputy Speaker: There is not unanimous consent. The hon. member for Ottawa West (Mr. Reilly).

Mr. Peter Reilly (Ottawa West): Mr. Speaker, it is a profound honour to address this chamber. I shall be always grateful for it regardless of the length of my political career, which I am sure hon. members opposite will try to shorten as much as possible: that is their job.

It is always entertaining to listen to the minister who just finished speaking and swept out. He was, in an earlier incarnation, as many hon. members know, a broadcaster and his prowess was lengendary in that industry.

An hon. Member: You are not in television now.

Mr. Reilly: I must congratulate the Prime Minister (Mr. Trudeau), Mr. Speaker. In four short days he has managed to bring into total thralldom his brand new shipment of seals.

Some hon. Members: Hear, hear!

Mr. Reilly: Many times during his career as a broadcaster it was said of the minister that when he was rushed for time he could memorize a three-minute commercial with no notes at all. I am sure we all believe that, as he has just run off a 30-minute commercial without any reference to notes at all, as far as I could see.

He mentioned the presence on this side of the House of the hon. member for Trinity (Mr. Hellyer) who resigned from the Liberal cabinet, as most of us know, when his rather simple and decent proposals regarding housing for Canadians went to the bottom of the priority list and were studiously ignored by the Prime Minister's office. I think the minister ought also to have mentioned the hon. member for Verdun (Mr. Mackasey) and the former hon. member for Duvernay, both of whom resigned cabinet posts because of humanitarian concern.

I congratulate the mover (Mr. Blais) and the seconder (Mr. Blaker) of the address in reply to the Speech from the Throne. For their sake I hope their observations prove more worthy of retrospective scrutiny than the remarks of the mover in the last session of the last parliament, the hon. member for Bruce (Mr. Whicher). During the course of his remarks he did me the honour of referring to me when he said, in part, "even the Tories would not accept a man like that around here". He said a lot of other things, too, Mr. Speaker, but I shall not bore the House with them. As it turned out, my party did want me and so did the voters of Ottawa West.

Some hon. Members: Hear, hear!

Mr. Reilly: Unhappily for the Liberal party, that is the case with a great many seats formerly occupied by Liberals; they have switched to this side of the House. There are a great many reasons for this change, Mr. Speaker, many reasons why the people of Canada, in every region except Quebec, turned away from the Liberal Party and chose instead the party led by the man I am proud to call my leader. I shall list them, as the government so often puts it, in the fullness of time.

Yesterday the Prime Minister called me a joker.

Some hon. Members: Hear, hear!

An hon. Member: "Sinistre farceur".

Mr. Reilly: It is true, Mr. Speaker, that I inherited from my parents a lively sense of fun and a keen appreciation of the ridiculous. Those qualities have stood me in good stead upon many occasions when the only logical alternative to laughter was to burst into tears at the sights and sounds that were unfolding before my eyes. Never have they served me better than in this House yesterday afternoon when I sat here for more than two hours and listened to the discursive, disputatious and often didactic diatribe from the Prime Minister of my country.

In a forlorn and shabby attempt to explain to this House and to the people of this country his party's dismal showing on October 30, the Prime Minister established what must surely be a new low in gutter politics. He tried to smear the Progressive Conservative party by blaming its so-called anti-French campaign for his party's defeat. He flailed wildly around him looking for reasons to justify his party's failure, and he even tried at one stage to link the Leader of the Opposition (Mr. Stanfield)—a man of unquestioned integrity and responsibility—with this anti-French fantasy. The last time I saw this used was in the United States by a man named McCarthy, and I do not mean Eugene.

It was an irresponsible performance. It was irresponsible because it was a smear on all members of this party; it was contemptible because it called into question the good faith of Canadian voters who quite properly turned away from the Prime Minister and his party and, finally, it was irresponsible because it encouraged the very bigotry that I assume all of us wish to stamp out and to avoid.

[*Translation*]

As I said, Mr. Speaker, the Prime Minister's remarks yesterday in the House were just poppycock and nothing else. The problems of bilingualism, national unity had nothing to do with his party's defeat at the polls.

[*English*]

No, Mr. Speaker, it was a good deal more basic than that, and because he cannot bring himself to believe that his marvellous schemes and his multiplicity of rationales were unacceptable to the Canadian people, he hides behind a phony charge of racism by this party. He reminds me of nothing so much as the beleaguered politician who was caught up in a fierce election battle and who found himself facing an opponent about whom it was impossible to say one rotten thing. So, at the biggest public meeting in the campaign, he got up and said this:

> Some little known and disturbing facts about my opponent have come to my attention and I feel you should know about them. He subscribes to several all-male societies whose members regularly practise the most flagrant philanthropic activities on young boys from poor families. His sister is a well-known thespian and his aging aunt was forced to withdraw from her church activities because she is a self-confessed octogenarian. Not only that, my opponent has been observed performing the piscatorial act from a boat flying the Canadian flag. He and his wife have lived for more than 20 years in open and notorious monogamy. He has masticated regularly since childhood, often in public.

Mr. Speaker, the remarks of the Prime Minister yesterday afternoon had about as much force and effect as that mythical story.

Mr. Trudeau: Did you say you were not a joker?

An hon. Member: He is listening.

Mr. Reilly: I have never denied it. No, Mr. Speaker, the Canadian people did not turn away from that gaggle of incompetents over there because of any anti-French campaign. The Canadian people turned away from a government that did not trust them and so did not merit their trust in return.

Some hon. Members: Hear, hear!

Mr. Reilly: The Canadian people turned away from a government that lurched for four years from one economic crisis to the next like an entire platoon of Walter Gordons.

Some hon. Members: Oh, oh!

• (2100)

Mr. Reilly: The Canadian people turned away from a bunch of ministers whose collective philosophy was best expressed by the Minister of National Health and Welfare (Mr. Lalonde) during his earlier incarnation as l'eminance grise; that philosophy was, if the people do not accept your plan, it is not the plan that is at fault, it is the public relations.

The Canadian people turned away from a government that ignored the advice of the best economists of the country, and visited upon the poor, the weak and the old a time of disaster and travail from which they have still not recovered; and today's unemployment figures bear that out.

Some hon. Members: Oh, oh!

Mr. Benjamin: Oh, you friends of the working man.

Mr. Reilly: I will get to you weak-kneed, bleeding-hearts in a moment. The Canadian people turned away in disgust from a political campaign full of flatulent slogans and totally devoid of specific policies.

An hon. Member: That's pretty weak.

Mr. Reilly: The game is up. No, Mr. Speaker, neither bilingualism nor unity was the reason for the rejection of that tatty ineptitude of Grits. What happened was that the so-called Liberals, whose pre-emption of that otherwise honourable word really ought to be investigated by the Minister of Consumer and Corporate Affairs (Mr. Gray) as a giant fraud on the public, these so-called Liberals made the same mistake that old and tired politicians always make. They assumed that the Canadian people could not be trusted with the inconvenient facts. They were afraid to tell the people the truth, Mr. Speaker, so they tried to lull the people with a campaign whose main point was the curious assumption that, despite the steadily mounting evidence before our very eyes that they had wickedly and wilfully mismanaged this country for four years, they still had some kind of divine franchise on wisdom and leadership. Never mind the sad little war on inflation which according to the Prime Minister was being waged on behalf of the poor and the old—

An hon. Member: Let's have facts.

Mr. Reilly: —and in which the same poor and old became the foot soldiers, the cannon-fodder and, eventually, the victims. Never mind the prime ministerial assurance that he did not care if unemployment went as high as 6 per cent, which it promptly did, paused briefly and then moved ever onward and upward. Pay no attention, they told us, to the fact that the government had clear advance warning from the Economic Council of Canada that if it pursued its announced course, unemployment would rise and so would inflation. Never mind the Prime Minister's declaration that inflation was licked, when actually it was poised for still another leap. They went about the country neighing and braying and telling us "the land is strong", to which one of my constituents replied, "and a good thing it is, too, or else it couldn't have withstood four years of those louts."

This afternoon, Mr. Speaker, we heard from the Minister of Finance (Mr. Turner). It was indeed touching to hear him so well defended by the hon. member for Verdun, but on the strength of what he told us today he does not deserve such tender treatment. What did he tell us of the government's plans to reduce unemployment, the latest figures on which make poignantly plain to those hundreds of thousands of Canadians without jobs precisely how much his government cares for them? Nothing.

What good news did he bring to this House about his government's plans for relieving the plight of old people? None. Did he have anything of even passing interest to say to the members of this House about the distressing problem of inflation? There was nothing there, either. Actually, Mr. Speaker, I asked myself, after he sat down, why he had ever got up. He came before this House with no plans, no help and no information on the problems which daily plague the lives of millions of Canadians and which cry out for attention today as they have on every day of every week for the past three years.

The only reason for his intervention that I can conceive is that perhaps conventional wisdom dictates that the resolute refusal to act is the necessary prerequisite to even higher office than the one he now adorns. But that does not help the unemployed; that does not help the old people; that does not help the millions of Canadians whose incomes steadily recede before the relentless onslaught of inflation.

It was also interesting to listen to the speech made by the hon. member for Verdun, particularly his obviously sincere defence of his unemployment insurance plan. I thought, Mr. Speaker, he seemed more defensive than necessary about the plan. I happen to think it is a good plan, a progressive plan and, certainly, to judge from the monthly accumulation of human misery caused deliberately by his colleagues in government, and from the evidence presented every month by Statistics Canada, it is a necessary plan. My only quarrel with it is that it was sold to the people on the basis of faulty figures and we are now faced with an unexpected and astronomical bill to pay.

The difficulty is that the money for paying that bill does not come from the housekeeping budget at 24 Sussex Drive; it comes from the pockets of Canadian taxpayers who are already hard-pressed to meet their regular obligations. Of course, one has to temper one's enthusiasm for the plan with the realization that the bill would not be so high were it not for the breathtaking incompetence of the government. It would not be close to as high if it had not been that the government chose deliberately the cruel course of setting off employment against inflation. This afternoon, Mr. Speaker, the president of one of the chartered banks told a meeting in Toronto that Canada's unemployment rate was the highest in the industrialized world, and he described this as a national shame.

Some hon. Members: Shame!

Mr. Reilly: When bank presidents begin describing unemployment as a national shame—

An hon. Member: —the Tories had better listen.

Mr. Reilly: —I think we can take it as certain, all things being considered, that it has become a national shame.

Mr. Speaker, yesterday, as I said earlier, the Prime Minister attributed racist motives to every member of my caucus. I could scarcely credit the evidence of my senses as I beheld the Prime Minister of my country trying to establish this irresponsible line of argument in his opening speech to this Parliament. When he spoke here yesterday he did a grave disservice to the cause he espoused so earnestly. His grip on reality has grown so tenuous that, although he probably doesn't realize it, there are in this country, in every province and city and town people who will fasten on his unfortunate remarks and fashion from them weapons to use against other people.

There are bigots in this country; some are French-Canadian and others spring from different beginnings. What the Prime Minister ought to know, and if he doesn't know he should be made forcefully aware of it, is that he has encouraged them, all of them. He has made still another of his many contributions to a political situation in which it is already hard enough to be responsive to the legitimate aspirations of your constituents and remain a responsible Canadian.

I represent a riding in which a large proportion of the voters work for the federal government or its agencies. There has been a good deal of speculation by people more expert than I about whether my election was due to the so-called backlash against French-Canadians. The only thing I know is that the only talk of racism during the election came from the Liberal candidate, who accused me of being anti-French because I opposed the government's implementation of the Official Languages Act. The Prime Minister claims he has seen literature of a racist character put out by this party. I can show him literature put out in Ottawa West by Liberals which came close to qualifying as hate literature and which ought to make the party which published it blush with shame.

The National Liberal Federation over on Bank Street sent paid agitators to meetings to make it plain to all the voters of French-Canadian origin that I am not articulate in French. They baited me regularly and persistently when I spoke in English, which surely was my right in a bilingual country. The truly sad thing about this is that every time this vicious little cabal opened up on me, they encouraged the bigots, whose support I did not want and whose importunings I regularly turned aside. Not only that, but decent and fair-minded people in the riding were moved to ask themselves some searching questions which might better have been left unasked.

• (2110)

If the Prime Minister wants racism, I can shown him racism among the members of his own party, sponsored by his own national office. I happen to believe that my election was not due to any backlash but that it was due in part to the government's wrong-headed and relentlessly-stupid policies regarding the implementation of the Official Languages Act. It is characteristic of this government and its Prime Minister that they are able to equate, without any mental gymnastics at all, opposition to their way of doing things with opposition to the principle of bilingualism per se.

The fact is that after the election, with all the haste that they could decently muster, the government sent the President of the Treasury Board (Mr. Drury) scurrying across the street to the national press building with a list of amendments to their program which paralleled in almost every respect the recommendations that I had made on behalf of the public servants in Ottawa West.

If the Prime Minister wants a second and, in his opinion, perhaps a less biased view, he should have recourse to the long article in one of the local newspapers written by my defeated Liberal opponent. Shortly after the election he wrote of his and the defeat of other candidates in this area and said it could be blamed largely on the government's wrong-headed and short-sighted policy in the implementation of the Official Languages Act in the public service.

Despite all their billing and cooing via the electronic letter-writing machine in New York, the Liberals do not have the franchise for love of country. I suspect that every member in this House loves this country, and I imagine, all partisan cracks aside, that all of them decided to run for office because of a true concern about their country and the direction in which it is going. But because some of us differ on precisely how to achieve the objectives of national harmony and unity, it does not do to dismiss us as bigots, or as obstructionists, or as nobodies or, for that matter, as "sinistres farceurs," though I suppose it might be better to be called a sinister joker than to be a sinister joke.

The people who elected me did so because they wanted me to oppose the record of the last four years and to do my best to make certain that we were not in for more of the same. And I propose to do precisely that. I might suggest to my hon. friends in the socialist party that they were elected for the same reason. I shall make no further allusion to what has been described as the marriage between the NDP and the Liberals because I should like, if possible, to block that connubial metaphor before we have any ugly offspring. I simply put it to them that they are betraying the people who voted for them, and I doubt whether the dimensions of that betrayal will ever be brought more sharply into focus than they were this after-

noon when they stood in opposition to immediate relief for the old people of Canada.

Some hon. Members: Hear, hear!

Mr. Reilly: It is a sad thing to see men and women who stood courageously, to their everlasting credit, against the repression and suspension of civil liberties imposed by this government in October, 1970—

Some hon. Members: Oh, oh!

Mr. Marchand: Is that what you stand for over there?

Mr. Reilly: It is a shame to see people like that turn their coats and support a government whose members, on their record, do not deserve to shine shoes of men such as the hon. members for York South (Mr. Lewis) and Winnipeg North Centre (Mr. Knowles)—and I regret that.

Ironically, Mr. Speaker, it was an NDP spokesman who predicted that Messrs. Trudeau, Marchand and Pelletier would soon become the three most disillusioned men in Ottawa when they took Liberal orders in Ottawa some years ago. I suggest to the NDP that they will soon experience within their own ranks disillusionment on a scale so grand as to rival that of the disappointed and defeated Liberal candidates scattered from coast to coast. At least, disillusion is rampant among those who have not been smuggled up to the public trough to assuage their election wounds.

Some hon. Members: Oh, oh!

Mr. Reilly: Mr. Speaker, are they barking over there because it is time for a herring? I and the members of my party are not interested in any further condition of psychopathology of a political party that has been overtaken by inertia. I am not interested in delving any further into the impediments that hobble the development of my country. What I am interested in seeing, and what my constituents and my colleagues want to see, is a Canada in which it is possible for people to lead happy and productive lives.

An hon. Member: That is what we have now.

Mr. Reilly: Mr. Speaker, I hope I will be given extra time in view of all these interruptions. I want to see a country in which it is possible for all people to lead happy and productive lives, to find work, to live in dignity and to raise their children in decent surroundings. I want to see a country in which freedom of movement and expression are guaranteed rights, a country in which young people can plan for the future and in which old people can rest in serenity, free from material want. We want to see a united country, one in which all parts of society are treated with concern for their legitimate aspirations.

This kind of Canada is really now within our reach. But we will not achieve it by the kind of performance that we witnessed here yesterday. We will never achieve it by name-calling or by appeals to the uglier side of human nature. We have been invited, along with the new gaggle of Liberal backbenchers that sprung up, as it were, like mushrooms in the nether-most corner of the House, to co-operate in producing some legislation in this parliament. I suppose it is possible. But we will only achieve it if we face the facts, when we become honest with each other and, more importantly, with the people of Canada, when we cannot only identify our problems but can pursue solutions without bitterness or rancour. If we can accomplish this kind of rapport, this parliament could be one of the most productive in history. Despite the remarks of the minister, which I may not accept but which I will note, I still hope that is possible.

Mr. Ed Nelson (Burnaby-Seymour): Mr. Speaker, I am grateful for the opportunity to speak to this assembly so early in the session. As a new Member of Parliament and being new to active politics, I am honoured to represent the people of Burnaby-Seymour, and particularly honoured to have been the one to regain for the New Democratic Party this seat. There is now unanimous representation in the riding, comprised of four New Democratic MLA's and one New Democratic Member of Parliament.

As a new Member of Parliament it will be difficult for me to follow the variety show that we have experienced tonight, robust good humour and bitter acrimony, with the humility, modesty and gentle good nature that characterizes my own nature, but I will attempt to do so.

• (2120)

I would be remiss, Mr. Speaker, if I did not join previous speakers in complimenting you on your appointment and on your conduct of our proceedings. In the words of Oliver Goldsmith—

> And still they gazed and still the wonder grew
> That one small head could carry all he knew

It is a source of great satisfaction to me to note that it was we few, we happy, happy few, we 31 New Democrats, through our esteemed leader, my hon. friend from York South (Mr. Lewis), who spoke first and most unequivocally of the revulsion felt throughout the world at the recent bombing in Viet Nam by United States aircraft. It was most fitting that parliament not be allowed to proceed with its regular business until the feelings of the Canadian people respecting the ruthless slaughter of innocent people were conveyed in no uncertain terms not only to the United States government but to the entire world. I compliment the government on the swiftness of its reply in the form of the resolution presented by the Secretary of State for External Affairs.

A European writer, Malinowski, wrote this:

> I once spoke to an old cannibal who, having heard of the great war raging then in Europe, was most curious to know how Europeans managed to eat such enormous quantities of human flesh. When I told him that Europeans do not eat their slain foes, he looked at me in shocked horror and asked what sort of barbarians we were, to kill without any real object.

The old man was right. In these days of modern warfare, the indiscriminate slaughter of innocent people is worse than cannibalism. It was particularly gratifying to me that the motion was supported so eloquently by another new member from the second largest group in the House. On one point, though, I would take exception to the remarks of the hon. member for Saint-Hyacinthe (Mr.

Wagner). His reference to anti-American bias, obviously directed toward our party, was completely unjustified, particularly within the context of the topic embraced by the resolution.

As Canadian citizens who prize Canada's long and honourable world reputation as a country of non-aggression, a country without territorial ambitions, we in the New Democratic Party side only with humanity, as did all parties in the House during the debate on this resolution. I can, however, easily forgive this slight to my hon. friends and to myself on the grounds that the hon. member for Saint-Hyacinthe is also a new member and, therefore, probably extremely inexperienced.

Mention of anti-Americanism leads me to the consideration of relations within our own country. There are those in my own province of British Columbia who have expressed antipathy toward French-Canadians just as there are, no doubt, those in the French parts of Canada who harbour similar feelings toward English-Canadians. Without going into the historical, cultural or political reasons for such feelings, let me simply say that I, along with hundreds of thousands of other people west of the Rockies, reach out a hand of friendship to our fellow Canadians and invite a reciprocal response. For I believe that the ties which bind us as Canadians are stronger than the differences which separate us.

If I may speak personally for a moment, may I mention that my own family has participated in exchange programs with French families, and I know we are all the richer for the experience. I am pleased to note the signs of increased co-operation among some of the western provinces and Quebec, as evidenced by the talks between the welfare ministers of British Columbia, Manitoba, Saskatchewan and Quebec in connection with social welfare problems. Any measure or action which strengthens the unity of the Canadian people is a welcome one to me, for, if I may quote the first Canadian born Governor General of Canada, Vincent Massey;

> I believe that Canada is one, and that if our minds dwell on those things which its hearts have in common, we can find the unity as a whole.

Now I wish to revert to the affairs of my province and particularly to my own riding of Burnaby-Seymour. Most Canadians will have watched the BBC series "The Forsyte Saga" in which the Forsyte family dominated the financial scene in England throughout the fictional generations of John Galsworthy's series, just as western Canada has for years been dominated by the financial might of eastern interests. The main character in the series, Soames Forsyte, drew great comfort in his old age from reflecting that by then all his enemies were dead, had gone bankrupt or were living in British Columbia—the latter, in his view, being a fate worse than death.

Throughout the decades a similar attitude of contempt for the legitimate aspirations of British Columbia has been displayed by successive Liberal and Tory governments. There is, however, a new spirit in the west and increasing evidence that western provinces are determined to seize the initiative in order to bring about much needed social and economic development.

There is also, Mr. Speaker, the Speech from the Throne. In common with other members of my party and with all British Columbians, I shall watch with cautious optimism for the enactment of those measures which appear to hold some promise that British Columbia will, in fact, eventually become a part of Canada. I have in mind the proposals for an improved national communications policy, for increased co-ordination of provincial and federal programs, the conference on western economic opportunities and, in fact, all those measures which are designed, in the words of the speech itself, "to rank high on an agenda for western development". Perhaps I should use the word "scepticism" rather than the term "cautious optimism", in view of the fact that of the 29 bills promised in the last Speech from the Throne, six were passed, 15 were introduced but not passed, and eight were not touched at all.

One of my constituents—not a supporter of my party, incidentally—expressed the feelings of many British Columbians when he wrote:

> If they (the present government) act responsibly and are put out of office on some minor issue it will not bode well for the party which does it, for there are people like me who, though they have taken no part in party politics, are apt to be fighting mad.

He went on to say:

> This is no time for petty issues and minor differences. The country is in bad shape, and we need co-operation in parliament.

I have no doubt that similar sentiments have been expressed by thousands of Canadians to all ministers of the House. The position taken by our party in respect of our conditional support of the present government has been derided by speakers of the official opposition, yet this body has displayed an almost indecent willingness to adopt insiduous measures to bring down the government and would gladly engage in a marriage of convenience or any other kind of marriage in order to gain the power they lust after. They may in time get that opportunity, but let them be patient yet a while.

Anyone with a rudimentary knowledge of British Columbia will see Vancouver as the spout of a funnel through which most of the goods and services are distributed throughout the rest of the province. My riding, Burnaby-Seymour, is a suburb of Vancouver and has a population of approximately 88,000. It is of the inevitable expansion into and through Burnaby-Seymour that I wish to touch on first. The entire lower mainland region, and particularly Burnaby-Seymour, is vulnerable to the unrestrained and opportunistic development of those who would put profit ahead of the quality of life when, indeed, it is possible with proper planning to have both.

Our municipal planning departments are well aware of the problems and have made designs for the planned growth of the entire lower mainland area. In pursuit of planning they have formed the greater Vancouver regional district council which studies such matters as regional planning, transportation, pollution control, financing and public housing. This group recognizes that no one municipality can establish the goal of creating what it terms a "liveable region". There must be a comprehensive transportation system throughout the entire metropolitan area, for one example and, for another, the creation of banks of large areas of undeveloped land in order that there be scope for long-range planning.

Experience has demonstrated that economic and social development on a large scale may be planned by local

governments, but without the full and cordial support of both provincial and federal governments they are often, in the words of a well known television hillbilly character, "tossing their hooks into a dry creek bed".

The lower mainland region is rated by those who profess to know such things as the third or fourth most beautiful spot in the world in terms of city, setting and climate. On a clear day one can see the majesty of the mountains which form the ramparts of this strikingly attractive setting. Yet it requires very little vision to foresee the day, perhaps within a decade, when the very mountains and the delta lowlands will, like the Los Angeles area, become the repository of a thick, poisonous and choking smog which will lie like a pall over the highly-populated lower mainland region.

The problem of urban growth and its attendant implications of pollution of the environment is one that should transcend partisan politics. It is a problem that must be the concern of every thinking citizen, for it must be obvious to all who are familiar with the region that time is running out, just as it is running out in other major population centres in Canada.

In 1971, the Science Council of Canada in its report pointed out that cities have only two sources of income, the municipal property tax which is resented by many low income and elderly people, and grants from provincial governments—grants which often have strings attached which prevent innovational development.

Even if the money were available, it is virtually impossible to co-ordinate attempts at co-operative development among cities, towns and villages, some of which have a strong tax base and others of which have virtually none. This government has a unique opportunity to provide the kind of leadership envisioned by the Science Council of Canada when it meets with the governments of British Columbia, Alberta, Saskatchewan and Manitoba at the conference mentioned in the Speech from the Throne.

So far, Mr. Speaker, I have spoken broadly of the long-term problem of urban development because of the susceptibility of Burnaby-Seymour to urban sprawl. The residents of Burnaby, and particularly those of North Vancouver, moved to these areas precisely to avoid the congestion of urban life. I believe they are realistic enough to recognize that expansion of the region is inevitable and in many cases desirable so long as it is a planned development, but I am bound to mar the sweet reasonableness of my speech at this point to say that this government has until now shown very little evidence and inclination or an ability to plan, for if one thinks of an economy as a man-made thing rather than as a natural phenomena, then surely it is possible to plan programs that will overcome the abuses of which the government has freely admitted its guilt.

The people of my riding will watch with interest any increase in the port facilities west of the Second Narrows bridge, for it is of great concern to us all that much of our shipping is being diverted to Seattle or Portland. At the same time, many of our residents would frown on unsightly industrial development of the foreshore extending east of the Second Narrows bridge, preferring to develop the natural beauty of the region into parks and carefully planned residential areas. I mention the inadequacy of our port facilities only in passing, because I am certain that this topic will be pursued at greater length by the member for Vancouver East (Mr. Neale) and others.

I should like, before my time runs out, to mention the topic on which I have received the greatest number of representations from my constituents. By far the greatest concern has been expressed over the administration of the Unemployment Insurance Commission. That concern was reflected, you will recall, during the first question period in this House. It seems most strange and wonderful to me that during the election campaign the central issue regarding unemployment insurance was the inconvenience imposed on the subscribers by the unwieldly administration of the plan. I see no change in this emphasis from the individual complaints that I receive or from the group representations. Yet almost overnight it seems that the emphasis has been shifted to the cost of the plan, and additional delays have been imposed through the establishment of section 107 of the act which provides for interrogation by what are euphemistically called "benefit control officers" whose skilled questioning may unwittingly jeopardize the claims of the unskilled applicant.

One would hope that the reference to clarifying certain aspects of the unemployment insurance plan made in the Speech from the Throne would refer to steps designed to simplify and expedite its administration. It seems a fundamental law of human nature that the more safeguards one institutes to prevent abuses, the more methods will the minority of freeloaders find to circumvent those safeguards. Skilled interviewers, not interrogators, abolition of the waiting period and lengthening of the eligibility period could probably speed up payments and lessen administration costs. So far as the much publicized cost of the plan is concerned, critics often neglect to mention that a large portion of that cost is retrieved through the payment of taxes in any case. In this connection I compliment the hon. member for Verdun (Mr. Mackasey) for his humanitarian approach to the plan in his speech this afternoon.

• (2140)

Some hon. Members: Hear, hear!

Mr. Nelson: We are all concerned with the problem of retirement, both in the area of the Old Age Security Act and of the private pension plans of companies like the CNR and CPR, and I have no doubt that the government will be hearing more from our side of the House on the inequities that exist in the administration and funding of private pension schemes. Whatever influence I can bring to bear on the improvement of pensions will be based on a deep-seated conviction that any person, man or woman, who has served society for a stated number of years deserves to live out the remainder of his or her life in reasonable comfort, with special consideration for the disabled, the blind, the retarded and, indeed anyone who suffers any handicap for which he requires special attention.

Legislators are prone to attach a number to the age at which a person is allowed to retire, the present number generally being thought of as age 65. Many people begin work at the age of 18, which means that they must work for 47 years before enjoying the fruits of retirement. Little

wonder that we have an unemployment problem when people work to age 65 and over and are forced to begin work while still attending school. One would hope that the Canadian people could look forward to the day when a person who has given as many as 35 productive years of service to his country would be given the right to retire with full benefits, whatever his age.

There are many other social and economic problems mentioned in the Speech from the Throne on which I could touch, but let me refer directly to this phrase from the speech: "The social sucurity system must contain incentives to work". In that one phrase, the government has hit directly at a basic problem that confronts so many Canadians who have lost the desire to contribute their efforts toward any government whose sole concern appears to be to worship at the shrine of corporate profits and the great god, gross national product.

The best incentive that this government can display is a basic concern for people, an honest attempt to remove the stigma attached to those who are forced to accept welfare, unemployment insurance and other forms of assistance. Canada is a rich and productive nation, but as rich and productive as it is, it simply cannot afford to support the continuing burden of costs that have resulted from past Tweedledum and Tweedledee administrations.

The Speech from the Throne is couched in vague generalities, but it does at least provide some room for the government to manoeuver within the confines of its outmoded philosophy to provide some redress of the grievances expressed by the Canadian people on October 30. No one expects Valhalla overnight. I do not expect a complete levelling-off of incomes in Canada, nor do my colleagues. Neither do I expect a complete reversal from the haves to the have-nots, as was lightly suggested by the hon. member for Témiscamigue (Mr. Caouette) yesterday. But I do expect, and my colleagues expect—and I believe the people of Canada expect—a fairer distribution of the wealth of this country. In a democratic country such as ours, surely the word "democracy" embodies, besides the freedoms usually associated with it, the freedom from want. The staggering costs of maintaining poverty are surely no greater than the costs of eliminating it, and I urge that the government operate from this premise when and if it considers amendments to the tax structure and the economic and social reforms hinted at in the Speech from the Throne.

Mr. John Campbell (LaSalle): Mr. Speaker, it is truly an honour for me as a junior member to have the opportunity to address such a distinguished group of men and women. May I take this opportunity to congratulate you, sir, and your associates on your election, as well as all those who have been appointed or elected to various posts. I certainly want to congratulate the hon. member for North Bay (Mr. Blais) and the hon. member for Lachine (Mr. Blaker) for a job well done.

[*Translation*]

Mr. Speaker, I should like at this time to pay homage to my predecessor, Mr. H. Pit Lessard, a man totally devoted to his constituents, well liked and respected by all. Hon. members who have been sitting in the House for some time will remember him. Unfortunately, for reasons of health, Mr. Lessard had to retire and take a well deserved rest. I am sure that for a long time, all those who have known and worked with him will keep a fond memory of him.

[*English*]

Mr. Speaker, the county of LaSalle is relatively new. It has been in existence since 1968. It comprises LaSalle, Ville Emard and Côte St. Paul. The city of LaSalle forms the largest part. LaSalle has a population of 75,000, 90 miles of city roads, and ranks as the sixth largest industrial city in the province of Quebec. This is the first time a resident of LaSalle has represented the city.

The hon. member for Burin-Burgeo (Mr. Jamieson) in his words a short time ago said that one is better off to shut up, sit back and listen so that when he does get up to speak he can speak factually and intelligently. That is exactly what I intend to do. At this time I should like to express my most sincere thanks to all the people of LaSalle, Ville Emard and Côte St. Paul who gave me their support and confidence during the last election campaign. I shall do my utmost to work ardently for their benefit and for the benefit of all Canadians.

• (2150)

PROCEEDING ON ADJOURNMENT MOTION

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

CONSUMER AFFAIRS—TIME OF SETTING UP OF JOINT SENATE-COMMONS COMMITTEE TO INQUIRE INTO FOOD PRICES

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, among the promises set forth in the Speech from the Throne, one which has most interested us in this group is the one promising that a committee will be set up very shortly to go into the matter of rising food prices. We feel that this measure is long overdue. As a matter of fact, on June 1 last year I had the honour to make such a demand in the House on behalf of this group. I said that because of the way in which food prices were spiralling such an investigation should be set up. At that time we were told by the government that such an inquiry was unnecessary and that Canadian food prices were in line with food prices in other countries.

We were also told by the then minister of consumer and corporate affairs that this might be a temporary phenomenon and that we should watch what happened before anything was done. Later, the Minister of Finance (Mr. Turner) and other ministers indicated that the rise in food prices was due to poor weather conditions. All this was a postponement, but as late as September the Prime Minister (Mr. Trudeau) had not been converted to any change in ideas. In my own city of Vancouver, on an open-line program a woman caller asked him how he could justify his negative and apparently callous attitude

to the rising food prices. He replied in the following words:

So if prices are going through the roof, you have a very low roof.

Shades of Marie Antoinette! I may say, Mr. Speaker, that this was one of the reasons the present government met defeat in our province. It was not because of bilingualism but because of high food prices and the high cost of living for people in low income groups. This is why I am concerned about the setting up of a committee to study this problem, and I hope that the message reached the government.

I know there was some gossip that when this committee was formed it was the intention of the government to form it merely to prove to Canadian consumers that they were not being ripped-off. If there is a disposition to set up such a committee for the purpose of proving that the Canadian consumers are living in the best of possible worlds so far as food prices are concerned, and that weather and market conditions will combine to set everything to rights very shortly should there be a temporary aberration, I say that our party will not support that kind of thing.

We are convinced that rising food prices should be investigated. What we need this time is a probe with a purpose, and that purpose must be action. In the four years since the Trudeau government took office, the cost of living has gone up by 20 per cent. A very large part of that rise in the cost of living was due to food prices. Last year alone, food prices went up by 7.4 per cent, and other prices comprising the consumer cost of living index went up by 3.7 per cent.

As a member of the former committee which studied prices, I want to say that almost six years—it will be six years in April—have passed since the tabling of the report of the committee. It is true that certain recommendations of the committee have been met, but some of the most serious questions which were raised at that time have not yet been dealt with. Not all of them were raised in the form of a recommendation.

At the end of our time in that committee certain startling discoveries came to light. I should like to quote part of the committee's report as follows:

Your committee uncovered specific evidence of great concentration of market power. It came to public attention as a result of questions by your committee and disclosed more particularly the so-called Weston empire.

This disclosure was an astonishing revelation and the enormity of the Weston complex surprised even the sophisticated. The far-reaching implications will take some time to assess. The Weston empire reveals for the first time vast holdings and control over food and other related aspects of the economy which will need further investigation to reveal all the implications and to do this, more specific information will of course, be required.

We also pointed out that advertising and promotion had not received our attention in the measure that was required. We said:

The domination of a few large corporations in some sectors of the Canadian economy is clearly evident and gives rise to the question, "is this in the public interest?" Your committee feels that the implications of this question must be fully examined.

[Mrs. MacInnis.]

Our recommendation was as follows:

That the Joint Committee on Consumer Credit (Prices) continue with its investigation of concentration in the food industry.

So far as we in this party are concerned, this is where this committee will begin, with a continuation of the investigation. We in the committee did not get very far with regard to the concentration of monopoly power in the food industry. I want to echo what my colleague pointed out last night, namely, that in our opinion this committee should be established as a special committee of the House. We do not believe in naming people to the committee who are not subject to the control of the electors of this country. We want a House of Commons committee. We believe we in this House could do a better job and better study the concentration of monopoly power. If members in the other place want to be active on the committee, let them come as witnesses, as my leader said, with the concentration of power which a great many of them bring from the corporations they represent.

The Acting Speaker (Mr. Laniel): Order, please.

Mrs. MacInnis: I believe I have made my point, Mr. Speaker.

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I would like to inform the House that late this afternoon I submitted to the Clerk a notice of motion for the setting up of a parliamentary committee to inquire into food prices. Assuming that this was done within the proper time period, the notice of motion should appear on the order paper tomorrow. I hope it will be possible to call the motion in question for debate very soon after the conclusion of the debate on the address in reply to the Speech from the Throne.

During the debate on this motion it will be possible to go into the matter of the composition of the committee and its terms of reference in great detail, and if the House supports the motion the committee will be created, and once organized it can begin its important work.

I am sure that all members of the House, and Canadian people generally, look forward to this work being undertaken soon in the interests of Canada generally.

SPORTS—MONTREAL OLYMPIC GAMES, 1976—CIRCUMSTANCE OF SALE OF TELEVISION RIGHTS TO AMERICAN BROADCASTING COMPANY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I am not at all sure who is going to pronounce the benediction to my nocturnal sermonette, because when I asked a question of the Minister of National Health and Welfare (Mr. Lalonde) regarding this matter he said it was not his responsibility, and I do not see the Minister of State for Urban Affairs (Mr. Basford) here.

I should like to say first that I rarely make corrections to *Hansard*, but I did not say of the minister that he has moved from the black to the green chamber; I said that I welcome him from the back room to the green chamber. I was not trying to be more colourful than those who call him a grey eminence.

• (2200)

Somewhere along the line I may have made a mistake as to which minister was involved, not because the subject is unimportant, not because either minister is unimportant but perhaps because I am advised that this change in responsibilities was made at the time of the cabinet shuffle. Mr. Speaker, that was one thing I did not think very important, because it is highly temporary. The most succinct and perceptive comment upon that particular event, I believe, was that of the Ottawa *Journal*, which compared the cabinet shuffle with the shifting of the deck chairs on the *Titanic*. I am also confused about how the transfer was made without a change in the Fitness and Amateur Sports Act, and perhaps tonight or at some later date we will hear more about the reasons for the move.

It is extremely important that somebody accept responsibility for the public interest in the Olympic Games because the Canadian people are very concerned about athletics. They are especially concerned about those international competitions which mean so much to our national morale. I understand that some very important people in the world of sport have communicated with the Minister of National Health and Welfare, and presumably their communications have been passed on to other ministers.

I was appalled to note that in the Ottawa *Citizen* of January 4 nearly half a page was devoted to anxious expressions about the way one aspect of the Olympic Games was handled, namely, the television rights. I quote from that newspaper as follows:

> Roger Rousseau, commissioner-general of the summer Olympics ... announced Wednesday an agreement awarding United States television rights to the American Broadcasting Co. for $25 million ...
>
> Shortly after the announcement was made, a spokesman for the rival National Broadcasting Co. in New York criticized the ABC award.
>
> "NBC continues to believe that the procedures used to award American television rights to the 1976 Olympic Games are contrary to the best interests of the people of Canada, the American TV audience and the Games themselves.
>
> "The organizing committee's unwillingness to follow the procedure of open bidding raises serious questions which still are unanswered," the network executive charged.

That is a comment by a very prominent media man in the United States, but I was much more interested and much more disturbed by the statement of Alan Eagleson, whom no one could ignore as one of the leaders in the athletic field in this country, who brought sharply to the attention of the minister the way in which Bobby Orr Enterprises had not been given a chance to bid for the television rights. Mr. Eagleson said:

> "We had offered to buy these rights through Bobby Orr Enterprises ... The transaction with the American Broadcasting Company seems a little bit suspicious to me."

The newspaper report continued:

> The games rights would have been sold without a promoter, said Eagleson, who is secretary of Bobby Orr Enterprises, executive director of the National Hockey League Players Association, a lawyer, and a representative of numerous NHL players.
>
> He said that since Canadian taxpayers will have to bear the cost of staging the Olympics "I hate to see $700,000 given away so easily and so needlessly to an American promoter."
>
> Eagleson said everyone should have a chance to bid.

I call upon the minister to investigate the matter thoroughly. I think it would be extremely serious if a matter so evocative of Canadian interest and pleasure as international competition should get under way under a cloud of misapprehension, and that it should be further clouded by a lack of willingness to communicate with the Canadian people as to what is going on in this particular aspect of the Olympic Games. I should be glad for such elucidation as the minister is able to give with his unlimited knowledge but his limited time tonight.

Hon. Ron Basford (Minister of Urban Affairs): Mr. Speaker, I have listened with great interest to the hon. member for Hillsborough (Mr. Macquarrie) and his enunciation of the problem he raised the other day during the question period. I want to confine my remarks not to what he said this evening but to the question he asked the other day, which related solely to the matter of television rights sold by the organizing committee for the 1976 Olympic Games in Montreal.

Mr. Speaker, the organizing committee for the Olympics in Montreal in 1976 has, I am informed, entrusted its negotiations for these TV rights to a committee headed by Paul Desroches, who is otherwise a financial adviser to the premier of the province, which includes Gerry Snyder, the vice-president in charge of finances for the organizing committee, Louis Chantigny, the vice-president in charge of communications for the organization, and the commissioner-general, M. Roger Rousseau, who was mentioned by the hon. member for Hillsborough.

The matter of the sale of the United States television rights to the olympic games, which is the subject of his question, is internal to the organizing committee whose job it is to negotiate these rights. There is no federal agency involved in the sale of those rights and there is no federal agency involved in the negotiation of these rights.

The approval of the contract and the approval of the sale of these rights is subject to the approval of the international Olympic organization. If there are some problems or allegations on the question of the sale of these rights or the contract relating to them, I believe it is the responsibility of the organizing committee and of the international Olympic organization.

FISHERIES—EAST COAST SALMON FISHING BAN—PROVISION OF APPEAL PROCEDURE RESPECTING COMPENSATION TO FISHERMEN

Mr. Tom Bell (Saint John-Lancaster): Mr. Speaker, yesterday, as reported at page 44 of *Hansard*, the hon. member for Northumberland-Miramichi (Mr. Smith) asked the Minister of Fisheries (Mr. Davis) about the appeal procedure that there might be for fishermen who were not satisfied with their compensation payments under the salmon ban. I asked a supplementary question, knowing that the minister had written me and assured me that there was an appeal procedure. I asked whether the minister would personally investigate the method that was used under this whole compensation matter.

I am thinking more in terms of Saint John harbour, the Saint John river and the Bay of Fundy, but the minister may wish to say something about the Miramichi and other

parts. I am pleased to see him in his place and I appreciate that he wrote me a comprehensive letter about it. For the record, Mr. Speaker, he had his own crest as Minister of Fisheries on the letterhead, which delighted me as one who has often complained that fisheries is downgraded, alongside environment. Other members, particularly the hon. member for Carleton-Charlotte (Mr. McCain) and the hon. member for Fundy-Royal (Mr. Fairweather), also have an interest in the area around the mouth of the Saint John River.

There is an interesting history to salmon fishing and the problem surrounding it, Mr. Speaker. It is pointed out that the government should have been taking action on this matter years ago but has only entered the picture on a piecemeal basis. Fishing was restricted, which caused fishermen to increase their investment. Then when they became professionals and should have been making plans for the long term, the minister brought the axe down on April 24, 1972, with a complete ban on salmon fishing in this area and most other areas of Atlantic Canada.

These fishermen lost their livelihood. They were not asking for compensation, but their privilege was taken from them. Consultation was promised but there is not much record of it. We have a situation of extreme dissatisfaction amongst these fishermen. Meetings were held which some of the minister's staff in the Maritimes attended. The fishermen were very worried and objected to the manner in which initial compensation payments were handled. They are puzzled over the further proof that the department is asking in order to get the additional instalment. An atmosphere of confusion now exists between the fishermen and the department.

• (2210)

I do not know whether the civil servants in the field are doing the dirty work of Ottawa or whether they are completely isolated from Ottawa. That is why I raise this question. In addition to all these appeals I have one or two that I will send to the minister. I know the minister will try to look after them in one way or another and that some remedy will result. I think the whole matter needs looking into, because these fishermen were told, "get your documentation in and we will make a 50 per cent instalment payment." That was done early in the fall, and in nearly every case, after payment, the fishermen expected the other 50 per cent of their claims. After all, if you get 50 per cent of something you naturally think you will get the other 50 per cent at some time.

They hoped that they would be paid before Christmas. Then problems arose and they received nothing extra by Christmas eve. The joker was that if total payments exceeded 125 per cent for the area, reductions would take place accordingly. These fishermen acted in good faith. Having lost their livelihood and having been told they would be compensated generously, they found by Christmas eve that, substantially, they would not get the other 50 per cent. That is how the matter rests now.

I am confident that the minister will look into this question and personally cause an investigation to be made. The way this was handled needs to be examined. I believe he should look into it at the earliest opportunity.

Hon. Jack Davis (Minister of the Environment and Minister of Fisheries): Mr. Speaker, I have no hesitation in saying to the hon. member for Saint John-Lancaster (Mr. Bell) that I will personally look into individual cases which he or other members bring to my attention. I will also review the methods we have used in compensating or in providing a form of adjustment assistance to the east coast salmon fishermen. This situation is unique in that we are helping fishermen financially and, I add and repeat, generously inasmuch as the general practice across the country when closures occur is not to make payments to fishermen who do not fish. The decline in salmon runs on the east coast has been dramatic and we have moved in to assist fishermen. We want to help them over a difficult period and help them to re-establish themselves in other industries as long as they are not fishing.

Basically, the fisherman has been offered one of two alternatives. He can sell out all his assets. If they are valuable, he may choose that route. The assets are appraised by an individual appraiser and payment is made on that basis. I remember that in the Saint John River case, 64 fishermen chose that route and received compensation in the order of $41,000. Another 173 fishermen chose the other alternative, that of being paid annually for a sequence of five years on the gross value of their catch. They can chose the years to be assessed—they can chose any three years in the last half dozen years—and they selected the best years from their records. They received a payment initially and I asked that they be paid as promptly as possible. They sent in an unaudited claim and received 50 per cent of that claim.

Many of them were somewhat generous in the assessment of their catch, at least according to the records which they produced later, and they received, instead of another equal amount, somewhat less than 50 per cent. All of those who were eligible for initial payments received the supplementary amount, whatever it was, on the basis of records, by December 20.

A number of fishermen believe, even though they were given the opportunity to take the three best years in the past and despite the fact that they incurred no expenses because they did not go fishing, that they have a claim. They may believe that they can produce records, supporting vouchers or testimony from witnesses as to sales on the side, and so on, which gives them a claim to further payments. I will personally look into that. I believe in this case we have been both expeditious and generous in our treatment of the fishermen involved.

Motion agreed to and the House adjourned at 10.15 p.m.

HOUSE OF COMMONS

Wednesday, January 10, 1973

The House met at 2 p.m.

PRIVILEGE

MR. REILLY—DISTRIBUTION OF SPEECH FROM THE THRONE PRIOR TO DELIVERY

Mr. Peter Reilly (Ottawa West): Mr. Speaker, I rise on a matter affecting the privileges of the members of this House and of very great importance to Canadians. Last Friday I rose on a question of privilege concerning the advance publication of the Speech from the Throne. I rise on essentially the same matter today but with the addition of some new information which I believe will be of interest to members of the House. I should like to refer to the Toronto *Star* of Friday, January 5, and read from a column by Jack McArthur, financial editor of that paper and one of the most effective financial critics in this country, in which he says the following:

Investors and investment officials have a multi-million dollar reason today to be deeply disturbed by yesterday's Speech from the Throne in Ottawa.

Their misgivings will have less to do with the content of the speech—by tradition, a general statement of government intentions—than with how it was released and what had been happening in the stock market in the two sessions prior to the address.

Unlike a budget address, the throne speech is usually felt to have little potential for shaking stock prices. The secrecy which surrounds its release is not as intense as when a budget is coming.

That was all too obvious yesterday. Many people knew of its contents several hours before it was delivered. And this time it did have meaning for the market.

Words like "disgraceful" or "scandalous" may be too strong. But nasty phrases are appropriate.

The fact is that before the speech, during Toronto Stock Exchange trading on Wednesday and Thursday, oil and natural gas stocks were battered lower. Analysts said it was because of a rumour that the throne speech somehow would indicate unfriendliness toward exports of Arctic natural gas to the U.S., or toward the building of a $6 billion gas pipeline from the Mackenzie delta in the far northwest.

These are big ticket concerns. They involve some of the biggest tickets Canadians have ever seen. Hundreds of millions of dollars are already being spent to find northern gas reserves which can only be developed soon if gas is sold to the Americans.

There had been a recent drumming of criticism of large resource development in itself; of selling non-renewable resources to the not-so-well-loved Americans; of environmental and social damage which may go with northern development.

The Liberals found themselves running a minority government. Would they try to sidestep these controversies by stalling? It suddenly dawned on Bay Street early this week that this was possible, and that it might be indicated in the throne speech.

This made oil and natural gas stocks look less attractive to some investors. They bailed out, knocking down prices in chunks which shaved many hundreds of millions of dollars from the total value of affected shares.

By late morning yesterday, the stocks of companies like Imperial Oil, Shell Canada and Gulf Canada were disaster areas.

And then began a brisk comeback. Losses were sharply reduced in afternoon trading.

Something else happened about mid-day yesterday. Information on what was in the throne speech began to pour into newspaper offices across the country.

It was arriving by wire with the admonition that it could not be publicized before its release, expected to be around 3.30 p.m. That happens to be the time the Toronto market closes.

Given this indication of relatively slack security, and given that markets were open, it is inevitable that some of the more alert people in the investment community and elsewhere would have known something of the speech's contents before the market closed; that is, before the official release time.

And it was precisely in this period that some petroleum stocks were rising strongly after their earlier collapse.

We may ask these questions:

—were some people buying the stocks because they had discovered, or felt they had discovered, that the speech contained no terrible news about gas, oil and pipelines?

—if so, were they buying from investors who had no pre-knowledge of the throne speech? Were those uninformed investors victimized by a situation—

• (1410)

Mr. Speaker: Order, please. I have to interrupt the hon. member and I would ask him to kindly resume his seat. I have doubts as to the procedure being followed by the hon. member. I think he knows, or should know, that the rules do not allow him to make a speech of substance at this time. He should indicate briefly what his question of privilege is. I do not think it is quite in order, and it is certainly not in accordance with the practices of the House, for a member to come before the House and read a long newspaper article or editorial to support the proposed question of privilege.

I am not saying that the matter is one that should not be considered seriously, but I suggest to the hon. member that there are certain limits within which he must stay according to the practices of the House. I would invite him to indicate as soon as possible what the question of privilege is so that the Chair may be given the opportunity to rule as required by the Standing Orders.

Mr. Reilly: Thank you, Mr. Speaker. I will try to be as brief as I can. The question of privilege is, on the one hand, much the same as I indicated last week. It was, in my opinion, an affront to members of this House and to the dignity of this chamber to release the Speech from the Throne so far in advance. Second, it was a breach of privilege and an affront to the Governor General to have the contents of his speech on the street, as it were, before the man even began to read it. Third, Mr. Speaker, this procedure could have bilked investors out of their savings.

Some hon. Members: Oh, oh!

Mr. Reilly: I have been called a joker for raising this issue, but this farceur, seconded by the hon. member for Peace River (Mr. Baldwin), moves that the subject matter of my question of privilege be referred to the Standing Committee on Privileges and Elections.

Mr. Speaker: The hon. member has indicated that this is substantially, or essentially, to use his word, the same matter as he raised last Friday. Since I received notice of the motion from the hon. member, I had thought that this might provide an opportunity for the Chair, for my own benefit and the benefit of hon. members generally, to review the practice relating to parliamentary privilege. Perhaps this is not the occasion and I should wait for another opportunity to do so.

I really feel that the hon. member raised this matter last Friday. There was a ruling made upon it at that time. He now brings it before the House a second time. In fact, I think it was raised a second time in the debate yesterday by the hon. member, so he now comes before the House a third time and tries to revive the matter by way of a question of privilege.

The hon. member knows that, essentially, parliamentary privilege is raised in the House for the purpose of asking that a debate take place giving priority to a specific motion; in other words, the matter is so important that it should take precedence over other business that the House is supposed to consider on a certain day. The proposition of the hon. member in this instance is that we should debate the motion he has proposed and then it would be up to the House to determine whether the matter should be referred to a committee as he suggests, seconded by the hon. member for Peace River.

My ruling is that the matter was considered last Friday and a ruling was made then. I suggest to the hon. member that it is not sufficient to come back to the House and say new evidence has been unearthed, so that he may raise the matter a second or perhaps a third time by way of privilege. I have made a ruling, and I do not consider that the motion should be put to the House for debate at the present time.

Having said all this, I certainly do not suggest that this is not an important matter. I do consider that it is a very important matter and one which ought to be of interest to hon. members. But that type of question can indeed be discussed in many ways in the House, either in the Speech from the Throne debate or by way of private member's motion. I repeat that it can be considered by the House and debated by hon. members in so many ways other than a question of privilege which would take priority over all other business of the House in this sitting.

I am not ruling that it is not an important matter, that it is not of interest to hon. members, but simply that it should not be debated at this time by way of a question of parliamentary privilege.

[Mr. Reilly.]

[*Translation*]

MR. BEAUDOIN—PROTESTS RESPECTING CALENDAR PUBLISHED BY POST OFFICE DEPARTMENT

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I rise on a question of privilege concerning a personal attack on the feelings of the French Canadian members and the entire population, especially in Quebec as a result of the publication of a nice red calendar of which I recently received a copy from the Post Office Department.

Mr. Speaker, I bitterly note that St. Valentine, St. Patrick, Mother's Day, Father's Day, Dominion Day, Thanksgiving Day and Remembrance Day are indicated, even Hallow'een. But the feast-day of French Canadians recognized by the House a few years ago and which is always observed on June 24, that is St. John the Baptist, does not appear thereon.

Mr. Speaker, I raise a question of privilege because my rights as a French Canadian and Member of Parliament are slighted by this unfortunate omission of the Post Office Department, and I move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That the said calendar of the Post Office Department ceases to be circulated and a new calendar be printed so as to take into account these representations in order to truly respect all cultural groups in Canada.

Mr. Speaker: With the greatest respect, I suggest to the hon. member for Richmond that his motion is one of substance much more than a question of privilege. He suggests that his privileges as a Member of Parliament have been slighted in the circumstances that he refers to. I cannot accept this claim. Other prerogatives or privileges of the hon. member may perhaps have been slighted, but I do not feel that the said motion can be submitted to the House under the Standing Order concerning breaches of parliamentary privileges.

I suggest to the hon. member, somewhat like I did to the hon. member for Ottawa West (Mr. Reilly) a moment ago, that even if this question is of interest to all members of the House, it could be considered under other circumstancer rather than by way of a question of privilege.

[*English*]

ORAL QUESTION PERIOD

ENERGY

OIL PRICE INCREASES—POSITION OF GOVERNMENT—NATIONAL ENERGY POLICY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to address a question to the appropriate minister whether it be the Minister of Consumer and Corporate Affairs or the Minister of Energy, Mines and Resources. In view of the increase in oil prices announced by a couple of companies and in view of the significance of these increases for the national economy

and the people of the country, has either minister been in touch with the companies concerned and can either minister report to the House on any such conversations or any proposals the government intends to make?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I can report that another of the major companies has indicated that it will follow the increases. As far as the eastern market is concerned, the indication from the companies is that the cost reflects the increase in the international price of oil of about 20 cents. In western Canada the cost not only reflects the competitive value of oil but also the cost increase in refinery operations. On that basis we are accepting that these increases will hold.

Mr. Stanfield: Mr. Speaker, I did not hear the end of the minister's reply. Did he say that the government is accepting this explanation?

Mr. Macdonald (Rosedale): Mr. Speaker, we are accepting the fact that costs have increased in the refinery operations and that in due course these costs will have to be reflected in the price of the product.

Mr. Stanfield: May I ask the minister when he is going to announce his national energy policy so that others outside the government and the Canadian people generally can have a context in which to assess this type of price increase? I ask this question particularly because my recollection is that he promised the announcement of such policy by the end of 1971 and again by June, 1972.

Mr. Macdonald (Rosedale): Mr. Speaker, I would remind the hon. gentleman that I became minister in January, 1972—

An hon. Member: We know it, don't we?

Mr. Macdonald (Rosedale): —so his statement is not correct. However, I expect to be able to put some documents before parliament some time during the course of the spring.

INQUIRY AS TO COMMUNICATION FROM BIOMASS ENERGY INSTITUTE ON ENERGY DEVELOPMENT ON RENEWABLE BASIS

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources on this subject. Has he received any communication from the Biomass Energy Institute requesting an answer to their offer to enter into a research and development program for the development of energy on a renewable basis?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I shall have to make an inquiry in that regard and respond to the hon. gentleman.

• (1420)

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, would the minister also inquire of his colleague the Minister of Agriculture and ask him to free this correspondence from the civil service level and bring it up to the ministerial level for decision?

Mr. Macdonald (Rosedale): Mr. Speaker, I will make that inquiry.

GASOLINE AND FUEL OIL PRICE INCREASES—INVESTIGATION OF REASONS BY DEPARTMENT OR NATIONAL ENERGY BOARD—ADEQUACY OF SUPPLIES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question, Mr. Speaker. As three major oil companies have now raised the price of gasoline one cent a gallon and the price of home heating fuel oil by two cents a gallon, while at the same time paying to their producing companies an increase of 20 cents a barrel on top of the 10 cents a barrel increase of last November, has the minister's department or the National Energy Board investigated this matter to see whether or not these price increases are warranted or whether they are based entirely on the fact that there is a shortage in the United States and a more attractive market in that area so that, consequently, Canadians are being asked to pay for the increased price in the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, as I just indicated to the Leader of the Opposition, approximately just under half the Canadian market is not supplied by Canadian oil but by offshore supplies. As I indicated, the price increases, I am advised, are principally for the recovery of the increased cost of the raw material coming from offshore. With regard to the increases in the market west of the Ottawa Valley, it is true that the price there is affected by the increased price for western Canadian oil production, in part arising from the markets for this product in the United States.

Mr. Douglas: In view of the widespread hardship in some parts of the United States because of the shortage of home heating fuel oil, in view of the fact that the Alberta authorities estimate that the consumer demand for February will exceed by 15,000 barrels a day the productive capacity of the Alberta fields and the fact that the province is shipping daily to the United States at present over a million barrels of crude oil and condensates, what steps are the minister's department and the government taking to ensure that there will be no shortage of home heating fuel in Canada this winter?

Mr. Macdonald (Rosedale): Mr. Speaker, I point out to the hon. gentleman that the source he referred to indicated that the Alberta authorities expected no difficulty whatsoever in meeting Canadian demand despite very high shipments to the United States. I made it clear to the Alberta authorities and the industry, as I indicated yesterday, that the priority so far as the government of Canada is concerned is that existing Canadian refineries should continue to have feed stocks. If the industry fails to take steps to assure this, then, of course, it is faced with the prospect of regulations with regard to oil, as it is now faced with regard to gas.

Mr. Douglas: A further supplementary question, Mr. Speaker—

Mr. Speaker: Order, please. A number of hon. members wish to ask supplementaries on this subject. I would at this point invite hon. members, if they can, to limit the number of supplementaries. I have noticed with some unhappiness that in recent days not too many opportunities have been given to members in the back rows to participate in the question period. If the front benches of the several parties, on one side or the other of the Chair, take up most of the time in asking their questions and putting supplementaries, we know who the victims are. It is those who responded so sympathetically to my admonition. The hon. member for Nanaimo-Cowichan-The Islands on a further supplementary.

Mr. Douglas: One final supplementary question, Mr. Speaker. The minister has told the House that he has been advised about the reason for these price increases. I assume he means he has been advised by the oil companies. What investigation is the government itself making with respect to these price increases in view of the fact that three oil companies within a matter of hours instituted these price increases? Is any investigation being conducted? Second, is any consideration being given to investigating this matter under the Combines Investigation Act to see if there has been any collusion in these price increases by the three major oil companies of this country?

Mr. Macdonald (Rosedale): Mr. Speaker, the advice I referred to was that of the National Energy Board. As to whether or not there may be an investigation under the Combines Investigation Act, the hon. member knows that under the law the director of investigation and research has the responsibility for doing so. I will make certain through my colleague, the Minister of Consumer and Corporate Affairs, that this matter is brought to his attention if he has not already noticed it.

GAS AND OIL RESERVES OFF EAST COAST—ESTABLISHMENT OF GOVERNMENT BODY TO CONTROL DEVELOPMENT, PRODUCTION AND MARKETING

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in view of the serious situation that exists off the coast of Atlantic Canada, particularly Nova Scotia, brought about by the discovery of oil and gas reserves, will the oil companies be left to decide for themselves how these resources should be developed, at what rate, where production would be marketed and at what price, or does the government intend to establish some authority over the industry to manage both the rate and type of development that will ensue offshore?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I do not understand whether the hon. member is talking about refinery operations that might occur in Canada from foreign feed-stock or the development of offshore fields. If he is talking about the former, there is, of course, the present jurisdiction exercised by the National Energy Board under the National Energy Board Act in respect of the importation and marketing of oil products. If he is talking about the development of the offshore fields, as I mentioned to the hon. gentleman the other day there have been intensive discussions between officials of this government and officials of the governments of the four Atlantic provinces and Quebec in respect of the possible mutual development of that area. I would hope that these discussions could be brought to early fruition in order that co-operative development of the offshore fields can continue.

GASOLINE AND OIL PRICE INCREASES—INQUIRY AS TO LEGISLATION TO REDUCE TAX CONCESSIONS TO COMPANIES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Finance. In view of the outrageous behaviour of the oil companies in increasing their prices and their profits, is the minister now prepared to bring in legislation to remove some of their very sizeable tax concessions?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I think my colleague the Minister of Energy, Mines and Resources set out the answer to that question quite clearly.

Mr. Baldwin: You are a little more humble than he is.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—CRITERIA FOR APPROVAL OF PROJECTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to direct a question to the hon. Minister of Manpower and Immigration.

When his officers are looking into a local initiative project, must they before approving or disapproving it take into account the unemployment existing in the locality from where the project under study has been submitted?

[*English*]

Hon. Robert Andras (Minister of Manpower and Immigration): Mr. Speaker, one of the criteria for approval of Local Initiative projects is the degree of unemployment. Another criterion is that the people hired by the project sponsors are to be drawn first from the manpower offices in terms of those people on unemployment insurance or welfare. So the answer is yes, the degree of local or regional unemployment is a major consideration in judging these projects as to their merits.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I should like to ask a supplementary question.

Since the minister says that it is one of the criteria, could he tell the House what the others are which are essential to guide the civil servants when they have to take the decision to approve or disapprove such a project?

Mr. Speaker: The hon. minister might perhaps answer this question briefly, but this information should normally be supplied on motions.

[*English*]

Mr. Andras: Mr. Speaker, the current criteria have not essentially changed from those that applied last year. It is my understanding that they were released during the period when the House was not in session. I think that information was sent to all members but I will certainly look into the matter and make sure, if that was not the case, that it is done forthwith.

LOCAL INITIATIVES PROGRAM—ALLEGED REFUSAL OF REGIONAL MANPOWER OFFICES TO GIVE INFORMATION TO MEMBERS OF PARLIAMENT ABOUT APPLICATIONS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is directed to the new Minister of Manpower and Immigration. Can he say whether any orders or instructions were issued to the local regional manpower offices that they were not to divulge any information to Members of Parliament on LIP applications?

Hon. Robert Andras (Minister of Manpower and Immigration): On the contrary, Mr. Speaker, I have asked the manpower offices to co-operate to the fullest with Members of Parliament from all parties. There has been no directive to the contrary.

• (1430)

Mr. Lundrigan: Would the minister inquire why officers at the top levels in the regional offices are advising Members of Parliament that they are not permitted to discuss LIP applications with M.P.s and that if they are found doing so they will be severely reprimanded?

Mr. Andras: I will certainly investigate that matter because there is no intention on the part of the minister's office or of senior people in the department, as far as I am aware, to convey such an instruction.

* * *

INDIAN AFFAIRS

GOVERNMENT REPRESENTATION AT INJUNCTION PROCEEDINGS UNDERTAKEN BY INDIANS AGAINST JAMES BAY HYDROELECTRIC POWER PROJECT

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is directed to the Minister of Justice. Can the minister inform the House whether the government is represented at the interlocutory injunction hearing in connection with the James Bay hydro project and, if so, by whom?

Hon. Otto E. Lang (Minister of Justice): We were initially represented as a party named in the initial proceedings, but we have not been formally represented since the situation changed and we are no longer a party to the proceedings.

Miss MacDonald (Kingston and The Islands): Does the government intend to arrange for a senior official, a person at deputy minister level, to continuously attend the hearings, and will that person be presenting a brief at the hearings outlining the position of the government?

Mr. Lang: I shall need to check to determine the extent to which officials of the department at a fairly senior level who have been involved in the case have in fact been following the proceedings from day to day. I have not received a report recently but I shall be glad to get the information for the hon. member.

Miss MacDonald (Kingston and The Islands): In light of the government's constitutional responsibility toward the rights of Indians and Inuits, has the government formulated a position with respect to the issue before the hearing and, if so, will that position be outlined to the House or to the hearing immediately?

Mr. Lang: The Department of Justice is, of course, in the position of advising other departments of government with regard to the legal aspect of the government's responsibilities and we are in constant touch with the departments concerned in that regard, but it is not the custom of the department to inform other persons of the advice we are giving.

INQUIRY AS TO STATEMENT ON GOVERNMENT POSITION RESPECTING ABORIGINAL RIGHTS—REFERENCE TO COMMITTEE

Mr. Frank Howard (Skeena): May I address a related question, Mr. Speaker, to one of the unchangeables in the cabinet, the Minister of Indian Affairs and Northern Development?

Some hon. Members: Hear, hear!

Mr. Howard: If the applauders had known what I meant by "unchangeable" they would not have applauded. Inasmuch as the fundamental question involved in the James Bay affair is that of aboriginal rights, is the minister in a position to make any announcement which differs from that made in the past, namely, a declaration that the government will respect the aboriginal rights of these people not only in the James Bay area but elsewhere in Canada?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I might be given the opportunity at this time to answer a question asked earlier by the hon. member for Kingston and The Islands (Miss MacDonald). Regarding the cases that are before the court, we are not present there because, according to the new government policy, we do not want to substitute ourselves to the Indians who are quite able to defend their rights. As it has been realized, we have made available to the Indians and Inuits all the documents needed and some officials of my department have even gone to court yesterday as witnesses.

[*English*]

Mr. Howard: I should like to address a supplementary question to the Prime Minister with respect to the response just made by the Minister of Indian Affairs and Northern Development who has obviously denied and abnegated the constitutional responsibility of the federal government—

Mr. Speaker: Order, please. Does the hon. member wish to ask a supplementary question? He knows he cannot present an argument or enter into a debate.

Mr. Howard: I simply noted, Mr. Speaker, that the Prime Minister was picking up his earphone and I wanted to wait until he had it on.

Some hon. Members: Oh, oh!

Mr. Howard: And he is now putting it away, which obviously indicates he is turning a deaf ear to the plight of the Indian people in Canada.

Some hon. Members: Oh, oh!

Mr. Howard: I want to ask the Prime Minister whether the Minister of Indian Affairs and Northern Development was indicating government policy when he said, as I took it, that he and the government had no interest in protecting the rights of the Indian people?

Mr. Chrétien: On a question of privilege, Mr. Speaker—

Mr. Speaker: Order, please. The Chair will recognize the minister on his question of privilege, but obviously we could spend the rest of the question period debating the issue. I think the 40 minutes should be reserved as much as possible for questions and answers and not debate. The minister has the floor.

Mr. Chrétien: The hon. member for Skeena implied that we do not have the interest of the Indians at heart. I must protest that he cannot say so. If we are not at the hearing it is because we are no longer paternalistic, as he would be if he were in charge. We let the Indians do what they want to do.

Mr. Speaker: Order, please. I am sure that all hon. members, including the hon. member for Skeena and the minister, will appreciate that this is a matter of debate between the minister and the hon. member which could go on for a long time. My hope is that we can move on to further questions. However, if the hon. member has a further supplementary he will be recognized for the purpose of asking it and then the Chair will recognize the hon. member for Yukon. After that, we will go on to the next question.

Mr. Howard: May I ask a supplementary question which probably will prompt a reasonable response, and inquire of the minister whether he would be prepared to refer the question of aboriginal rights to a special committee of the House of Commons in order that all aspects of it might be examined?

[*Translation*]

Mr. Chrétien: Mr. Speaker, in all circumstances the committee can agree with any procedure and if it wishes to set the moment when it will study appropriations for the department on that question, it will be a pleasure to discuss the matter with the committee members.

[*English*]

Mr. Erik Nielsen (Yukon): In the absence of concurrence on the part of the minister in the suggestion made by the hon. member for Skeena, and in the total absence of any mention of the Indian people in the Speech from the Throne, can the minister tell the House today what the intention of the government is with respect to the settlement of aboriginal land claims in this country?

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are always in communication with Indian peoples. On many occasions, we have stated that we will abide by the provisions of the law which the government must assume in favour of the first citizens in Canada. We intend to pursue discussions of those questions with them. I think we would be ill advised to mingle politics with that problem.

* * *

[*English*]

AGRICULTURE

CROP DAMAGE, NORTHERN ALBERTA AND BRITISH COLUMBIA—MANNER AND TIME OF PAYMENTS TO FARMERS

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I have a question for the Minister of Agriculture. Would the hon. gentleman tell us today in what manner and when he intends to make his token payment to the disaster-stricken farmers in northern British Columbia and Alberta?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the payment to the farmers in Alberta and British Columbia will be as large as any payment we have made to farmers in any other part of Canada. As soon as we receive the claim forms and submissions from the provinces concerned we shall act accordingly.

Mr. Oberle: May I ask the minister whether he is considering further payments to these farmers, because the payment he is suggesting is obviously only a token payment and these people have suffered—

Mr. Speaker: Order, please. The hon. member is now making a speech.

Mr. G. W. Baldwin (Peace River): In light of the drastic decline in farm population as a result of deliberate government policies—

Some hon. Members: Order!

Mr. Baldwin: —I should like to ask the minister whether it is his intention to change those policies?

Mr. Speaker: Order, please.

CANADIAN NATIONAL RAILWAYS

TERMS OF LOAN FROM PENSION FUND TO FIDINAM (ONTARIO) LIMITED—INQUIRY AS TO LEASING BY RAILWAY OF PART OF UPPER CANADA PLACE

Mr. John Harney (Scarborough West): Mr. Speaker, I have a question for the Minister of Transport. Will the minister inform the House of the terms under which the Canadian National Railways pension fund made a loan to the Swiss-based, foreign-owned corporation, Fidinam (Ontario) Limited, amounting to $33 million?

Hon. Jean Marchand (Minister of Transport): I was not aware of this. I will take the question as notice and inform the hon. member as to the situation.

Mr. Harney: While the minister has that question under notice would he look into the following matter as well? Has the CNR pension fund contracted to lease back part of Upper Canada Place in Toronto, the building in question, in a manner similar to that arranged between the Workmen's Compensation Board of Ontario and Fidinam (Ontario) Limited?

• (1440)

Mr. Speaker: Order, please. I suggest to the hon. member that this question should be placed on the order paper. The minister having been advised, at the same time he looks into the first matter perhaps he will look into the second.

* * *

[*Translation*]

POST OFFICE

INQUIRY RESPECTING CALENDAR PUBLISHED BY DEPARTMENT

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to direct a question to the Postmaster General.

Since the calendar just published by his department makes no reference to the national day of French Canadians, does the minister intend to have a new calendar printed?

Hon. André Ouellet (Postmaster General): Mr. Speaker, for the information of the hon. member, I wish to indicate that already some representatives of the government party have made the same request. I shall simply remind the hon. member that this calendar is not an ordinary one, but rather a document designed to help the Post Office customers to better use the services offered by the department and to offer them guidance with regard to their mailings.

It is true that no mention is made either of the feast of St. John the Baptist, or of St. Joseph, or of the Queen's birthday in that calendar. But can the hon. member give me the assurance that the Canadian people will start sending greeting cards for St. John the Baptist day—

Mr. Speaker: Order, please.

Mr. André Fortin (Lotbinière): Mr. Speaker, a supplementary question.

I am happy to see that the minister has been sensitized to the question after the event. However, can he tell the House whether he was aware of the fact before the publication of the calendar and why he did not act then in order to have the French culture get as much respect as the others?

Mr. Speaker: Order, please. I do not think that the hon. member's question is in order.

* * *

[*English*]

MANPOWER

ON-THE-JOB TRAINING PROGRAM—REQUEST BY MUNICIPALITIES TO PARTICIPATE

Mr. William C. Frank (Middlesex): Mr. Speaker, I should like to address my question to the Minister of Manpower and Immigration. In light of the fact that municipalities throughout Canada and in particular the city of London have expressed an interest in and a desire to be included in the on-the-job training program, has the minister given this any consideration?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, we are giving consideration to the possibility of public bodies participating in the on-the-job training program. The final answer is not yet available but I will advise the House when that decision is made.

Mr. Frank: In view of the fact that large municipalities such as the city of London are major employers and the fact that the same municipalities are eligible for local improvement grants, this request should be worthy of more consideration—

Mr. Speaker: Order, please. The hon. member for Hamilton West on a supplementary.

LOCAL INITIATIVES PROGRAM—APPROVAL OF PROJECTS AND DISTRIBUTION OF FUNDS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, in view of the serious unemployment situation, can the minister now bring us up to date in respect of approval of projects in the amount of $50 million under the Local Initiatives Program?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, approvals to date represent, I think, some 70 per cent of the funds which were made available. I really am repeating myself in this answer in view of the details I gave yesterday. I can only undertake to do our very best to have all approvals finalized by January 19. This will represent a situation where applications were held open deliberately and announced as such until December 31. It would have been both unfair and impossible to deal with all the applications prior to that date.

Oral Questions

LOCAL INITIATIVES PROGRAM—PERCENTAGE OF APPLICATIONS REFUSED FOR LACK OF FUNDS—PROVISION OF REASONS TO APPLICANTS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my supplementary is for the minister. Is the minister in a position to tell the House what percentage of the applications now received will have to be turned down because of lack of funds? Also, in respect of those that are turned down can he assure us that the applicants will receive word concerning the reason their projects were not accepted?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, we will do our best to advise all applicants whose applications are not going to be approved. We will first advise the sponsors involved in projects where approvals are going to be forthcoming. In fact, we are doing this by telephone now because the contracts have been negotiated and the formalities will have to follow. As to the percentage of applications that will not be granted approval, at the present time I cannot give an accurate figure but I think we have on hand applications which could amount to in excess of $400 million whereas the total applied to LIP is about $165 million.

INQUIRY AS TO LOCAL IMPROVEMENT ASSISTANCE PROGRAM

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, would the minister advise the House, in view of the fact that so many local initiative applications will not be approved, whether he intends to announce a program to supplement LIP called the local improvement assistance program?

Hon. Robert K. Andras (Minister of Manpower and Immigration): It has been leaked to the press through sources I cannot yet identify that there is some consideration being given to such a program. When and if such a program has been finalized I will be happy to advise the House.

* * *

REGIONAL ECONOMIC EXPANSION

CLOSING OF CIP PLANT IN TEMISCAMING—APPLICATION BY TEMBEC TO TAKE OVER MILL AND FOR SPECIAL AREA DESIGNATION

Mr. David Lewis (York South): Mr. Speaker, assuming that the Minister of Regional Economic Expansion has recovered from his stirring, if not informative, performance last night, may I ask him whether he is aware of the application by TEMBEC, the community group in Temiscaming which is seeking to take over the CIP mill that was closed down, the application for designation as a special area and for a grant from DREE, an application that was made some weeks ago? Can he inform the House whether he is aware of the application and its status now?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): The status is that it is still being examined but I have a wire among my papers which arrived today asking for an appointment. This was also supported by the hon. member for Témiscamingue, the leader of the Social Credit party. I have agreed to meet them. It is simply a question of whether it will be tomorrow or on Friday. We will discuss the whole matter in detail at that time.

Mr. Lewis: I have a very short supplementary, Mr. Speaker. Can the minister indicate briefly whether there are any difficulties in the road to making the grant and enabling this community group to continue the plant and the employment that would be available?

Mr. Jamieson: Yes, Mr. Speaker, there are considerable difficulties. It would take too long to list all of them. Pollution happens to be one. There is a very serious and costly potential pollution problem. There is also some question of the viability of the project. This is why I would like to obtain more figures from those promoting this venture.

* * *

[*Translation*]

PENITENTIARIES

INMATES' SUICIDES AND DRUG TRAFFIC—REQUEST FOR REPORT BY MINISTER

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I should like to ask a question of the hon. Solicitor General.

Is he in a position to report to the House on the drug affair which would be at the origin of the event that occurred last weekend at the Leclerc Institute?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, we have learned there were, without any doubt, drugs used at the Leclerc institution in the incident which took place last Saturday night, but to this date the authorities have not found how the drugs were brought into the institution. The penitentiary authorities have been working closely with the RCMP during the last year in an effort to stop the traffic in drugs at penitentiaries. Several new methods have been introduced but in this particular instance we do not yet have all the facts.

Mr. Nielsen: Mr. Speaker, I rise on a question of privilege affecting the privileges of members of the House and the use or abuse of the question period. I can understand members on the back benches opposite being given an opportunity to make inquiries of the ministry when they cannot obtain answers to questions during the ordinary course of business, but for a parliamentary secretary to be communicating with another department seems to be stretching the abuse a little too far, especially in view of the obviously prepared answer.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: Order. The hon. member on a question of privilege.

Mr. Prud'homme: Mr. Speaker, I wish to remind the hon. member for Yukon (Mr. Nielsen), who has been a member of this House longer than I have, that according to the Standing Orders a parliamentary secretary is allowed to ask questions. Unless the Chair informs me that it is against one Standing Order, I intend to continue doing my duty, which is as important as that of the hon. member for Yukon.

[*English*]

Mr. Speaker: Order, please.

Mr. Nielsen: On the question of privilege—

Mr. Speaker: Order, please. I hope it will be a different question of privilege. The hon. member raised a question of privilege which was perhaps more a point of order and the hon. member who asked the question has responded. I doubt that any purpose would be served if we were to use the remaining minutes of the question period in debating the question of privilege.

* * *

REGIONAL ECONOMIC EXPANSION

ALLEGED REQUEST BY DEPARTMENTAL OFFICES THAT MEMBERS STATE POLITICAL AFFILIATION WHEN SEEKING APPLICATION FORMS

Mr. Paul Dick (Lanark-Renfrew-Carleton): Mr. Speaker, I should like to ask a question of the Minister of Regional Economic Expansion. Is the minister aware that when inquiries are made at his departmental offices for a simple blank application form for DREE the caller is asked whether he is a member of the government side or a member of the opposition? That happened this morning. Can he assure us that all members will be treated equally?

Mr. Speaker: Order, please.

• (1450)

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I am appalled that such a question should be asked, if indeed the implication is what it appears to be. Certainly my suspicion is that it is a matter of becoming acquainted with new members and just asking—

Some hon. Members: Oh, oh!

Mr. Jamieson: However, whether or not that is the case, it is an entirely unnecessary question and I will see that it does not happen again. Perhaps the hon. member will give me the information.

BANKRUPTCY OF VALEWOOD PRODUCTS LIMITED—INQUIRY AS TO INVESTIGATION BY RCMP FRAUD BUREAU

Mr. Dick: Mr. Speaker, in view of fact that a DREE promoted industry, Valewood Products Limited in Renfrew, Ontario, has gone into bankruptcy and that the president and major stock owner had two previous business failures before obtaining a DREE grant, I wish to ask the minister whether or not, in view of the fact that he has just built a new apartment building in Palm Springs, Florida, the minister is recommending that the RCMP fraud investigation bureau investigate this bankruptcy?

Mr. Jamieson: If it were to be a question of investigating the bankruptcy it would be a matter, I would imagine, either for the Solicitor General or some other minister. But I will be glad to look into the details that the hon. member has outlined.

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—INQUIRY AS TO ELIGIBILITY OF LOCAL GOVERNMENT DISTRICTS FOR GRANTS

Mr. Jake Epp (Provencher): I should like to direct a question, Mr. Speaker, to the Minister of Manpower and Immigration. Has a decision in fact been made by his department disqualifying local government districts from being eligible for LIP grants?

Hon. Robert K. Andras (Minister of Manpower and Immigration): I did not quite catch the question. Would the hon. member kindly repeat it?

Mr. Epp: Yes, Mr. Speaker. I wish to ask the minister whether the minister or officials of his department have made a decision which disqualifies local government districts as they exist in Manitoba from being eligible for LIP grants, as they were last year?

Mr. Andras: Off the cuff I would say the answer to that is no. I certainly know of no directive or policy decision that has been made to exclude such organizations. Most certainly municipal organizations are eligible. However, rather than give the hon. member a final answer today I would appreciate an opportunity to doublecheck that information.

* * *

HISTORIC SITES

IMPLEMENTATION OF PROGRAM, HERITAGE CANADA—AMOUNT OF FUNDS ALLOCATED

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In view of the fact that last year the government announced a new program called Heritage Canada, which was to be used primarily for the preservation of historic sites and buildings, when will this new program start functioning and what sum has been allocated to it?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, this corporation has not been set up yet. I had announced our proposal to establish this corporation and we hope that during the

weeks to come, directors will be appointed and will set the program into motion.

* * *

[*English*]

AIRPORTS

PICKERING TOWNSHIP SITE—INQUIRY AS TO REPORT OF OFFICER APPOINTED TO CONSIDER OBJECTIONS TO EXPROPRIATIONS

Mr. Ron Atkey (St. Paul's): Mr. Speaker, I have a question for the Minister of Public Works. Has he received the report of the hearing officer appointed on November 9 to consider objections to the expropriations for the Pickering airport?

Hon. Jean-Eudes Dubé (Minister of Public Works): Yes, Mr. Speaker, I received the report last Friday. It consists mostly of a digest of all the objections that were put forward. We will look at the report and make our decision before February 4.

Mr. Atkey: Would the minister be so good as to advise us whether that report will be made available to members of the House and to the public?

Mr. Dubé: I have no basic objection, Mr. Speaker, but I shall confer with my colleagues.

VANCOUVER INTERNATIONAL—ROAD BUILDING AND RUNWAY EXPANSION—AWARDING OF TENDERS FOR BRIDGE WHILE HEARING IN PROGRESS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Transport following my question to him on Monday. It concerns the Sea Island ratepayers and the public hearing that is taking place on the Hudson Street bridge. Today the minister's department awarded tenders for the Hudson Street bridge. I should like to ask the minister how the department can award tenders before the public have had a chance to be heard?

Mr. Speaker: Order, please. That question, of course, is posed in the form of an argument and it certainly is not in order.

* * *

CANADIAN BROADCASTING CORPORATION

RECOVERY OF INCOME TAX FROM EMPLOYEES STATIONED IN UNITED STATES

Mr. A. D. Hales (Wellington): Mr. Speaker, my question is directed to the Secretary of State who is responsible for the Canadian Broadcasting Corporation. It is based upon a report made to the House by the Standing Committee on Public Accounts which recommended that the CBC should immediately take steps to attempt to recover $134,573.99 from the 17 employees who were employed in the United States and did not pay income tax. Has the minister asked the CBC to take these steps, have they been taken, and if not, why?

[Mr. Chrétien.]

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, that preceded my appointment. I shall have to check the history of this matter and refer it to the CBC for a report.

* * *

CANADIAN CULTURE

INQUIRY AS TO APPOINTMENT OF MEMBERS OF BOARD ON MULTICULTURALISM

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is to the right hon. Prime Minister. Would he please advise the House when he plans to name the advisory board on multiculturalism?

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, may I answer this question? I should like to assure the hon. member that active consideration is being given to this matter and a decision will be made as soon as possible.

Mr. Paproski: The same question was asked of the Prime Minister last year in June or July and we received the same answer. There are seven million people, the silent minority, who would like to know a little more about what is happening.

Some hon. Members: Question!

Mr. Paproski: If the minister wants, I can handle this for him.

* * *

TRANSPORT

ASSURANCE OF NO RAILWAY FREIGHT RATE INCREASE APPLICATIONS BEFORE MEETINGS WITH WESTERN PROVINCES CONCLUDED

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, my question is for the Minister of Transport. First, I wish to congratulate him on his appointment. I hope he knows one end of a boxcar from another.

Mr. Turner (Ottawa-Carleton): What's the difference? You tell us.

Mr. Benjamin: The difference is that there is a brake end and a non-brake end.

Some hon. Members: Hear, hear!

Mr. Benjamin: In view of the minister's discussions with the railways regarding freight rate increases, what assurances, if any, does he have that the railways will not file increases with the Canadian Transport Commission before the completion of the meetings with the four western provinces on this matter?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, there has been no formal undertaking in this regard.

[*English*]

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

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker—

Mr. Speaker: Will the hon. member for Joliette excuse me. I shall give him the floor in a moment, another hon. member wishes to ask a supplementary.

[*English*]

Mr. Benjamin: Mr. Speaker, I lost something in the translation.

Mr. Knowles (Winnipeg North Centre): No, you did not.

Mr. Benjamin: Since the minister did not have formal engagements and has no assurances, may I ask him whether, in view of the proposal in the throne speech to up meetings on this subject with the four western provinces and in view of all the briefs and submissions that have been made by farm organizations and the four western provinces on this subject for over 40 years, he or his department has prepared alternative proposals of any nature for presentation to these meetings?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I know that my department is making a detailed study on this problem, and when we meet with the provinces we shall be in a position to discuss this matter with them.

[*English*]

Mr. Speaker: Order, please. We have just about reached the end of the question period but since it is the special responsibility of the Chair to look after independent members I will recognize the hon. member for Joliette.

* * *

[*Translation*]

SOCIAL SECURITY

FAMILY ALLOWANCES—STATE OF DISCUSSIONS BETWEEN OTTAWA AND QUEBEC

Mr. Roch La Salle (Joliette): I thank you, Mr. Speaker. I bear the Chair similar interest.

I should like to put a question to the Minister of National Health and Welfare. Referring to the Speech from the Throne, the Quebec minister of social affairs stated that he thought it would now be possible to make progress in family allowances matters.

Could the minister tell us whether he has received new proposals from the Quebec government or whether he at least intends to meet in the near future the minister in charge of social affairs in Quebec?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have received no recent communication from the Quebec minister of social affairs. I have had the opportunity of meeting him and getting in touch with him on various occasions, and I am sure I shall do so again in coming weeks and months.

• (1500)

[*English*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Tuesday, January 9, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield (p. 52).

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, it is natural that I should be very deeply touched by the warmth of the reception that I have received from the government benches. They are ringing bells at the moment. They may be wringing their hands before I have finished.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I at once want to say that I never rise in this House without that feeling of diffidence that binds us all. There is a deep relationship of friendship between members sitting in different parts of the House. Always at the beginning of a new parliament it is a matter of pleasure to be able to join in welcoming the members who enter this chamber for the first time, and to realize that these new members have an idealism and a desire to serve that are of so high a quality that everything that we can do to assist them, we who have been here longer periods of time, should be done.

I speak as one who has seen eight Speakers chosen to the chair you again honour, Sir. I have been here a very long period of time, and I can say to you, Sir, what I have repeated on other occasions, that the ability and the capacity that you have displayed make your name one that will always live in the record of great Speakers of this House of Commons.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: At the same time, I must refer to something that the Prime Minister (Mr. Trudeau) has done to make it possible for a member of Her Majesty's Loyal Opposition to be Deputy Speaker of this chamber. That hon. member is a man who has given himself in devoted service, and has become recognized as one of those members who, when he speaks in the House, has something to say. His knowledge of the rules will be of tremendous benefit to him.

I mentioned a moment ago the relationship between members sitting opposite one another, and I am going to say something at the moment that I have not said on any other occasion. The Minister of National Defence (Mr. Richardson) has just suffered the loss of his mother, a woman whom I knew through the years, whose philanthropy and service earned for her tremendous credit in the hearts of all who knew her, and to him I extend my deepest sympathy.

Now, Sir, having said those things, I want to say something about the new members. You have been a great Speaker but, in my opinion, you have been hampered by rule changes that were made, one or other of them, under closure, which have had the effect of throttling the mem-

bership of this House during the question period. Only recently I was in the United Kingdom and spent several days in the gallery of the House of Commons at Westminster. Ministers there give answers. The first questions to them are questions on the order paper, but the supplementary questions are of a nature most devastating to ministers who are endeavouring to delude—I did not say deceive—endeavouring to delude by using a volume of words to conceal the facts. No matter how short a period or how long a period this House lasts, I would like to see a committee set up for the purpose of reviewing the rules of the House because, Sir, as I look back over a period of almost 33 years in this chamber and think of the greats throughout those years, I can only say that parliament lived before the changed rules so mangled the rights of members as to render the question period an innocuous exercise.

One learns. I think that every day I learn, even now in the autumn, in the golden autumn of my life. This institution is a great teacher. Through the years I followed the course of listening to the maiden speeches of hon. members. I could mention two or three. I have sent them messages after their speeches were delivered, regardless of party politics, for this institution will only be the cathedral of freedom it should be when members express themselves with that capacity and ability that were apparent in the mover and the seconder of the Address in Reply and will, I know, become even more apparent as numbers of these young men and women make the most difficult speech that any of them will ever make in their lives, their maiden speech.

I think, too, of the two youngest members of the House of Commons. Thanks to the legislation introduced by the government we have a member in the House, the hon. member for Hamilton-Wentworth (Mr. O'Sullivan), who became a Member of Parliament at the age of twenty.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: May he ultimately become another William Pitt the Younger. I think, too, of another hon. member who represents a constituency with a quadruple name, Wellington-Grey-Dufferin-Waterloo (Mr. Beatty), who is brilliant and able. It is a great thing when those who have been here over the years see coming into this institution those in their youth who, in the years ahead, will make their contribution to this country. I cannot fail either to mention that for the first time in all its history we have the third brother of a distinguished parliamentary family in our midst. The late Senator Horner has already had two sons in the House of Commons, another elected recently, and they tell me that there are three more coming on!

• (1510)

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Up to the present time, there has been no break in the high standard of their political objectives.

Circumstances made it impossible for me to be here the other day to listen to the speech of the Leader of the Opposition (Mr. Stanfield). However, I read that speech, a thoroughly statesmanlike one. As I entered the House on that occasion the Prime Minister (Mr. Trudeau) was in the penultimate paragraph of what had apparently been a very long speech. Were he here now, but he has left as he so often does, I would refer to that speech. I realize all the difficulties of a prime minister, Sir, and with the greatest sincerity I say to you that there were portions of that speech unworthy of a prime minister.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Our relationship has always been of a friendly nature, but I must say that for him to drag up that petty, shrewish and niggling suggestion the other day that has won elections in Quebec in the past, was something that I would not have expected to fall from his lips. I thought there was a new reform, that he was a penitent following the election. I have reason to believe that. He explained the reason for the outcome of the election as being the result of an incomplete communication. Well, I wonder what sort of information that million dollar menagerie of his gave him? Desks, subdesks and top desks, and yet he was not getting the feeling of the Canadian people. I hope that one of the first things he will do will be to demobilize that group.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I said that I thought he was a penitent. How many of you saw the picture of him going to Government House to advise His Excellency on the outcome of the election? He was dressed in a leather jacket, with no tie; the nearest approach to being in sackcloth without the ashes.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: In the face of all this, he produced that speech the other day. It has been a strange thing to watch the performance since then. In Saskatchewan we used to have bush pilots who flew by the seat of their pants and when they were in difficulty they threw some of the cargo overboard. I am glad the Prime Minister has thrown away some of the cabinet cargo and put others in small containers.

Mr. Speaker, it is a serious matter when the Prime Minister pretends that he has seen the error of his ways. There has been a part reformation in the House. Today, we see some of these ministers! There were weeks and months on end when we could not identify them because they were not here. That was the first lesson that we endeavoured to inculcate throughout the past four years, that ministers should be here and now they are. The quality of the answers they give, however, has not materially improved.

It is interesting that he who condemned the monarchy and ridiculed it has, in the twinkling of an eye, become a monarchist.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Mr. Speaker, I am going to establish what he did over a period of time in that connection.

Mr. Guay (St. Boniface): What is—

Mr. Diefenbaker: Mr. Speaker, any time anybody wants to ask a question, I will be only too happy.

Mr. Paproski: Get up, Joe, go ahead.

Mr. Diefenbaker: I am talking about responsible members. Mr. Speaker, this great transition reminds me of a quadruplet which goes:

The Devil ill
The Devil a Saint would be;
The Devil well
The Devil a Saint was he.

What has happened? While all this has been going on the Queen has been invited to go here, there and everywhere. She was not referred to in speeches from the throne on one or two occasions and while this new approval of the monarchy takes place various departments of government, including the Department of National Defence, have abolished the heading "On Her Majesty's Service" or "O.H.M.S." from their letters. No longer does that appear, but at the same time there is this pretended devotion to the monarchy. I am going to come back to that in the days ahead, Mr. Speaker.

What of the Speech from the Throne? Well, Sir, it was a remarkable speech, different from the grandiloquent parade of platitudes that characterized some of these speeches in the past. It must have been written by someone other than "I am ahead" or Ivan Head. You recall that he published the Prime Minister's speeches or at least wrote the foreword. He said, with approval, "He speaks like poetry". There is nobody more objective than the man who wrote the speeches.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: What was the Speech from the Throne? Mind you, when you take it in the composite it is attractive. I have had something to do with writing the Speech from the Throne on occasion and I admire a piece of work like that. What does it provide? A rehash of the things of the past, an assorted mixture of a survival kit and soothing syrup, but it does not deal with the problems facing Canadians today.

Some hon. Members: Hear, hear!

• (1520)

Mr. Diefenbaker: It promises to do so in the future. Mr. Speaker, you judge a Speech from the Throne on the basis of past experience. Without reading at length, may I be permitted to read part of the Speech from the Throne of September 12, 1968. In the speech we are presently considering there is not a word about the just society. In the speech of 1968 we read this:

My Government is deeply and irrecovably committed to the objectives of a just society . . .

On the next page of *Hansard* I find words to the effect that a just society is vital to the future of our country. Then, the following again mentions the just society. Where has it gone now? What happened? There is now the highest taxation in Canada's history, the highest cost of living, and the highest level of salaries ever paid to senior civil servants.

Mr. Hees: And the highest unemployment.

Mr. Diefenbaker: Where has the just society gone? The Prime Minister was asked in Regina on an open line show, "What happened to the just society?" I think it is only proper that the answer should go in *Hansard*. The answer was:

The next time you see Jesus Christ, ask Him what happened to the just society He promised 2,000 years ago.

Some hon. Members: Shame!

Mr. Diefenbaker: The listener could not understand that. I thought it might be one of those loose statements you hear about. A few days later the Prime Minister was asked in Wingham, Ontario, what he meant. He was asked if what he said was intellectual and Christian. He said that as far as its being intellectual was concerned, he thought it was, and as to its being Christian he said, "I can talk to Him in a familiar way and He hasn't objected so far." Where is this nation going? I will not deal in particular with the Speech from the Throne except, as I conclude, to refer to some things that must be established and for which there can be no excuse for not establishing. Of course, that remark has to do with western Canada. I am coming to that matter now.

Some hon. Members: Hear, hear!

An hon. Member: You took a long time.

Mr. Diefenbaker: The response from the NDP indicates that the party realizes that sooner or later truth must come out. I am not here to criticize them in any way.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I think they are a very fine group. I congratulate them on the numbers they elected this time. In 1945 they elected 28, and 27 years later they have increased that number by three. Mr. Speaker, I am not a mathematician, but at that rate of growth they should be able to form a minority government by 2048. Even I do not expect to be around then.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I am always greatly impressed by the eloquence of the hon. member for York South (Mr. Lewis). He came to my constituency and spoke. I heard him and admired greatly his speech. I have so told him. I have been greatly interested in following the peregrinations that the NDP has followed since the election. I am thinking of that meeting that took place between the last of the Mohicans from the western slopes of the Rocky Mountains to the city of Winnipeg and the leader of the NDP. These two Oxonians got together and discussed things in general. According to news reports the hon. member for York South said he was telephoned by the Minister of Justice (Mr. Lang) and invited to the minister's office. There, he said, the minister in effect proposed some kind of alliance or coalition between the Liberals and the NDP. Then the Minister of Justice was asked whether he had made a proposal for an "organic understanding"—

Some hon. Members: Hear, hear!

Mr. Diefenbaker: —whatever that is. This process, Sir, used to be called bundling.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: In the early days of the New England states, young men and women could not get together when they first engaged in a courtship, so they occupied the same bed, with a board between them. That was bundling. This is modern bundling, or "an organic understanding". Mark you, I want to be fair to the Minister of Justice, because a minister of justice knows the meaning of words. He said that it was not so much that he wanted to talk about the current situation, oh, no; he just wanted to look into the recesses of the mind of the hon. member for York South and see if he could find out what he thought. Was that not a delightful exercise? There was the Minister of Justice, a political phrenologist.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I will not read these reports. A headline says, "Lang on carpet". That is no place for the Minister of Justice. Anyway, he was communicated with.

Mr. Lewis: Mr. Speaker—

Mr. Speaker: Order, please.

Mr. Lewis: Never mind, Mr. Speaker.

Mr. Speaker: The hon. member for York South was seeking the floor on a question of privilege, but he has now withdrawn his request. The right hon. gentleman has the floor.

Mr. Diefenbaker: Mr. Speaker, I do not want to interfere with a point of order from anybody on the subject of the study of phrenology. Anyway, those two got together and they talked. They shuffled and juggled and jiggled, apparently just short of marriage, and the hon. member for York South decided not to accept any "organic understanding". Well, this was one of the most unusual gatherings that ever took place. On the one hand there was the suppliant, and on the other one who was like Warwick. After all, Mr. Speaker, those who sit opposite live by the grace of the NDP.

• (1530)

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I do not criticize in any way the vote on the motion to adjourn, but I do want to point out something to the members of the NDP and it is this! The leader of the NDP said that as far as he was concerned he wanted to assure that parliament would live, and that is admirable. He wanted to assure that the Liberals should have an opportunity of bringing in their legislation. While I disagree with that, none the less, there is nothing improper about that whatsoever. I do want to point out that the leader of the NDP on November 16 said this:

> It would be improper for Mr. Trudeau to ask for dissolution if he's defeated.

He agrees that he said that, and as a constitutional authority I accept his view.

[Mr. Diefenbaker.]

Some hon. Members: Oh, oh.

Mr. Diefenbaker: He went on to state:

> It's his duty to advise the Governor General to call on Mr. Stanfield to form a government.

There can be no argument about that, but what happened when the Prime Minister stood here the other day? He produced a monstrous doctrine that in the event the government was defeated on anything of importance, and he referred to one or two matters, then he would go to the country. There was not one suggestion that if the defeat were within the first couple of weeks, the first month or the first two or three months, as one or two members of the NDP had mentioned outside the House, that then the Governor General would call upon the Leader of the Opposition. There was nothing of the kind. The Prime Minister threw overboard any suggestion that the Leader of the Opposition could become Prime Minister as a result of the defeat of the government.

Mr. Nielsen: Shame.

Mr. Diefenbaker: On the original motion that is now before the House, if the government gets a vote of confidence then as far as the Prime Minister is concerned that is the end of the ball game here. He will stay on and on until defeated and then will go to the country. The Leader of the NDP stipulated this, and rightly so, that if the defeat came within a short time after parliament opened, then the Governor General should call upon the Leader of the Opposition. On the basis of that, I can understand the vote on the adjournment, but today that has been changed and Caesar says: If I am defeated I will go the country. Mr. Speaker, that proposition is one that is a denial of democratic government.

Some hon. Members: Hear, hear!

Mr. Speaker: The time allotted to the right hon. member has expired. He can continue with the consent of the House.

Some hon. Members: Agreed.

Mr. Diefenbaker: I again ask members of the NDP to give reconsideration to their stand in that the Prime Minister has departed from the initial premise that was declared by the hon. member for York South (Mr. Lewis). What is going to happen here is this: the Prime Minister will get his vote of confidence, that is clear now after the vote on the adjournment motion, and whatever he does, more or less, or little or more, if at any time defeated he will do one of two things. First, he may resurrect that monstrous doctrine of 1968 which I opposed to the limit, the right of the government after defeat on a budget item to come back to parliament after three days of grace and ask parliament to vote confidence. He has already indicated that I said that is what he would do when I spoke three days after the election. After all, I have not the time to read Machiavelli today, but I have heard the Prime Minister say over and over again what a great politician Machiavelli was. Machiavelli said, among other things:

> Hence it is necessary for a prince wishing to hold his own to know how to do wrong, and to make use of it or not according to necessity.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: He also said:

He knew well how to counterfeit the fox and the lion, which natures, it is necessary for a prince to imitate.

I have many more quotes, but I will use them on another occasion.

This proposition is one that is a negation of parliament. If the Prime Minister would accept the proposition of the leader of the NDP it would all be understandable. If he is defeated within the next two or three months, will somebody acting for the Prime Minister, if any member of the cabinet dares speak, advice that the Prime Minister not then make it possible for the Governor General to call on the Leader of the Opposition? The leader of the NDP put forward a proposition that was thoroughly statesmanlike and constitutional, and the Prime Minister took and threw it overboard when he spoke the other day. What he said was: "I do not care—";

An hon. Member: Oh, oh.

Mr. Diefenbaker: I do not know what word he would use.

An hon. Member: A four-letter word.

Mr. Diefenbaker: He said: When I am defeated, if it is on a matter of legislation which I believe is necessary, then we will go to the country.

I want to conclude by a reference to policies. I note that Radisson and Grossiliers now have company. The Prime Minister has suddenly discovered what they found so many years ago—Western Canada. While I do not like to give special attention to the Minister of Justice (Mr. Lang), he was responsible for one of the finest billboards in Saskatoon.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I cannot put it on *Hansard* but it was a large billboard which showed the Minister of Justice whispering to the Prime Minister these words, "They listen", but beside it there was a sign which read, "Yield".

Some hon. Members: Oh, oh.

Mr. Diefenbaker: What did the Minister of Justice whisper to the Prime Minister? Well, two days before in Vancouver an individual was speaking to the Prime Minister in a most disrespectful and improper way. The Prime Minister was shown speaking to him with his hand up to his mouth, very much in the same way.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: What did the Minister of Justice whisper? He may have said: Don't use those words you used in Vancouver to that fellow because that is what the farmers feel you think of them. I am speaking of a four-letter word followed by a three-letter word being "you". That must have been what the Minister of Justice whispered to him.

Some hon. Members: Shame, shame.

Mr. Diefenbaker: Well, do you think the use of that word is restricted only to the Prime Minister?

Some hon. Members: Oh, oh.

Mr. Diefenbaker: I mentioned western Canada and I am going to make two or three suggestions. The Minister of Justice has endeavoured to the best of his ability to do something for western Canada, but what will be done? As I read that throne speech, it reminds me of my boyhood on the Prairies when one would see great castles in the air in the far distance; a mirage. There was not one definite promise. I am telling you that you are not going to fool the farmers with mirages. They have been ignored and forgotten in the past few years. What are some of the things that will have to be done? The western farmer has taken a terrible beating. The situation improved in the last few months because of world conditions, but the western farmer has lost from $350 million to $500 million as a result of the policies of this government.

Some hon. Members: No, no.

Mr. Diefenbaker: You know, Mr. Speaker, it is music to the gambler's ear to hear the suckers roar.

Some hon. Members: Oh, oh.

Mr. Diefenbaker: The Lift program was a complete farce. If that program had not been brought in there would have been available to the western farmer at least 100 million more bushels of wheat than they are going to be able to sell. The time has come to put an end to those gentlemen in their ivory towers in Ottawa who tell the farmer what he should do rather than take the advice of the farmer and farm organizations.

I hope I have some support from the Minister of Justice in the following matter. Our province and the province of Manitoba are losing their populations, and they are losing their representation in this House. When I was Prime Minister I think Saskatchewan had 17; we are down to 13 now and in the next redistribution we shall lose another. I think the time has come for an amendment to the British North America Act similar to those amendments which were passed, I think, in 1949 and 1952, to provide that an increase in membership will be provided and furthermore that, regardless of population, our representation shall not go below a set base.

• (1540)

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I ask this House and the government to do that which was done in consequence of the representations made by the late Right Hon. James G. Gardiner, providing for an increase in the membership of the House, if necessary, so as to assure that members from constituencies in Manitoba and Saskatchewan will not represent areas so large as to make it impossible for them to properly carry out their duties.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: In that connection, I must say I was one of those who was opposed to the Victoria Charter. If

the Victoria Charter had been accepted, as it was by Liberal, Conservative and NDP governments, and had come into effect, Saskatchewan and Manitoba would have been eternally second class provinces because they would never have sufficient population to equal 50 per cent of the total of the four western provinces. In other words, they would have to take whatever was given to them. I never fail to express my thanks and appreciation to Premier Bourassa for what he did to put an end to the Victoria Charter.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Now, I shall say a word on the subject of freight rates. They are destroying us. I have listened to the Minister of Justice on this subject. At the end of the war we were discriminated against to the extent of about 15 per cent. There have been increases regularly—horizontal ones—since then. The result is that today the discrimination against western Canada amounts to some 45 per cent. I, therefore, suggest that one of the first things which should be done should be to pass legislation in parliament to roll back, for a period of five years, the general rate structure so that the present discrimination which prevents the kind of industrialization which the Minister of Regional Economic Expansion endeavoured to bring about could be achieved in larger measure in western Canada.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I am glad to see reformation, even if it comes awfully late, because deathbed repentance does secure salvation in Heaven. I am glad to see that the winter works program, which was ditched, has been brought back. We brought it in. And I should like to see the Roads to Resources program, which my government undertook, restored.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I speak, now, for myself on the subject of multi-culturalism. The hon. Minister of State (Mr. Haidasz) is a bit tough. The sum of $91 million is being spent this year on bilingualism and $3 million on multi-culturalism.

Mr. Paproski: Shame!

Mr. Diefenbaker: I think the first thing that should be done is to endeavour to restore the ethnic language press in this country which was practically wiped out of existence in consequence of the higher postal rates which came into effect several years ago.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I know the problem of government. Ministers carry a terrific load. As for the office of Prime Minister, no one who has not occupied that position has any idea of the burden it entails. It takes away that freedom and those holidays which ordinarily one would enjoy.

The subject of inflation was mentioned by my hon. friend from—

An hon. Member: Prince Edward-Hastings.

[Mr. Diefenbaker.]

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Two years ago the Prime Minister announced with the greatest of glee that inflation had been licked. Since then, of course, the new Minister of Labour (Mr. Munro), who was formerly Minister of National Health and Welfare, said there was going to be higher taxation which would hit the middle classes harder. He did not get any good marks for that from the Prime Minister. But that has been the course—soak the middle classes. I have always been opposed to unnecessary government interference with the operations of the free market. I believe today, on the basis of the experience of the United States, that there should be brought into effect immediately price and wage controls so as to meet the problem of inflation which is today worsening at a rate almost beyond comprehension.

• (1550)

Sir, I shall conclude now and thank all members of the House for the courtesy they have shown me in remaining here through a rather lengthy speech, and for the fact that they permitted me to speak beyond the 30 minutes.

Some hon. Members: Hear, hear!

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I should like to start by extending my congratulations to you on your election as Speaker of this House. Your eloquent turn of phrase, your wit, your patience and your wisdom are well known to us. These are qualities which are known here and well beyond the four corners of this House. I should like also to take this opportunity to congratulate the Deputy Speaker, a man who has a distinguished parliamentary career, a man who I know will serve us well. I suppose really one might put it in these terms: as a House we are to be congratulated on our good fortune. I should like to also take this opportunity to congratulate the mover, the hon. member for Nipissing (Mr. Blais), and the seconder, the hon. member for Lachine (Mr. Blaker), for their eloquent statements in leading off this debate. I know their constituents will be proud to learn of the fine progress they have made and the early recognition they have gained from this House for their abilities.

I have listened to most of the speeches made by hon. members and have read some others. I have been impressed by the quality and the seriousness of the speeches. I have been impressed also by the good will and I think the good sense already displayed by this twenty-ninth parliament. For this is a crucial parliament. The pace of events outside these hallowed halls will not wait for us. The particular perspective—and I should like to emphasize this this afternoon—is that as an industrialized nation, as a nation depending quite uniquely on foreign trade and our ability to compete in international markets for our standard of living, nothing could be more damaging than if we were to become the victims of bickering and petty politics, if we were to become preoccupied in an inward-looking way while the rest of the industrialized world went about pursuing its interests and maximizing its competitive position. This would be complacency in default. This would be a mistake of monumental propor-

tions and one for which the future generations of Canadians would properly hold us accountable.

Yes, Mr. Speaker, this is a crucial parliament. It is a time to move on, not to look back. It is a time to seek solutions for the fundamental problems facing the people of Canada, not expedients. It is above all not a time for stop-gap measures. It is a time when the people of Canada are looking to the judgment and the energies of calm men, not to the frantic antics of ambitious men. It is for that reason that I think the perspective and content of the Speech from the Throne are so important at this time.

In my remarks this afternoon, I would like to touch upon that perspective and those measures for which I am responsible. Quite simply, the government's economic objectives are aimed at jobs now and in the future. The Minister of Finance (Mr. Turner), in his remarks yesterday, has already referred to the special measures which the government has taken to alleviate the very special seasonal problems that we, as Canadians, have always had to contend with, and probably will have to contend with for many years to come—those caused by the very nature of Canada, the harshness of our winters, the enormous influence of the seasons on many of our enterprises, the vastness of our land and the isolation of many of our communities. Our situation in Canada is different. It is different from the United States and it is different from Europe or Japan, with their population densities, their large numbers of large cities close together, and the greater mobility of the working man and woman in those large cities and between those large cities.

I do not intend to recite all the measures the Minister of Finance has already dealt with in respect of the special programs. The point I should like to underline today is the future perspective. My colleague, the Minister of Finance, has already indicated on a number of occasions the programs of support. I think the right word is "support"—programs to support the ongoing health and competitiveness of the private sector, the major creator of new jobs for Canadians. I should like to emphasize three aspects of the government's program to strengthen and build a healthy, growing, job-creating industrial base for Canada. The first area is exports and access to markets. There are our forthcoming negotiations on a multilateral basis under GATT which we expect to get underway this year. Second, our bilateral negotiations will continue with the EEC, with Japan and with our great trading partner to the south. Then, third there will be amendments to the Export Development Act to increase the capital of the Export Development Corporation and to raise the financial ceilings for lending and for guaranteed export insurance in foreign operations.

The second set of measures I should like to deal with are designed to assist small business. I want to discuss and elaborate on these, and particularly the new initiatives to strengthen management and consulting services and to improve the access of small business to financial facilities to finance the growth of small business.

The third section of my remarks will deal with the question of foreign control and ownership measures mentioned in the Speech from the Throne to ensure further control by Canadians over their economy by the screening of foreign takeovers of Canadian owned business; measures respecting the transfer of technology from abroad and access to it by Canadian entrepreneurs; measures to increase Canadian participation in the ownership and control of resource projects and, in consultation with the provinces, measures dealing with new direct foreign investment and the sale of land to foreigners.

The Speech from the Throne went on to mention that when these and other measures are taken together they will contribute to the development and elaboration of a coherent set of industrial policies for Canada. I want to emphasize that phrase "a coherent set of industrial policies for Canada". There has been a good deal of discussion in the press and in this House about the industrial strategy question. To me, it is a confusing label. I believe it is also a confusing label to most people. I shall indicate to you the reason. I think most people have gained the expectation that all we have to do to solve everything is to produce some sort of all-purpose grandiose government game plan called, "an industrial strategy for Canada". I think this expectation has caused confusion in the business community and among members of the public at large.

A recent article in the *Financial Times* of Canada for November 27 makes this point quite clear. It indicates that it means different things to different people. For instance, it raises all sorts of questions with regard to the definition of an industrial strategy for Canada. For example, it raised these sorts of questions with respect to possible definitions of an industrial strategy for Canada: some sort of an all embracing, once in a lifetime statement of a national economic policy; a blueprint for the development of secondary manufacture; a plan to control foreign ownership; some scheme for government intervention to influence the structure of industry; a manifesto for the allocation of industrial resources by government; a policy for encouraging industrial research and development; a system of industrial priorities; and a policy for the development of energy resources. All these particular descriptions have been used at one time or another by one speaker or another to indicate what he means by "an industrial strategy for Canada". I would prefer a somewhat different way of designating our evolving set of industrial policies.

• (1600)

This is not to suggest in any way that the government does not intend to continue and accelerate its work to plan ahead for the future of the Canadian economy and the Canadian business community. I am simply being a little more realistic when I talk about the government's so-called industrial strategy as being directed more toward the development and elaboration of a coherent set of industrial policies for Canada rather than the almost impossible task of producing a master plan.

When talking on this subject, my predecessor, the Hon. Jean-Luc Pepin, spoke about:

—the need for an ensemble of co-ordinated objectives and instruments, i.e., policies, programs and institutions.

This ensemble or set of industrial policies is an evolving and continuing process. It is a process which is going to be flexible enough to meet changing domestic situations and changing international situations. It is important that

these policies have a long-term perspective as well as the ability to meet short-term challenges, and I shall have more to say about the industrial strategy for Canada, a coherent set of economic policies, of industrial policies, on another occasion. I want to lay that sort of background to my remarks.

I should like to say as well that my predecessor has undertaken a great deal of consultation with representatives of all elements of the Canadian community, and I certainly hope to continue this dialogue and this kind of discussion.

Now, I should like to turn to the three areas which I have mentioned earlier in my remarks. I will have to abbreviate to some extent what I would like to say on all of them. If I have time, I am also prepared to state a position or an elaboration of the recent initiatives in my discussions with respect to the auto companies regarding their pricing policy, something which I mentioned to the House earlier this week.

The three areas which I would like to emphasize are, first, that of expanding trade. I have already alluded to the trade negotiations. We will be entering, I hope this year, what might be described as round seven of GATT. The Kennedy round, which was concluded five years ago, was round six. We are well engaged in the preparatory phase of round 7. Second, the Export Development Corporation is a particular institution to which I think this House should pay some attention because it has been so successful in moving Canadian goods into the export market. As I have indicated, I will be proposing some amendments with respect to the Export Development Corporation.

In little less than three years, the Export Development Corporation has made loans in support of capital goods totalling over $700 million. This translates into the equivalent of about 100,000 jobs. Indications are that this could increase by another half a billion dollars in 1973 alone—the equivalent of another 70,000 jobs. This phenomenal growth is, of course, a reflection of the growing competitiveness in world markets of Canadian goods, particularly high technology equipment and engineering services. Therefore, in order to ensure that, as our export markets expand, the corporation can continue to provide such an important assistance, I will be proposing substantial increases in the corporation's authorized capitalization and the financial ceilings for the various lending, guaranteed and export credit insurance operations.

I will now turn to the area of small business, and in the course of my remarks I want to emphasize six specific new initiatives in this area. First, I would like to say something about the importance of small business in Canada. Hon. members may know that about 60 per cent of the Canadian labour force is working for establishments having the essential characteristics of a small business. Over 3,500,000 Canadians or 40 per cent of all working Canadians are employed by businesses with 15 or fewer employees.

Small business provides Canadians with many advantages, in addition to the goods and services they produce. I want to emphasize several of them. First, I should say that I regard it as our greatest source of entrepreneurial potential. It strengthens factors of fundamental importance, such as personal independence and private initiative, technical and commercial innovation, and Canadian business autonomy. It is an essential element in regional economic expansion because it has a lasting quality, a growing quality. As the previous figures indicate, small business provides the economic livelihood of the majority of working Canadians.

Generally speaking, the most far-reaching federal consideration shown to small business over the past 25 years has been in the field of taxation and financing, and I would like to review these briefly so as to set the other measures in context. Successive governments have made special income tax provisions for small business. As you know, current provisions are that a tax rate of 25 per cent applies on the first $50,000 of taxable income, of business profits of Canadian controlled private companies. This applies up to an accumulated level of $400,000 of taxable income. The presently outstanding budget proposal is that in the case of manufacturing and processing profits earned in Canada, this tax rate of 25 per cent will be reduced to 20 per cent, effective January 1, 1973.

Regarding small business financing; in the past, the two most familiar to the House since world war II would be the Industrial Development Bank and the Small Business Loans Act. I would just like to emphasize something which perhaps is not generally known about the Industrial Development Bank. I think that it has had a success far greater than most Canadians realize. Its outstanding loans have been increasing at a rate of better than 20 per cent per year. In other words, it has been doubling its outstanding loans about every three years. It is estimated that by 1975 its outstanding loans should be significantly over $1 billion. Neither do I think that most Canadians realize that the bank has 46 branches across the nation, and has been expanding its branch operations.

• (1610)

There is also a wide range of other federal financing programs for assisting both large and small incorporated businesses in specific industries; for example, the automotive industry, shipbuilding, textiles and pharmaceuticals, and for assisting in specific phases of operation such as research and development, export marketing and financing, and the improvement of efficiency.

Most of these programs are administered by my department. They include the program for the advancement of industrial technology known as PAIT, the industrial design assistance program, the program to enhance productivity, the defence industry productivity program, and the general adjustment assistance program, about which I will have more to say in a moment. I am sure hon. members will be pleased to note in the latter case that close to one-third of the approved applications were for companies with annual sales of less than $1 million, and two-thirds were for those companies with sales of less than $5 million. The programs of the Department of Regional Economic Expansion have also been a useful source of financing assistance for small businesses.

But despite the existence of these forms of federal assistance for small business, there is still, in many areas, a need for greater access to capital, and although the situation is being continually improved there are new

measures which I would like to refer to at this time. In particular, the Minister of Finance mentioned the Industrial Development Bank in his speech, with respect to which there will be new initiatives. New initiatives might be in such areas as the financing of inventories, and also with respect to greater equity financing. The specific details will be announced shortly.

One major initiative to assist the financing of small business is the extension of the general adjustment assistance program, to which I referred a moment ago. I would like to emphasize that this will be given a different cast. It will be given the opportunity to help firms restructure so that they can take advantage of new opportunities, or improve their international competitive position.

As hon. members may know, the general adjustment assistance program is designed to facilitate access to last resort financing. It was put together to ease the transitional phase for Canadian industry following the Kennedy Round tariff reductions. It was modified at a later date to include textile manufacturing firms. Now, the new shift in direction will make that program available to all manufacturing firms, and to their service industries which significantly affect international costs of those manufacturing industries, an improvement I believe which will be greeted by all hon. members of the House.

There are many other factors in addition to financing which influence the course of small business. I refer particularly to the question of management, and to management consulting services. It is probably true that the management problem is a far greater problem for most small businesses than the financial one, and indeed sophistication in management practices in a small business, in contrast to a big company, marks the fundamental difference between the small and the large firm.

With respect to managerial assistance, about eight months ago my department started a pilot project known as counselling assistance to small enterprises, or CASE. This pilot project was started in Montreal. It uses the services of retired businessmen. I think it has been uniquely successful. CASE's assistance to small business has grown from a slow start in March to 26 man-days of counselling in June and about 109 man-days in November. Since its inception, the Montreal CASE office alone has provided a total of 430 man-days of counselling, including the completion of some 70 projects. A second office has been started in Winnipeg, and we intend to extend the service as a national program. Five new centres will be opened in the fiscal year 1973-74.

The fourth point I want to make deals with the extension of regional offices. We have already restructured the Department of Industry, Trade and Commerce to give the regional offices much more importance. This change reflects a fundamental shift to local service—a new emphasis on an integrated one-stop shopping service for small businesses. As you know, Mr. Speaker, my department now has eight such regional offices in operation in every province with the exception of Newfoundland and Prince Edward Island. Our intention is to strengthen these offices and to increase their number.

Perhaps it might be of interest to the House if I were to mention that my departmental officials are meeting today, as part of a three-day seminar, with provincial industrial sector experts to discuss present and future problems and possibilities, and I intend to follow up that meeting with a federal-provincial meeting of ministers of trade and commerce as soon as possible. I want to emphasize co-ordination, and our wish to co-operate with the provincial governments in this area.

In addition, Mr. Speaker, we are looking at ways to accelerate the transfer of technology to small businesses, with the assistance of such agencies as the National Research Council's technical information service and, in particular, a beefing up of Canadian Patents and Development Limited.

In connection with small business, the sixth area that I would like to mention this afternoon is tourism. I think most hon. members are aware that tourism is one of the most rapidly growing industries in the country, and one which traditionally is associated with small business. The government has recently inaugurated a new travel industry development program. A major part of the program will provide productivity improvement assistance designed to help the smaller businesses in the industry. This, in turn, will facilitate financing, in which the Industrial Development Bank is playing an important role.

In the final analysis the efforts to assist further any particular sector of the economy, including small business, will only meet the desired result if they are part of a coherent set of measures for increased industrial growth and employment and, secondly, if such measures are complemented by continued initiative in the private sector in all aspects of business operation, such as technical innovation, improving efficiency, financing, and export marketing.

I would like now to deal with the foreign direct investment area. I think the reference to it in the throne speech indicates the importance that the government attaches to it. I might even go so far as to say that it is a key area in the Speech from the Throne. I consider it an area of fundamental importance to the present and future development of Canada. As indicated in the throne speech, the government intends to introduce measures to give Canadians greater control over the development of their country.

• (1620)

The foreign takeovers review bill is to be introduced with appropriate amendments. The new legislation will cover additional aspects of foreign control of the economy. Proposals will be brought forward for: one, the registration and screening of the establishment of new foreign-controlled businesses in Canada; two, measures will also be introduced to provide for the registration of new licensing arrangements and other similar agreements under which a Canadian business obtains the right from a foreigner to produce and sell goods and services and, three, I should like to emphasize in the takeover bill the greater identity of the screening agency itself. In the proposals that will be placed before the House, members will see a different kind of screening agency, one headed by a senior official reporting directly to the minister. In proposing these new measures the government will—

Mr. Deputy Speaker: Order, please. The time allotted to the hon. minister has expired. Is it the wish of the House that the minister complete his speech?

Some hon. Members: Agreed.

Mr. Gillespie: In proposing these new measures, the government will not be moving into totally uncharted waters. A number of other countries control the establishment of new, foreign-controlled businesses. Still others, such as Japan, India and Mexico, are concerned about the terms under which domestic firms obtain access to foreign technology.

We must learn from their experience. But our situation is different and this is what I want to emphasize. We have to find our own solution. We have to recognize that as the neighbour of the great country to the south, one which has produced more technology than any other, our legislative programs have to be tailored to our own specific needs. I do not need to emphasize the fact that we have regional interests and strong provincial governments with their own interests. Because our situation is unique, we do not intend to propose to parliament a process whereby we will rush into this thing headlong. In that way, I think we would only end up with a Roman circus, It is far more important to introduce the measures in this important and sensitive area, which is of immense importance to the development of this country, in an orderly way. Therefore, the approach which I shall be proposing is as follows.

First, the foreign takeover legislation. We will set up a review agency and gain some experience in the screening of takeovers. This would be the first step. The second and third aspects would follow. That is to say, that building on our experience and after consultation with the provinces, we will proceed with the registration and ultimately the screening of new investment. I would hope that the third aspect, the registration of licensing arrangements affecting Canadian business, would follow promptly.

My learned predecessor was fond of Latin maxims. Let me quote one which is appropriate to the present circumstances: "Aut Caesar, aut nihil"—all or nothing. This approach has no place in formulating sound foreign investment policy.

The reasons for proposing the registration and screening of new foreign-controlled business are straightforward. A great many Canadians, including a number of provincial premiers, stated that the government's decision to review foreign takeovers did not go far enough. There was some concern that the proposed Foreign Takeovers Review Act could be easily circumvented by a foreigner wishing to do business in Canada by simply opening up a new business.

There are also a number of reasons for seeking more information about Canadian licensing of foreign technology. Technological advance is an important contributor to economic growth. In the United States it is estimated that technological innovation accounts for around 40 per cent of industrial growth; the estimate for Canada is a more modest figure, probably around 30 per cent in terms of the gross national product. Therefore, new technology is one of the most important determinants of competitiveness and export performance.

Canada is, and is likely to remain, a large net importer of technology. Dependence on foreign technology is difficult to measure but various indicators show much the same pattern: some 95 per cent, some say as high as 99 per cent, of patents issued in Canada are registered to foreign owners; among industrialized countries, Canada is first in the percentage of patents which are foreign owned and last in the percentage of patents owned by nationals of the issuing country; an OECD study based on four performance indicators of technological innovation suggests that Canada has the worst performance amongst the ten most advanced industrial countries.

Mr. Speaker, there are three basic ways in which we can import technology: through finished products, through licensing arrangements and through foreign direct investment. That is why I have emphasized in my remarks this afternoon that the licensing arrangement is an important part of this whole package. Licensing agreements are important because under certain circumstances they may restrict markets or they may affect the procurement of goods and services or they may require that any improvements in the product be ceded to the licensor, effectively discouraging research and development on the licensed product. They may also involve dictating prices in a way which would affect the Canadian company's ability to earn a profit or transfer profits. These are the same sorts of restrictions that concern the government in the area of foreign direct investment.

Mr. Speaker, a number of other measures have been taken in this area, but referring to the Speech from the Throne I should like to mention the following points. When the revised Canada Corporations Act is introduced in parliament it will contain a provision to require that a majority of directors of any company incorporated under that act be resident Canadians. This is not a substitute for a general policy on foreign direct investment but will constitute a useful supplement to the review process. It would give Canadians a greater voice in management decisions and make the management of foreign-controlled companies, as well as their foreign parents, more sensitive to Canadian interests.

There is also a good deal of concern in the country about the increasing rate of sales of recreational and other land to non-Canadians. Several provincial governments have introduced or are contemplating legislation in this area. At the next meeting of first ministers, the government will consult the provinces about the feasibility of federal measures to control the sale of land to foreigners. This package of measures constitutes one aspect of the government's efforts to increase Canadian control over our economy. The other important strand comes from efforts to support the development of strong Canadian controlled businesses, such as the program designed to support the development of small business which was referred to above; a reduced tax rate of 20 per cent on the first $50,000 of income available only to Canadian corporations; the deductibility as an expense of interest paid on funds borrowed to finance the purchase of shares of other corporations—to put Canadians on an equal footing with would-be foreign buyers; elimination of federal estate taxes, and the provisions in the present Income Tax Act to help keep savings in Canada. There are other programs such as PAIT and GAAP to which I have already

referred, and the IDB. The latter two have been used almost exclusively by Canadian controlled firms.

Let me sum up, Mr. Speaker, and I must say I appreciate the indulgence of the House. The policy measures I have discussed are part of the government's ongoing response to the large volume of foreign direct investment in the country. I do not have to remind hon. members of past steps affecting the major sectors, such as the control of foreign investment in financial institutions, broadcasting, newspapers and periodicals; the establishment of the Canada Development Corporation or the provisions in the tax system to support Canadian controlled business. These measures are not against foreign direct investment in any absolute sense, but seek to recognize the existence of costs and benefits in particular projects, and to maximize the advantages for Canada.

• (1630)

There is no retroactivity or narrow nationalism reflected in this approach, an approach that looks ahead to the future and not backward to the past. The review process is complemented by positive steps to support the development of strong Canadian-controlled business. Better performance from the Canadian business sector will reduce our dependence on foreign investment. These measures, Mr. Speaker, are part of the government's attempt to frame a coherent set of industrial policies which will give to Canadians greater control over their economic future and rising standards of living in all areas of the country.

I would close by repeating that these governmental initiatives in the area of economic policies and programs are designed to bring continued expansion of the economy and further creation of employment along with a greater role for Canadians in their own economic life. They are only one aspect of a throne speech which recognizes the needs of this country and reflects the government's determination to act on those needs.

Mr. James Gillies (Don Valley): Mr. Speaker, I need not tell the House how honoured I feel and what a great privilege it is to be here, in the presence of such eminent Canadians as the right hon. member for Prince Albert (Mr. Diefenbaker) and great political leaders such as the Prime Minister (Mr. Trudeau), the hon. member for York South (Mr. Lewis) and the hon. member for Témiscamingue (Mr. Caouette). Not only is it an honour, but it is also my great good fortune to be serving in a house presided over by you, Mr. Speaker. Long before I came to Ottawa I was told of the distinguished way in which you conducted this house, of your courtesy, your friendliness, your good humour and, particularly, of your great abilities under stress and tension. Of course, I am particularly proud to rise as a member of the party led by that distinguished Canadian, that man of courage, great determination and wisdom, the hon. member for Halifax (Mr. Stanfield).

Some hon. Members: Hear, hear!

Mr. Gillies: I also want to add my congratulations to the mover and seconder to the Address in Reply to the Speech from the Throne and only hope that my remarks will approach theirs in eloquence and substance.

I am also proud to be a Member of Parliament representing the riding of Don Valley, a relatively new riding. Only one member has represented it previously. It is an urban riding in the city of Toronto, a riding with all the problems of any metropolitan riding in this country at this time.

May I bring to the attention of hon. members on the government side a particular institution which is located in Don Valley. I am speaking of Glendon College, part of York University. Although I realize fully that education is under provincial responsibility, Glendon College is perhaps unique in Canada in that it is a totally bilingual college. Knowing of the government's great interest in developing bilingual programs in Canada, I hope it will see fit to be responsive to the goals of that college.

The problems besetting Don Valley riding are the problems of Canadians in urban areas; the problems of housing, transportation, and, more particularly, those of economics which are plaguing all Canadians today. It is to these issues I wish to turn my attention this afternoon; to those aspects of the Speech from the Throne that are concerned with the economic situation.

I am always surprised so many people believe that the type of economic performance found in any country, province or town is the result of some sort of magic and that they cannot do anything about it. This may have been true 100 years ago, perhaps even 50 years ago, but it has certainly not been true at any time since 1936 when Lord Keynes published his great book, "The General Theory of Employment, Interest and Money."

Some hon. Members: Hear, hear!

Mr. Gillies: It certainly is not true today. The economic position of our country is the result of economic policies we have followed and the economic measures we have enacted; and certainly no one in Canada can say today that our present policies are anything but less than satisfactory. Unemployment, as we learned yesterday, now stands at 6.8 per cent, and will possibly go as high as 7 per cent before the winter is over. Although I am not keen to make international comparisons, the fact is that during the past few years Canada's level of unemployment has been the highest among the industrialized countries of the world. This situation was described by an eminent economist at a recent meeting in Toronto of economists from all over the world as perhaps the most shocking unemployment situation to be seen in any industrialized country of the world.

Some hon. Members: Shame!

Mr. Gillies: As I said, I do not like international comparisons; they are often spurious, but the fact of the matter is that the unemployment rate in Canada is close to 7 per cent while the unemployment rate in the United States seems to be going down to 5 per cent. This is one comparison one can make with a high degree of confidence, because it is well known that the definition of unemployment in the United States is much the same as ours and the way in which unemployment figures are collected in the United States is similar to the way in which they are collected in Canada.

I need not dwell on the cost to Canada of this unemployment. There is the cost in terms of human misery, as we were told so eloquently yesterday by the Minister of Finance (Mr. Turner). The fact is that there are almost 600,000 Canadians who are not working now and many of them were not working a year ago. That is a national shame. The other cost to the country and to the government, is the cost entailed in the lost production that we can never recover. No one knows exactly what that loss may be. According to present estimates, it probably lies between $7 billion and $8 billion a year. In addition, of course, because of this high level of unemployment, many Canadians are not paying taxes who otherwise would pay them and the tax burden on Canadians fortunate enough to work is that much higher, because they must support the various schemes for helping those who are unfortunate enough to be unemployed.

As if our unemployment rate was not sufficiently shocking, we are also faced with the problem of inflation. We will not see the new inflation figures for another two days, yet it appears that the inflation rate in Canada this year will probably be at about 5 per cent and that it is apparently rising. Again, there is a cost to Canadians in terms of the erosion of their savings, and the suffering of those on fixed incomes is practically incalculable. What is also devastating is that our present inflation rate is higher than the inflation rate of the United States. There, the rate of inflation appears to be about 3 per cent, while ours will be at about 5 per cent. That differential may be of enormous and serious consequence to the future development of the Canadian economy. We all know that about 25 per cent of the Gross National Product of this country is generated through foreign trade and about 75 per cent of our foreign trade is with the United States. If we are priced out of the American market because of the rise in prices in this country as compared to those in the United States, the effects on unemployment could be enormous.

In short, the performance of our economy is perhaps as poor as that of any industrialized country in the world. We suffer from a high level of unemployment and a high level of inflation.

How did we reach this situation? Clearly by following wrong policies. The first great mistake made in Canada was in accepting the proposition that there is some sort of trade-off between unemployment and inflation; that the way to solve inflation is to create unemployment in our economy. This is a proposition that is based on the idea that the reason you have inflation is that you have an excess demand in your economy. One could argue for some time the morality of accepting the idea that you are going to cure inflation by having high levels of unemployment. Aside from that, the fact of the matter is that over any extended period of time it just does not work. The analysis is wrong, the application was wrong and the results have been disastrous. Inflation in this country is not the result of excess demand. In fact, even though inflation could be the result of excess demand, when you have a 6.5 to 7 per cent unemployment rate it makes no sense at all to think that the way you will solve the inflation problem is by cutting down demand. Such a view is simply preposterous.

[Mr. Gillies.]

• (1640)

The cause of inflation in this country is a cost-push situation, and we have to attack the problem on that side if we are to have any sort of success. We can see today the results of accepting the trade-off proposition as a basis for economic policy. We now have in our country rising prices and rising unemployment. We have both inflation and unemployment at the same time, and this is a new phenomena for Canada as it is for most industrialized countries. It is a great mistake to think that we can solve this new type of problem through the traditional use of monetary, fiscal and exchange rate policies.

The second mistake we made in the last few years, a mistake which the Minister of Finance alluded to the other day, was in respect of the time it takes economic policy to work in Canada and what the lags actually are. There is no question but that the government waited far too long to move from a policy of restraint to a policy of expansion after it was clear that the unemployment rate was not going down in the way the government hoped it would. Even today, with an inflationary rate of 6.8 per cent, there is still some debate as to just how expansionary the economy is at the present time. There is a debate as to whether or not we still have some fiscal drag in the economy.

If you take the budgetary surplus for the first eight months of 1972-1973 on a public accounts basis we find it is $759 million. A year ago it was $172 million. I realize there is a difference between public accounts and general accounts, but even so, the fact that there could be any sort of debate as to whether or not there is a budgetary surplus when we are operating in an economy with 6.8 per cent unemployment seems almost incredible. It seems to me we must find ways in order to interpret much more intelligently what the lags in the economy are and how we are going to be able to overcome them.

The third mistake was a failure to recognize the great structural changes taking place in our economy over the past few years. I have heard, as I am sure everyone in this House has heard, that the reason we have high unemployment in Canada is the great rate of growth in the labour force. We have a great rate of growth in the labour force, but it was very apparent in the 1960's that in the 1970's we were going to have this growth. People were already born, so it was very evident they were coming into the labour force. Moreover, we have known that in the past few years we have become a society of cities. We are one of the most rapidly urbanizing nations in the world. We knew the type of jobs people would need in the 1970's would be a great deal different from the type they needed in the sixties. We knew the labour force being developed for the 1970's would be one with a great deal more education than in the past. All of these things should have been recognized and something should have been done about them, but nothing was.

Similarly, we certainly should have seen by 1970, or even before, that we had to consider the impact of foreign investment in this economy and what its impact on employment opportunities was. We certainly should have recognized the role of subsidiary corporations in the Canadian economy and what they were contributing as

far as employment was concerned. We have had, and did have, several reports, but little action taken.

There is little chance that we are going to be able to absorb the people coming into the labour force in the future unless we can find ways of increasing our export trade in manufacturing. We cannot increase our trade in exportation in the manufacturing sector of the country unless we have meaningful programs in respect of foreign investment and foreign subsidiaries. Similarly, we cannot increase employment as we must unless we examine the situation in the service trades. But all this is in the past. I would be the first to say that hindsight is always 20-20. The important questions are, where are we going and what is going to happen in the future? All we can go on in that respect is what was said in the Speech from the Throne and what the Minister of Finance said yesterday. It seems apparent from what was said that we are to have some expansionary forces in the economy and expansionary fiscal policies, although we do not know to what extent.

I notice that the Minister of Finance in his May 8th budget referred to the fact that he was worried about injecting too much fuel into the economy; so how much expansion there will be we do not know. We will have to wait and see. The Speech from the Throne did not indicate that the government had rejected totally the trade-off principle, although it did indicate that the emphasis was being put on employment. There was almost no mention in the speech of inflation, other than that it is a world-wide problem, and then immediately there is a reference to a conference on food prices. It certainly seems to me to be naivety to the extreme to think that inflation in Canada is going to be solved by a conference on food prices. I do not believe it is unimportant to have such a conference, but at the same time if this is our major approach to dealing with the problem of rising prices, I assure you it will be doomed to failure.

It has been said there will be a new industrial strategy, and the Minister of Industry, Trade and Commerce (Mr. Gillespie) dealt with that for a few minutes this afternoon. There has been some suggestion about increasing employment in the service trades. Apparently great emphasis is being put on expansion of winter works programs, which the provincial premiers said as long ago as last August would be too late. Apparently, we are going to see more LIP programs in an attempt to create jobs.

I know that the Speech from the Throne is not a budget speech and one cannot expect to have a detailed outline of what is going to happen in respect of economic policy, but it seems to me that surely in the face of the economic problems this nation faces, problems that are uppermost in the minds of all Canadians, we could have expected and should have obtained in the Speech from the Throne a much stronger statement about the direction this country is going to move in terms of fiscal and monetary policy and in terms of exchange rate policy. If we are going to make any progress in solving the basic problems of unemployment and inflation in this country, we must have a completely new approach to our monetary and fiscal policies. To even pretend to believe that by the sorts of things mentioned in the Speech from the Throne, such as the expansion of LIP programs, winter works programs and so on, we will solve our fundamental economic problems seems to me to be an act of faith which most people cannot accept.

• (1650)

Think of what was left out of that speech. Nothing whatever was said about monetary policy; nothing about interest rate policy or foreign exchange rates. Then, there is nothing in the speech about goals for the Canadian economy, and absolutely nothing about the reorganization for making economic policy. Every Speech from the Throne I have read indicated it was the objective of the government to secure full employment and price stability. These are the kinds of statements one always expects. But at a time when the economy has the amount of unemployment and inflation we are witnessing today, the Canadian people surely deserve more positive statements regarding the methods by which the government intends to achieve the goals they so platitudinously put forward. For several years we have been in a situation in which most forecasts made in those speeches have failed to come true. In spite of this, I do not see anything in that speech about the reorganization of the policy making process to meet the current circumstances.

We have failed to establish an independent short-term economic forecasting unit in this country responsible to parliament, although the projection on which the Minister of Finance based his budget last May turned out to be wrong. He said in his speech then that he expected the unemployment rate to be lower at the end of the year. It was a wrong forecast.

Mr. Turner (Ottawa-Carleton): What about the institute at York.

Mr. Gillies: Surely, it is the University of Toronto.

Mr. Turner (Ottawa-Carleton): How about the forecasting institute at York?

Mr. Gillies: Very good. All I would do is refer the minister to some of my columns in the *Star* at that time. At any rate, it seems to me that the short-term forecasts have been wrong, and it is not possible to make policy successfully in the absence of accurate information.

The first thing that must be done is to reorganize federal policy making structures immediately so that we might be in a position to have better decisions.

There is nothing in the Speech from the Throne to suggest that the Minister of Finance intends to move to full employment budgeting. Without doing so, it is extremely difficult to develop successfully economic policy. The Minister of Finance says a great deal about the rate of change in the gross national product. When one is dealing with short term economic situations, forecasts of changes in the gross national product are not particularly helpful in terms of the unemployment situation. The very fact that the gross national product has varied so much this year with only marginal effects on the rate of unemployment shows it is not an effective instrument to be used on a short-term basis. What is needed is a projection on the basis of full employment estimates in order that we may determine what deficit or surplus we should

be running, so we could be in a position to make immediate changes from time to time to deal with problems of unemployment and inflation.

I fully agreed with the Minister of Finance when he said that solving problems of unemployment and inflation would not be easy. It will certainly not be easy. But this is precisely why the methods described in the Speech from the Throne are unsound. Mere declarations will not do the job. What we need is a whole new approach to economic policy making. We have stumbled along with high unemployment and high inflation. We must be willing to accept new ideas, to approach the concepts of price and wage controls if they should be necessary, to look at the whole question of capital flows and their effect upon exchange rates, to take account of the fact that the structure of the economy is changing drastically. The economy is very different in the 'seventies in its structure from what it was in the 'fifties or in the 'sixties; the Canadian economy will not respond to-day to the conventional use of monetary and fiscal policies as it did in the 'fifties and 'sixties. If we fail to recognize this we are doomed to live for years with unemployment running at 6 or 7 per cent, something which is totally unnecessary.

It seems to me there was nothing in the Speech from the Throne to indicate that the government had changed its mind about the way in which to deal with the problems of the economy. For this reason, I urge every member of the House, particularly members of the New Democratic Party to my left, to join with me and the Leader of the Opposition (Mr. Stanfield) in supporting the motion of non-confidence.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Marcel Lessard (Lac-Saint-Jean): Mr. Speaker, at the very opening of my remarks, I should like to join those who have spoken here in this House during the past few days and express my sincere congratulations on the great confidence which all members of this new House have displayed in the hon. member for Stormont-Dundas (Mr. Lamoureux) by electing him for the third time, which I believe is a record, to the high office of Speaker.

I remember with pleasure that when I arrived here in the federal parliament in 1962, it already seemed apparent to all that his ability would soon be recognized.

[*English*]

My congratulations are also directed to the hon. member for Halifax-East Hants (Mr. McCleave) on his appointment to the high office of Deputy Speaker. Certainly, he enjoys the confidence of all members of the chamber, and I wish him well.

[*Translation*]

Mr. Speaker, I also wish to congratulate the hon. members who have also been elected Chairman (Mr. McCleave), Deputy Chairman (Mr. Laniel) and Assistant Deputy Chairman (Mr. Boulanger) of committees of the Whole House.

As customary, I add my congratulations to the mover (Mr. Blais) and the seconder (Mr. Blaker) of the Address in Reply to the Speech from the Throne for the skill and ability they displayed on the occasion of their maiden speeches and I am sure that their contribution to the proceedings of the House was, on this occasion, and will be in future highly appreciated by all. I wish them a long and fruitful political career.

Mr. Speaker, it is not so easy to achieve a long career in this House, since there are 99 new faces in this twenty-ninth parliament and there were 104 in the twenty-eighth. At that rate it soon becomes evident that the office of Member of Parliament does not carry great stability.

However, I welcome all these newcomers and congratulate them on the confidence they have deserved from their fellow citizens.

• (1700)

A new parliament has just started and the Speech from the Throne brought down by the government is in the opinion of all the best we have had in several years. Of course, it does not give the details of the legislation which will be introduced but practically every subject is dealt with. The document indicates what steps the government intends to take to correct the shortcomings and the errors brought to its attention during the election of October 30 last.

I thank specially the cabinet on behalf of all my constituents for the concern the ministers showed in respect of all classes of the society.

I would like first of all to make a short review of the agricultural situation and you will easily understand why.

To me, Canadian agriculture is more than an industry. It has been and it will continue to be in the years to come a way of life for hundreds of Canadians. Although a lot of things have changed in the organization and production techniques the fact remains that the very large majority of those involved in that occupation are in it because they like it and for them as well as for their families it is a way of life they would not want to give up and that we as legislators must protect.

We, Canadians, are privileged to have a country with a very fertile soil. We are also privileged to have enough men, women and children who choose this difficult occupation the value of which is not always recognized by city people. We must therefore examine seriously the adverse consequences that some of our decisions could have on agriculture in the immediate future and particularly for the years to come. If one refers to the information provided by the 1971 census, one sees that the total number of cultivated acres, as compared to 1966, has again fallen from 174,124,828 to 169,668,614, a decrease of 2.6 p. cent. Furthermore—and this should really worry us—the number of farms and farmers has registered a further reduction during the same period. In 1966, we had 430,522 farms in Canada, and now, in 1971, that is five years later, we can find only 366,128. More alarming yet is the decrease of the rural population, now totalling only 1,489,-565 people, which means a startling reduction of 24 per cent within five years. In Canada the farm population in 1971 represents only seven per cent of the total, whereas it amounted to 10 per cent in 1966 and 12 per cent in 1961.

Mr. Speaker, such statistics should give us pause.

For me, it is clear that we should increase our aid to agriculture, if we intend to check the exodus to the larger centres and counter all the social problems involved.

I am happy with the mention of feed grain in the Speech from the Throne. For four years, we in the province of Quebec notably campaigned to have the injustices suffered by the eastern farmers corrected. The fight is not over, but there is now hope, for the text of the Speech from the Throne is very clear to me, and I trust it is clear also to others.

Mr. Speaker, I wish to quote those lines once more:

The Government supports the principle of an equitable relationship of prices of feed grain to livestock feeders in various areas of Canada—

And this includes eastern Canada.

—It is the intention of the Government to implement before the next crop year, procedures that will ensure the optimum development of the feed grain and livestock industries within Canada.

However, Mr. Speaker, I want to caution the cabinet against a half measure now being developed by officials and which, should my information prove accurate, would be unacceptable to the Quebec farmers. I warn the House that after four years of struggle, I shall accept nothing less than an equitable solution. By taking this definite position, Mr. Speaker, I am speaking on behalf of all eastern farmers who are exasperated by administrative delays and shufflings of all kinds.

If we do not soon get justice, I shall regretfully support the thesis of the Quebec Minister of Agriculture which aims at self-sufficiency, even though I know that it will be very difficult to apply and that it even has a certain percentage of irrational use of resources and energy.

I am now giving a severe warning. Our lack of action in this matter of feed grain has perpetuated an obvious injustice that cannot be further tolerated. This is why we shall not put up with half measures, and I trust that I have been clearly understood.

Obviously, I should have liked to speak about the marketing of farm products, the dairy industry which is very important for agriculture in Quebec, but time is running very short and I would like to deal with several subjects equally of concern for my fellow citizens. I will certainly have the opportunity to come back to this great subject of agriculture.

Mr. Speaker, during the last election campaign the various welfare measures as well as their application and consequences were warmly discussed throughout Canada. Some contend that they are too generous and that they encourage laziness, social irresponsibility while others would want to get more assistance.

Very briefly I would say that people in my constituency are also worried about the sharp increase in social measures and, in particular, they have serious doubts about the relevance of the last amendments to the Unemployment Insurance Act. It seems evident that the recognition of illness as an eligibility criterion as well as the reduction of the number of weeks required to receive benefits has disturbed the labour market and made the application of the legislation difficult if not impossible.

The minister in charge seems to have been misinformed as to the future consequences of that legislation as well as the civil servants' ability to administer it. Delays up to five months and a great number of errors lead me to believe that we went too far and too fast in amending the former legislation. The harm is done and it will not be easy to go back, as those who are getting the benefit of the present situation will not see things in the same light. But with a few minor amendments to the legislation and especially a more efficient administration, somewhat decentralized—I emphasize that—things should improve. The administration of the Unemployment Insurance Act should be decentralized. It is too far from people who need it and has become inhuman. It has become the toy of technocrats.

I am sure we could easily correct the abuses and iron out the difficulties we have known during the first year the new act was in force. And those amendments should be adequate in order to improve the situation and make the law and its administration more consistent with the sound objectives the legislation aimed at.

The question of family allowances has also been of concern to my fellow citizens and that is why, Mr. Speaker, they are unanimously asking for the increase contemplated during the last session. However, we strongly oppose the measure whereby the amount allowed to each child would depend upon the family's income. That proposal is absolutely inapplicable. It would lead to abuses and costly and ineffective administrative complications and I totally agree with my fellow citizens on that matter.

• (1710)

They suggest rather that family allowances be included in the taxable income of taxpayers. Overpayments will be reimbursed according to the size of the family and its income. Without being perfect, this formula would seem equitable and very easy to apply. Furthermore, it is a means to achieve the intended goal which is to assist large families with low incomes.

The old age security program has also been the target of harsh criticism. Older citizens 65 years and over and without any income are still experiencing difficulties, especially in cases where one spouse has not yet reached the age of 65. Mr. Speaker, consideration should be given to the advisability of lowering the minimum age of eligibility to 60 for the spouse whose mate has reached age 65. Of course, there might be some requirements in order to avoid abuses. For instance, there could be a requirement that the recipients have been married for at least five years so that older people would not marry younger women, because there might be cases where 40-year-old women would be receiving old age security payments and this would not be acceptable.

I very often receive complaints about the annual guaranteed income supplement. In fact, each year, when people file requests to have adjustments made according to their income for the preceding year, we hear of grievances by people who did not obtain the desired adjustments or what they were hoping for. It is always the same thing and we must intervene. Even though people agree that those who have no other income should receive the guaranteed income supplement, this system discriminates against others who have saved and done without some luxury in order to contribute to a private pension fund.

Afterwhile, they realize that they are being penalized in a way by not being eligible for this supplementary income.

I admit it is not easy to solve that dilemma in a satisfactory manner. On the one hand, we must help those in need and, on the other hand, we must encourage those who are able to do so to fill their needs. There are a few contradictions to it. So we must rely on the pride of people and unfortunately that has a tendency to disappear nowadays.

Of course, the Canada and Quebec compulsory pension plans will produce a long time result that fewer and fewer people will need the old age guaranteed supplement.

Until then, however, we will have to try and improve the present system while at the same time keeping the normal cost of this program and other social security programs within reasonable limits for the Canadian taxpayer who already finds the bill he has to pay too high.

As can be seen, nothing is easy in politics; we are always looking for a right balance. This is what various governments who led this country tried to do and, in the case of social legislation, it is certainly an area where the Liberal governments were particularly active in the past and they will still be in the future.

A lot of work on our part and understanding on the part of all sectors of our society will still be necessary before we reach a reasonable level of guaranteed income for all Canadians.

Mr. Speaker, the tradition in this House is that during the debate on the Speech from the Throne, particularly at the first session of a new parliament, the members go over the characteristics of the riding and the population they represent.

So it will be a pleasure and an honour for me to speak about my region of Saguenay Lac-Saint-Jean and particularly the riding of Lac-Saint-Jean.

First of all I would like to thank sincerely all the population of my riding for the trust they have shown once again by re-electing me for a fourth term to the parliament of Canada.

It is with mixed feelings of pride and humility that I shall endeavour to represent them. With humility because I am aware of my weaknesses faced with such a difficult task, but with pride when I think of the beauty and the dynamism of the riding I have the honour to represent for the fourth term.

The magnificent area I represent in this House, with three colleagues, is located 140 miles north of Quebec City. Discovered right at the beginning of the colony, the first homesteaders settled there permanently only in 1836.

Forestry, agriculture and later the development of hydroelectric power, have been and continue to be the basis of the regional economy. These resources have been responsible for the establishment of cities, towns and numerous villages along the Saguenay River and around beautiful Lake St. John. The last census of 1971 showed the total population of the area had reached 265,000 people.

Today, however, we worry in my area. In the last five years we have lost over 60,000 citizens, most of whom were young people looking for work which they could not find locally. Indeed, our large regional industries seem to have reached their peak; they no longer create the jobs required by an ever increasing labour force. The exodus of those young people is a tragedy; if it lasts many more years it will cause serious problems.

The senior governments must at all cost help stem that bleeding away and multiply the job opportunities. Of course DREE gives some assistance but that is not enough. The areas in the vicinity also need additional help. I therefore hope that the decentralization of the DREE administration, as mentioned in the Speech from the Throne, will result in this extra help being given to foster economic growth throughout my riding.

Mr. Speaker, my area is experiencing difficult times. It seems to me that some people would like to cause more trouble. Indeed, it is not by reducing the number of spokesmen in rural areas that we will contribute to solve those problems. However, this is what will happen if the report of the committee responsible for electoral boundaries readjustment is carried out as proposed.

It is especially delicate for me to discuss the matter since my constituency happens to be the one which will disappear if the proposal concerning my area is passed. One might think that I want to save my job by objecting to fewer constituencies, but under the circumstances, the constituents of the entire Lac-Saint-Jean area have unanimously asked me to object to the recommendations of the committee.

Of course I am interested in continuing to represent the people of Lac-Saint-Jean riding, since that is exactly the mission they devolved upon me by a strong majority on October 30 last. But what I want above all, Mr. Speaker, is that the region should continue to be represented by four Members of Parliament and not by three. Whether I or someone else is here after the next election is not my present concern. In fact, it will be up to the people to decide who will represent the area after the next election.

Mr. Speaker, if the proposal of the commission is adopted as it stands, the three ridings of my region will have the highest average population of all regions of Quebec, an average even higher than that of Metropolitan Montreal. When you consider the scope and variety of problems, that is rank, unacceptable discrimination.

That is why I strongly object on behalf of all my fellow-citizens to the reduction in number of ridings in my region and also to the suppression of the name "Lac-Saint-Jean" which has identified the region so well for over three centuries.

I would like to conclude—the time allotted to me is nearly expired—by making a few comments on the results of the election of October 30 last as well as on the membership of this parliament.

Many Canadians have been worrying about the problems facing the economy and the unity of Canada. This concern and the attendant uncertainty were revealed on voting day since the duration of this parliament which is meeting early in 1973 is rather speculative.

I think that the result shows that we failed—in fact all parties failed—to bring in a program for the future which could have put an end to the people's concern.

[*English*]

Now, Mr. Speaker, if I may, I would like to say a few words in the other official language of my country and tell my colleagues that although I come from a region where the population speaks practically only French, I am pleased to assure each of you here that you will always be welcome in my region. It is a beautiful region and you will certainly enjoy your visit to my riding.

On the other hand, I hope, as a French speaking Canadian, that we will also always be accepted by others in the rest of Canada, and that the long battle fought for the recognition of our rights in this country will finally come to an end for the good of all of us as Canadians.

Some hon. Members: Hear, hear!

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I should like to join my colleagues in congratulating you and your colleague on being chosen to the high office of Deputy Speaker and Speaker, very difficult and most respected offices. I congratulate you, and may the Great Spirit guide you in your work.

• (1720)

Before I begin my comments on the Speech from the Throne I should like to give you a little of the background of my family. My purpose is not so much to brag, but to give credibility to what I have to say here today and to what I will be saying here in the future.

My grandfather on my mother's side was a famous Shandalar Indian from Arctic Village. When he was a little boy there were no white people in his part of the country. He was a peacemaker with the people during the surveying of the boundary lines between Alaska, the Yukon and the Northwest Territories. That was in the very early part of this century. He was born about 1850.

My grandfather on my father's side was a Scotsman from the Orkney Islands. He worked for 52 years as a chief factor for the Hudson's Bay Company in the Mackenzie district, in the Peel River country. He also was a peacemaker between the Indian, the Eskimo and the white man. Both of my grandfathers were very good friends and they did much for this country in the early times. My grandfather, John Firth, financed Vilhjalmur Steffanson's first expedition in exploring the High Arctic. He was also one of the first J.P.'s and honourary constable to work in the Peel River country. I hold up these handcuffs to show you Mr. Speaker. They were his, but he never once had to use them because he had the respect of the people, the Indian, the Eskimo and the white man.

Some hon. Members: Hear, hear!

Mr. Firth: Up in that part of the country my paternal grandfather John Firth, and my maternal grandfather Dinji Cho, were big men for many years. They died only about 25 or 30 years ago. I think they did very valuable work for the good of Canada and for the good of mankind in that part of the country. As a Member of Parliament representing the Northwest Territories and representing the native peoples of that part of the country, I will try to do my best to work for mankind and for Canada.

Some hon. Members: Hear, hear!

Mr. Firth: I stand here very proudly as a Métis and representing the largest constituency in Canada. And, if I am not mistaken, I believe I may be representing the largest electoral constituency in all the world. I speak of course of the Northwest Territories which has an area of 1.3 million square miles. Mr. Speaker, I do not believe that any government in any other part of the world would allow such a stupid situation to exist.

The Commissioner of the Northwest Territories, the Minister of Indian Affairs and Northern Development (Mr. Chrétien) and the Prime Minister (Mr. Trudeau) have travelled parts of my country, and they can vouch for what I have to say in that respect. It is an almost physical impossibility for one man to give good representation to that very important part of Canada. You must take into consideration not only the vastness of the land, the harshness of the climate, the difficulty of travel up there, and the extreme high cost of travel, but also the lack of a good communications network, and the fact that there is not only a diversity of languages but also great differences between east and west in the Northwest Territories. I mean cultural differences.

As I say, there are several languages spoken in that part of the world, and today there is still a very high rate of illiteracy. I was indeed most disappointed not to learn from the Speech from the Throne that that situation would be changed. Another omission in the Speech from the Throne that I was not very happy about was that the Inuit, the Indian and the Métis people, the very first citizens of this land were not even mentioned.

In my constituency approximately two-thirds of the population are people of native ancestry. They were at one time some of the richest people in this land. Today they are some of the very poorest people in this land. This is especially so in terms of very bad and dangerous housing conditions, the extreme shortage of housing, and the lack of good community services. As long as this situation continues to exist with the very first citizens of this land being the very poorest in their homeland, I fail to understand how one in this country can say, "I am proud to be a Canadian." That is a disgrace to this nation. That is the truth, and I am sure you all know it. I would suggest that it is especially a disgrace when this country can spend millions of dollars for a pie in the sky, or for something better known as Anik.

If the present trend continues, as it now seems likely it will, with the government and large companies in the south continuing their exploitation of the beautiful north, and with the south trying to make the north into something like the south, with big ugly cities, and all the pollution and other things that go along with civilization, without the people of the north having any meaningful say in the whole matter, then I am sure this country will be in great trouble.

A few months ago Reverend Father Adams of Inuvik, who spent 30 years up in that part of the world, who learned the language of the people and who lived with them, mentioned that if oil and gas lines are built in the north, particularly in the Mackenzie corridor of the Northwest Territories, there was a danger some people up there just might blow up the pipelines, particularly if those people did not derive any long-term benefits from them. I

would like to add my warning that that danger does indeed exist.

It was only a few months ago that a hint of this situation was given when the court house, the seat of justice, at Hay River in the Northwest Territories was blown up. Give us six more years of a colonial type of government in the Northwest Territories, give us a few more years of school and job training without any jobs at the end of the schooling or training, give us five or six more years of people from the southern part of the country running our lives by remote control, give us a few more years of insufficient federal representation and I, or anyone else who knows the north as I do, can guarantee that this country will be in deep trouble in the north.

I do not advocate that the Northwest Territories should not be developed; I do not say that at all. I want to make that very clear. I do want to mention two priorities at this time, and only briefly. The first is that the aboriginal rights and native land claims for that part of Canada must be settled, and settled soon. When I talk about aboriginal rights sometimes I wonder about a land deal made back in 1871 between the Hudson's Bay Company and the Canadian government. I do not know who was guilty of the misdemeanor, but some deal took place between three parties without the fourth party involved having any say in it.

We should be allowed to have a more fully elected government in the Northwest Territories, a more responsible and fully elected government. Then, and only then, can orderly development begin. In the meantime, I believe it is important that a good prospectors program, a good incentive program for exploration and prospecting work, should be encouraged at this time in the north. But it should be carried out very carefully, and the people of the Northwest Territories should have some say about where such work can take place. I say this because I think we should find out once and for all if we do have a big storehouse of oil, gas and minerals in that part of the world, to be developed by Canadians for Canadians. On the subject of oil and gas pipelines, I think it might be wise at this time to take a more careful look at the situation and abandon the idea of building a large pipeline, possibly two pipelines, before talking with the people in that area. I think the people of that part of the country should be consulted before such work or such study is undertaken.

I also think we should look at the feasibility of building a railway line rather than a pipeline, and of course, Mr. Speaker, this all would be done only after the settlement of aboriginal rights and the native land claims of the people up there. I do not think the idea of a pipeline is wise at this time, but to some extent I would go along with the idea of building a railway. Canadians are good at building railways, I think, but pipelines are so specialized in nature. There are many arguments in favour of a railway.

• (1730)

I should like now to mention a few pressing needs of the Northwest Territories. One is in the area of housing. I should like to see some funds made available as soon as possible to the Northwest Territories government in order to fully implement the report of the Northwest Territories Council task force on housing. This report was adopted by the territorial council in October of last year in Frobisher Bay, but I understand it has become hung up somewhere along the line.

To point out the desperate need for housing in many parts of the Northwest Territories, I should like to read an open letter addressed to the Commissioner of the Northwest Territories which was printed in a recent issue of "*News of the North*" which is published in Yellowknife. This letter reads as follows:

Dear Sir:

I feel compelled as both a social worker and a resident of the Northwest Territories to bring to your attention a matter which is causing me great concern. You have no doubt been aware for some time of the critical shortage of low cost housing in Frobisher Bay as well as the terrible substandard conditions of some of our present housing. However, in the event that this matter has not been brought to your attention, I would like to share some of my observations with you.

As a growing community of 2,500 people and a reported growth centre in the Baffin region, I do not understand why there have been no new houses built in Frobisher Bay this year. In fact we have lost six houses to fire this year and these have not been replaced or repaired and now stand empty. People are continually moving to Frobisher from the outlying settlements and yet there is no housing for them. It is not unusual to find new families of eight or nine people forced to move into the already crowded homes of residents where they must live in the hope that a house will become vacant. In the last little while there has been a large influx of young single people coming here looking for jobs; not only are they not finding jobs, but they are forced to sleep wherever they find room.

Not only is there a critical need for new housing merely to accommodate our expanding population, but the existing housing situation is a disaster. A great many people live in condemned substandard housing. In one matchbox which is certainly no larger than ten feet by twelve feet there resides a 70-year old lady, here two grandchildren; and three other related adults. In another one of these units which should have been destroyed years ago, a mother and her two children live with plywood over the windows and very poor heating. In all these units there is only one exit which is separated from the rest of the house by the stove creating a serious fire hazard. In many units plastic of plywood covers the windows and doors to keep out the bitter wind.

Maintenance is almost non-existent. People must wait weeks and even months to have a door or window fixed. Even in some of the larger homes the residents must use gas stoves and patchwork to keep out the wind and cold. One older fellow had to leave the shack which was his home after a storm left six inches of snow in his room. In some houses I have visited, the temperature is in the fifties and people must wear coats to keep warm. Contrary to what many people might think these are not isolated situations, at least not in Frobisher.

The implication from this lack of adequate housing is reflected in the life of the community. One of the highest T.B. rates in the world; seven serious fires this year involving three deaths, drinking is rampant, and past the critical point; family problems have compounded and dissatisfaction among the young people is growing like a cancer. And yet—no one appears to care.

We are constantly hearing about all the positive growth in Frobisher. We receive a one million dollar ice arena. Someone is building a $20,000 royal suite in the apartment complex for visiting dignitaries complete with $900 tea settings and $3,000 dining room suites. Yet the local people must live in dehumanizing, degrading and dangerous housing. Is this somebody's master plan for Frobisher?

I know you get a large number of invitations for tours, but next time you are in Frobisher give me one hour of your time and I will

give you a tour which will leave you with a sick feeling in your stomach. I know it gives me that feeling. Along with anger and frustration because nobody is doing anything about it.

I understand you are a sensitive person and one that cares for the native people. It is for these reasons, I am writing this letter in the hope you will use your influence to do something about this tragic situation.

Yours sincerely,
L. H. Thompson, M.S.W.
Frobisher Bay, N.W.T.

Mr. Speaker, I can vouch for the accuracy of these statements. I made my rounds to almost every home in Frobisher and everything the writer has to say is true. There is even a lot more to tell. Therefore, I ask that funds be made available as soon as possible to the Northwest Territories government for the implementation of their housing program.

Regarding the Local Initiatives Program, Mr. Speaker, I suggest that the rules leave a lot to be desired, especially where the program pertains to the Northwest Territories. The cut-off date of May 31 is totally unrealistic for the north. I should like to see some allowance made for the fact that many programs cannot be started there until after breakup, usually at the end of May. Ice on the rivers and lakes prevents such projects as airstrips for communities and docking facilities from getting under way. I think this matter should be given consideration.

Another topic that has been making the news almost every fall in the Northwest Territories and many other parts of the country is the matter of search and rescue, a very important topic indeed. Millions of dollars have been spent in years past in searches for lost aircraft, particularly in the Northwest Territories. These millions have been spent in many ways looking for people who were lost. I think a lot of that is rather foolish. It should not be necessary to spend millions of dollars in searches if the money were spent properly in the first place to provide navigational aids, good weather reporting—

Some hon. Members: Hear, hear!

Mr. Firth: These searches would not be necessary if such services were provided. I know whereof I speak because I have flown commercially in the Northwest Territories for a few years. The flying industry is very important to the people of the Northwest Territories because of the vastness of the country and the lack of roads. We accept aircraft as a means of transportation to a greater extent than most people in other parts of this country. But we do not have sufficient navigational aids or sufficient good weather reporting stations, Mr. Speaker. This situation must not be allowed to continue. We are losing too many lives and losing a lot of the taxpayers' money on searches instead of using it to prevent people and planes from getting lost in the first place.

Another program which would prevent aircraft and people from being lost in the Northwest Territories is in the area of pilot training. I suggest that we could use a good pilot training program in the Northwest Territories through which the native people in that part of the world could be used. I think it has been proven that this would work because of the success of the native pilots we have up there already. The program would not cost too much money as it could be run as a student loan program where some of the money is recovered when the trainee goes to work as a commercial pilot, an aircraft mechanic or mechanic pilot. This is something that should be looked into very soon, Mr. Speaker, as the program we have at the moment is not working out.

To fill another need in the north, a trappers assistance program should be initiated as soon as possible. The trapping industry could be a big industry, as it was before, but certain events have taken the trapper away from his trap lines, such as the building of the DEW Line which provided high wages at a time of depressed fur prices. Fur prices are good now and game is available, but there is no program to help the trapper get back on the trap line. I suggest that the cost to outfit one trapper and help him get back to the trapline would be in the neighbourhood of $3,000 to $4,000. I suggest that some sort of trappers' loan program should be set up to help these people who are unemployed in the Northwest Territories.

Reverting to the subject of roads and highways, Mr. Speaker, I should like to mention the need for a highway in northern Alberta. This is not part of my constituency but such a highway would tie in with the Mackenzie highway system.

Some hon. Members: Hear, hear!

Mr. Firth: The road that I am talking about would benefit the towns of Fort McMurray, Fort Chipewyan, Fort Smith, Pine Point, Hay River and that area. The road would be an all-weather highway from Fort McMurray to Fort Chipewyan and Fort Smith. It would, as I say, tie in with the Mackenzie Highway system. There is a great need for this road. I do not think it would be difficult to do, and ought to be done as soon as possible. I think it would be a wise move if either the Alberta government or the federal government were to build that road, since it would help to bring down the high cost of living in certain areas and also contribute to the tourist industry.

• (1740)

To sum up my remarks, Mr. Speaker, what I should like to see done for the Northwest Territories and its people is as follows: I should like to see the aboriginal rights and land claims of the native peoples of that part of the country settled. As I said earlier, this is important and in the next few days I hope to be introducing bills on this subject. Then, I should like to see one or two more constituencies created in the Northwest Territories so that the area could be represented by two or possibly three Members of Parliament. Finally, I should like the government to consider giving us more responsibility in governing our own affairs by replacing our colonial type of administration with a fully elected territorial council.

Some hon. Members: Hear, hear!

Mr. Firth: Then, we could move forward to a well planned, orderly, industrial, social and economic development of the Northwest Territories and, possibly, to provincial status.

[*Translation*]

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, despite what my father may have said in his last speech, you will forgive me for not speaking to you in Ukranian. Unhappily, years have gone by and I have lost practice of this language.

Nevertheless, you will understand how excited I am to take the floor for the first time in this House, knowing the qualities and the competence of all my colleagues. One feels very small and nervous when one has to take the floor.

Mr. Speaker, like those who spoke before me, I wish to take advantage of the first opportunity to congratulate you as well as your deputies. I wish you had been beside me, like at the opening of the session, in order to benefit from your advice about Standing Orders and the procedures of this House. However, I know your fairness and I understand that, even from your chair, you will be able if not to advise me at least to show tolerance towards me and all the new members.

Mr. Speaker, given the very special circumstances which make me sit in this House during the same session and at the same time as my father, I wish to take advantage of this opportunity to thank him for all he has done for me. Without his efforts, both physical and intellectual, I should certainly not be here today to represent the people from Charlevoix. His determination, his work and his earnestness have been and continue to be a source of inspiration for all of us, especially for me. If a politician was able to defend and represent the essence of Canadian unity, I think he is the most outstanding example in Canada and that he still has a lot to teach, especially to the Progressive Conservative members.

I note with pleasure that, according to his habits, he can still criticize his opponents' actions, but unlike the other leaders of opposition parties, I must admit that his criticism is always followed by positive suggestions designed to improve situations. Therefore, I hope, Mr. Speaker, to be in a position to follow his example and that I will be given an opportunity to remain as deeply humane as he was.

Mr. Speaker, what strikes me particularly in the Speech from the Throne is the ease with which the party in office can write something and act in a thoroughly opposite way. Mention is made of equality of opportunities for all Canadians, of social justice. However, if ever one party acted dishonestly during the last election that party was indeed the Liberal party. At the very moment speeches mentioned justice, respect for the individual, respect for the law, mayors in parishes and provincial civil servants were being used to implement campaign patronage.

For instance, in La Malbaie, the social welfare cheques were delivered from door to door, on Sunday night, on the eve of the vote. And in Saint-Féréol, on voting day the mayor was driving the electors in his car, while providing liquor. Of course, I will admit that to vote Liberal, one has to be somewhat intoxicated, but this cannot be called justice.

Mr. Speaker, when people have money, they think they are allowed to do anything. They will even offer $50 per family to get votes. Then, on the opening of parliament, equality of opportunities is being extolled. Mr. Speaker, I must confess that in the Speech from the Throne I should have like to see the government pledging itself to give up all electoral gangsterism and to promote once for all a sound and honest democracy. But, on the contrary, the election is hardly over that the defeated Liberal candidate travels through the constituency and tells the people, and I quote his words:

> If you do not get on our bandwagon, your local initiative project will be rejected, and I will see to it personally.

• (1750)

Mr. Speaker, these things happen in Charlevoix. The guilty ones are the Liberals who are now promising equality for all. I must say that as far as honesty and respect for democracy are concerned, I have seen better.

Mr. Speaker, I would hope that the Speech from the Throne will not be, as usual, a screen of hypocrisy, but the indication of a new government orientation. Whatever is being said by some experts, I think there is always room for rehabilitation as long as the brain is not too badly affected.

Mr. Speaker, on the subject of the Speech from the Throne, I can detect the likelihood of a conference between Quebec and Ottawa as the government wishes to, and I quote:

—increase employment opportunities in Canada.

And the only genuine expert in the matter is in Quebec. I therefore hope that the federal experience will not end up as that of Quebec with "Bob the job".

However, I would like to point out to the government that in a society such as ours, it would be high time for the authorities to refrain from hoodwinking the people and admitting that we have reached cross-roads. Either automation is encouraged and administration is planned so as to enable the individuals to profit by the technique used as a substitute for work through additional social measures, or automation is restricted and the individuals remain enslaved to manual labour.

It is quite well to promise jobs, but it would be proper to recognize the human genius and consider the drastic change due to machinery. It rests with the government to make possible changes, but instead of thinking it delights in the electoral demagogy of irresponsible promises. They promise an expanding economy, but they deny to the citizens of a whole riding even the right to live. They talk about aid to tourism, while at Pointe-au-Pic, a port in my riding—a natural oasis for tourists—they refuse access to this place to tourists. They spend millions to create parks and they forget to develop natural tourist attractions on the shores of the St. Lawrence.

In order to get votes, at Rivière-du-Loup, they invest—or rather I should say that they sink—$12 million in a place where sardines are stranded, while on the other shore of the river, the mere fact of improving a wharf would facilitate the development of a sea port to accommodate the biggest ships, as well as smaller ones.

For the past 15 years, they abandon wharfs in Charlevoix. Some are cut in half, others are breaking down at the bottom, under the action of erosion and sink into the river, a situation that has been experienced for the past 15

years. But finally here we have the government undertaking in the Speech from the Throne to encourage tourism. So we hope that, contrary to his wont, the leader of the government will accept to visit the riding of Charlevoix to become aware of the already existing but undeveloped touristic possibilities and the amount of investment needed to make this area of the country profitable for the population which has now been reduced to asking for the designation of special area.

Mr. Speaker, reducing regional disparities, checking excessive urban development, those are reasons that lead me to suggest to the government that it become aware of the possibilities offered by the riding of Charlevoix so that it may keep its promises.

Now that they have put an end to the ferry service at Les Escoumins, which is unfair to forest producers, they are not sure whether they will provide the grants needed for the maintenance of the Forestville airport, thus depriving citizens of transportation in case of emergency. They let the sea invade the land in Portneuf because they would rather study erosion than prevent landslides by merely building a retaining wall. People like the inhabitants of Île-aux-Coudres are left without emergency transportation service, because the authorities will not repair the piers so as to enable ships to dock along the island at night. Should an emergency arise, people are left to die because they are not important, or so it seems. Such was the attitude of the government in the past. Those are all examples, Mr. Speaker, of opportunities for the government to create jobs for people and to reduce regional disparities.

Mr. Speaker, the present state of mind of the minority government and the good will it demonstrated in the Speech from the Throne make me feel optimistic about the development of my riding but only the future will prove the seriousness of the government and its will to help the people, in particular those of Charlevoix.

In closing, I should like to remind my colleagues that, if before October 30 we were all candidates for a party, on the night of October 30 we were elected, by democratic process, members of a riding; but, and this I stress, once elected we not only represent those who voted for us but all Canadians. I trust that each one of us will remember, during the debates, when votes are taken, that parliament represents every single elector in each of our ridings.

In conclusion, Mr. Speaker, I would like to thank the voters of the riding of Charlevoix for electing me and I hope to prove to them that they made the right decision by offering my services to each and every one, whether they vote for me or not. As member for Charlevoix I intend to serve all the people.

[*English*]

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, it is my turn to speak but in view of the time perhaps I might be permitted to call it six o'clock.

The Acting Speaker (Mr. Laniel): Is it agreed that we call it six o'clock?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): It being six o'clock this House stands adjourned until eleven o'clock tomorrow morning.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, January 11, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

ENERGY

SECURITY OF CANADIAN OIL AND GAS SUPPLIES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, in view of the mounting energy crisis in the United States, with its wide-ranging implications for Canadians in terms of fuel prices and fuel supplies, and having in mind the negotiations being conducted at present regarding commitments of Canadian oil to the United States market, it is imperative to assure the people of Canada of the security of Canadian supplies of oil and natural gas. I therefore ask for unanimous consent under Standing Order 43 to move the following motion:

That the matter of the security of Canadian oil and gas supplies be referred to a special committee of this House for investigation and report, and that the Minister of Energy, Mines and Resources and the Chairman of the National Energy Board be required to appear and provide the committee with all relevant information.

Mr. Speaker: This motion is proposed under the terms of Standing Order 43. It requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The hon. member's motion cannot be put.

* * *

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

Hon. Warren Allmand (Solicitor General) moved for leave to introduce Bill C-2, to amend the Criminal Code.

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

FOOD PRICES

MOTION TO APPOINT SPECIAL JOINT COMMITTEE OF SENATE AND HOUSE

On the order: Government Notices of Motions:

January 9, 1973—the Minister of Consumer and Corporate Affairs:

That a Special Joint Committee of the Senate and of the House of Commons be appointed to inquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends;

That 20 members of the House of Commons to be designated by the House at a later date be the members of the Special Joint Committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to subcommittees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary; and

That a message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select, if the Senate deems it advisable, some of its members to act on the proposed Special Joint Committee.

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

ORAL QUESTION PERIOD

ENERGY

OIL AND GAS—POSITION OF GOVERNMENT ON INTEGRATED CONTINENTAL POLICY SUGGESTED BY U.S. OFFICIAL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Energy, Mines and Resources what response the government plans to make to the suggestion by Mr. Rogers Morton that an integrated continental policy for North America is essential if fuel shortages are to be avoided in certain regions of the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, it has been the custom of successive governments of Canada to follow a policy of reserving supplies against the present and future needs of Canada and then selling any surplus of either of the two commodities into the American or any other markets that

might be interested. We have no intention of changing that policy. If Secretary Morton is suggesting in reference to a continental energy policy that we should enter into an arrangement whereby there would be not only a pooling of the assets of the continent but a pooling of the shortages as well, clearly that is a policy which this government would not intend to follow.

Mr. Stanfield: Is the government of Canada making any proposals to the United States at this time with regard to energy, and has the minister any comment to make on the remark of a senior U.S. official, as reported on CBC radio last evening, that some people in the Canadian government are saying one thing in private and quite a different thing in public?

• (1110)

Mr. Macdonald (Rosedale): Mr. Speaker, I had not heard that comment but I do not consider it to be a just comment. The only discussion we have going at the present time in the energy field is with regard to the question of security of supply for the eastern Canadian market in the event of a crisis in the international oil market cutting off supplies to eastern Canadian refineries. Otherwise we have no discussions on a general energy policy going on with the United States at this time.

SECURITY OF SUPPLY FOR MONTREAL AND DISTRICT MARKET—CONSULTATION WITH QUEBEC ON RATIONING PLAN IN CASE OF EMERGENCY

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): I have a supplementary question, Mr. Speaker, on security of supply for Montreal and the surrounding marketing district. In view of the panic that has hit the United States in the last two days and the rationing of fuel in the northeastern United States, has the minister reached the conclusion that it would be a wise policy to warn the people of Montreal and the marketing district of Montreal that if there is any cut-off in the Portland pipeline to help the Americans out of their emergency the people would have only about 60 days supply?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, it is my understanding that the shortage in the United States is related to the mid-continental rather than the northeastern market. We see no prospect of the Portland to Montreal pipeline being cut off. We are confident that there will be adequate supplies not only in the Montreal refinery area but elsewhere in Canada for Canadian consumption.

Mr. Hamilton (Qu'Appelle-Moose Mountain): In prefacing my next question I should like to say to the minister—

Mr. Speaker: Order, please. The hon. member cannot preface the question; he should ask the question.

Mr. Hamilton (Qu'Appelle-Moose Mountain): I will rephrase my question, Mr. Speaker. Has the minister seen fit to consult with the government of Quebec in order to arrange a rationing plan in case there is such an emergency?

[Mr. Macdonald (Rosedale).]

Mr. Macdonald (Rosedale): Mr. Speaker, we have had discussions with both the office of emergency preparedness in the United States and with other interested parties in this regard. Rationing is certainly one of the possibilities that could occur if, I might emphasize in this regard, that would be if the offshore feed stock was cut off because of an international oil crisis, not because of any crisis in the United States. As I say, at the moment we do not anticipate any difficulty in the Montreal refining area arising from this winter's problem in the United States.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Is the minister aware of the precedent that was set in 1942 when the Americans broke contracts under which they were supplying electrical energy to Ontario during the war when we needed it?

Mr. Macdonald (Rosedale): Mr. Speaker, it is an interesting precedent but I do not see the relevance to the present situation.

OIL—NATURE AND PROGRESS OF NEGOTIATIONS WITH UNITED STATES AND COMMITMENTS, IF ANY—REQUEST FOR SPECIAL COMMITTEE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question for the Minister of Energy, Mines and Resources, Mr. Speaker. In view of the statement of Mr. George Lincoln, director of the White House office of emergency preparedness before a congressional committee that while the Canadian government was not prepared to discuss a continental energy policy at the moment it was discussing individual energy items, and particularly that discussions with respect to oil have been going on since last December, and in view of Mr. Lincoln's statement that these discussions to use his words, "have achieved significant progress" will the minister tell the House the nature of these negotiations, what stage these negotiations have reached and what commitments, if any, have been made by the Canadian government with respect to oil supplies from Canada to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the negotiation the hon. member is questioning is the one I have already referred to, namely, the problem of insecurity of supply for the eastern Canadian market arising from a cut-off, say, due to a mid-east crisis or economic action by the mid-eastern or other OPEC countries. No commitments of any kind have been made in this regard, but basically there have been these discussions related to a contingency plan in case there is an international shortage imposed either for political or economic reasons.

Mr. Douglas: Mr. Speaker, that is not the context in which Mr. Lincoln made the statement to the congressional committee. Having in mind the experience of the past in regard to the Columbia River Treaty and other agreements which were signed by the government and only sent to parliament for ratification afterwards, is the minister prepared to give the House the assurance that no commitments will be made with respect to the energy resources of Canada and their export to the United States

or any other country until the matter has first been submitted to the House of Commons for consideration?

Mr. Macdonald (Rosedale): Mr. Speaker, I think it is fair to point out, if the hon. member is referring to General Lincoln's remarks, that he said precisely what I have just said to the House. The discussion is with regard to security of supply. I would be quite prepared to discuss the security of supply question, as, indeed, I would all energy questions, in the House or, more appropriately, in the relevant committee as these questions arise.

Mr. Douglas: A further supplementary, Mr. Speaker.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for one last supplementary and then recognize the hon. member for Calgary North.

Mr. Douglas: Having in mind that we have been waiting some four years for a statement on the government's national energy policy and having in mind that the crisis in the United States has now brought this matter to a head, may I ask the minister whether the government would be prepared to reconsider the motion I moved a few minutes ago, which the government vetoed, and set up a special committee of the House to look into this matter to which the minister and the chairman of the National Energy Board could give further information in order to assuage the fears and concerns of the people of Canada?

Mr. Macdonald (Rosedale): Mr. Speaker, I would be delighted to assuage those fears by repeating, as I have for the last several days, that we are of the opinion that there is no danger to Canadian energy supplies, either oil or natural gas, arising from either the short-run problem in the United States or on a longer term basis. Therefore I would make the point that I do not think it is helpful to the Canadian viewpoint to keep repeating that this is a danger to us. In our opinion there is no danger, and the actions of the National Energy Board in reserving against present and future needs have been effective.I would be quite prepared to discuss this matter in the standing committee that deals with it under the appropriate framework provided by the estimates.

ASSESSMENT OF RESERVES OF OIL AND NATURAL GAS BY NATIONAL ENERGY BOARD

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question, Mr. Speaker. When the chairman of the National Energy Board came before the Miscellaneous Estimates Committee in reference to the matter of energy he said there was no assessment as to reserves of crude petroleum and natural gas. Has there been any change in that data? Has there been any study in order to bring forward the reserves of the Arctic so that the facts may be made known to the people in charge of this matter?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I wonder whether the hon. gentleman is quoting the chairman correctly. As he knows, in its decision of November, 1971 the board specifically made an assessment of natural gas reserves and arrived at the conclusion that there should be no further exports to the United States. I would think it would be fair to say with regard to both oil and natural gas that there is an informed and precise assessment by the board and the board has acted on this in dealing with natural gas. At the moment, of course it does not control exports of oil.

Mr. Woolliams: Mr. Speaker, I do not want to argue with the minister but if he will check volume five or six of the committee reports I think he will find exactly what I have said. As this matter has been raised by other members today and as there is some question about the nation's reserves of crude petroleum and natural gas, will the minister now say to the House that he will get the committee together so that the officials and the chairman of the National Energy Board can be brought before that committee in order that we may see what data exists at present regarding reserves and be able to know what we are talking about?

Mr. Macdonald (Rosedale): Mr. Speaker, I will repeat for the third time that I would be delighted to meet the committee and discuss this matter just as soon as it is established and the estimates are before it.

Mr. Speaker: Order, please. Before recognizing hon. members for additional supplementaries on this question the Chair will recognize the hon. member for Portneuf and then perhaps have three or four additional supplementaries on this subject.

* * *

[*Translation*]

TRANSPORT

QUEBEC—REPRESENTATIONS BY UNION LOCAL TO AVOID LAYOFFS

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of Transport.

Could he tell us whether the leaders of the Quebec local of the Canadian Transportation Employees Union have made representations to avoid dismissals as a result of a burdened budget and if so, is he in a position to tell us whether steps have been taken so that workers who have been in the employment of the Department of Transport for three years will not be out of work?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the answer to the question is yes. The department is now considering the problem.

[*English*]

Mr. Speaker: The Chair recognizes the hon. member for Cumberland-Colchester North on a supplementary to the previous question.

Oral Questions

POWER

FUNDY TIDES—REQUEST FOR INFORMATION ON RECONSIDERATION OF REPORT OF BOARD

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, can the Minister of Energy, Mines and Resources tell us where the re-examination of the report of the board on the Fundy tidal power project stands at present, and can he give some indication—

• (1120)

Mr. Speaker: Order please. I am not sure that is really a supplementary. However, the question has been asked and as it may move us on to the next subject perhaps the minister might reply.

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I will be glad to get the hon. member a progress report on that re-examination.

* * *

ENERGY

OIL PRICE INCREASE—INQUIRY AS TO POSSIBILITY OF PIPELINE FROM WESTERN CANADA TO MONTREAL

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Energy, Mines and Resources. In view of the fact that the oil price increase seems to be have been based on the fact that offshore oil producers have set their landed price at Montreal at a higher figure, and in order to get around the jacking up of oil prices in the rest of Canada, can the minister indicate whether the government has any plans to promote the building of a pipeline to Montreal for Canadian crude?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Not at the present time, Mr. Speaker.

INQUIRY AS TO DECISION ON PROPOSED MACKENZIE VALLEY PIPELINE

Mr. Max Saltsman (Waterloo): I have a supplementary question, Mr. Speaker. What is the present status of the proposed Mackenzie pipeline and has the government reached any decision on the undesirability of building that pipeline?

Mr. Macdonald (Rosedale): Mr. Speaker, with regard to any pipeline in the Mackenzie Valley the initiative would have to rest, as is always the case in pipeline applications, with the private group, the consortium that has been formed for this purpose. I am advised that possibly there will be an application coming forward in September of this year for a natural gas pipeline in the Mackenzie Valley but, of course, that would go to the National Energy Board for public hearings and discussion. As I say, the initiative in such an application rests with the private group.

Mr. Speaker: Order, please. Hon. members will notice there are quite a few members who are suggesting there should be further supplementaries. We have spent close to 20 minutes on this subject. I realize at the same time that other members have questions to ask. There will be another two or three supplementaries and then I suggest we should go on to the next subject and, if there is time, return to this matter later.

[Mr. Speaker.]

* * *

INCOME TAX

INQUIRY AS TO AMENDMENTS TO ACT TO PLACE CANADIANS ON EQUAL FOOTING WITH U.S. INVESTORS IN OUR OIL AND GAS INDUSTRY

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, I should like to direct a question to the Minister of Finance. As a result of our concern and his concern for security of supplies in the oil industry and his concern for Canadian ownership, does he intend to introduce amendments to the Income Tax Act in his budget which would have the effect of encouraging Canadians and placing them on an equal footing with United States investors in the oil and gas industry in Canada?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will take note of the hon. gentleman's representation but he will appreciate it would be difficult for me to answer that question before budget night.

* * *

COPPER

TIMING OF PRICE INCREASES—INVESTIGATION OF POSSIBILITY OF COLLUSION BY COMPANIES

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs if he can inform the House whether he has discussed with officials of the Canadian copper producing companies the unusual coincidence of copper price increases being announced by several companies within minutes of each other?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have not had such a discussion but I will see that the hon. gentleman's question is directed to the attention of the appropriate officials in my department.

Mr. Peters: Will the minister direct this matter to the attention of the Director of Research and Investigation under the Combines Investigation Act to determine whether there was collusion and whether the copper price increases were unjustified?

Mr. Gray: Mr. Speaker, I intended to imply in my previous answer that I would see that the matter was drawn to the attention of the Director of Investigation and Research.

HOUSE OF COMMONS

REDISTRIBUTION OF RIDINGS—SUGGESTED AMENDMENT OF BRITISH NORTH AMERICA ACT TO MAINTAIN PRESENT LEVEL OF MEMBERSHIP IN CERTAIN PROVINCES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Prime Minister. It has to do with the redistribution that is now being considered by committees which I understand are meeting in the various provinces. In view of the fact that several provinces—Newfoundland, Nova Scotia, Quebec, Manitoba and Saskatchewan—will be losing membership unless there is an amendment to the British North America Act, has consideration been given by the government to bringing in an address to the end that membership in these various provinces will not fall below the present level and to achieve that either by a directive or by increasing the size of the membership in the House as I believe was done in the forties?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, some thought has been given within the government to such a matter. I would be prepared to pursue that thought. I feel that unless the legislation or the amendment were retroactive it would probably be impossible to do anything about the electoral reform action which is now in process. But I will look into that aspect of the matter, too. I do know that this is an important problem for many provinces in Canada. It does involve an amendment to the British North America Act, and that is no easy undertaking.

Mr. Diefenbaker: I thank the Prime Minister. Now I should like, in a supplementary, to refer particularly to the position of Saskatchewan and Manitoba whose rural areas are being depopulated. Both provinces are to lose members. Knowing of the Prime Minister's interest in the west I wonder whether he would look into this question particularly to the end that depopulation will not result in members having to represent constituencies so large as to make it virtually impossible for them to do so.

Mr. Trudeau: The right hon. gentleman must not forget that my interest in the west is paired with interest in other parts of the country and that redistribution does have an effect on other provinces than those in the west. Some provinces, as he will know, are protected by the provision relating to Senate seats, when a decline in population would otherwise affect them adversely.

An hon. Member: Let the Senate deal with that.

Mr. Trudeau: The hon. member may ask a supplementary if he wishes. The only solution which can be envisaged, therefore, is one of enlarging considerably the membership of the House. We would also have to consult the architects about that aspect.

Mr. Diefenbaker: The Prime Minister certainly realizes that the provision respecting Senate membership does not help us at all.

Mr. Trudeau: As Canadians or as Saskatchewans?

Mr. A. D. Hales (Wellington): Can the Prime Minister tell us what the target date is for establishing the new electoral boundaries?

Mr. Speaker: Order, please. The hon. member will realize he is now asking the Prime Minister to give an opinion on a matter of law. I do not think a question in those terms is in order.

* * *

THE CANADIAN ECONOMY

INQUIRY AS TO INCOME TAX REDUCTION TO CREATE JOBS AND PRESENTATION OF PROGRAM FOR STIMULATION TO PROVINCIAL FINANCE MINISTERS

Mr. Joe Hueglin (Niagara Falls): Mr. Speaker, may I address my question to the Minister of Finance. Can the minister tell the House, as urged by the president of the Canadian Labour Congress yesterday, whether the government intends to introduce a substantial reduction in personal income taxes as a major means of creating more jobs at the present time?

Hon. John N. Turner (Minister of Finance): I shall certainly take seriously the hon. gentleman's representation.

Mr. Hueglin: Can the minister tell us whether he will be outlining a specific and comprehensive economic program at the meeting with the finance ministers of the provinces in order to stimulate the economy in co-ordination with them?

Mr. Turner (Ottawa-Carleton): The discussion at those meetings next week will be very comprehensive.

Mr. Speaker: The hon. member for Scarborough West.

Mr. Harney: I defer to my hon. friend from Lakeshore.

Mr. Speaker: The hon. member for Oshawa-Whitby.

* * *

• (1130)

REGIONAL ECONOMIC EXPANSION

REQUEST FOR STATEMENT ON PAYMENT OF GRANTS TO COMPANIES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. In view of the fact that, according to statistics released by his department yesterday, as of the end of November 811 firms or only 37.5 per cent of those that have been offered and have accepted DREE grants since the inception of this program have actually received partial payment, will the minister undertake to make a statement on motions in the near future explaining why such a small number have actually received funds and begun projects compared with the very substantially larger number of firms his department has announced to the press and Members of Parliament would actually receive them?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I will be very pleased to do so in the appropriate forum, either by a statement on motions or by discussion in detail with hon. members during an appearance before the committee. I am delighted to have heard the hon. member's comment that indeed there is this relatively small percentage because it indicates we are not handing out funds indiscriminately but are making sure that they are darn good programs before anybody gets anything.

REQUEST FOR EXPLANATION OF DISAPPEARANCE OF CERTAIN JOBS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a supplementary question for the minister in charge of regional economic expansion. In light of the release of the monthly reports of DREE, dating back six months, which indicate that approximately 3,800 jobs have been lost for which the government previously claimed credit, is the minister going to table in the House a more detailed explanation of why these jobs suddenly disappeared?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Yes, Mr. Speaker, this is part of the reorganization I am hoping to undertake.

Some hon. Members: Oh, oh!

Mr. Jamieson: As the hon. member will know, Mr. Speaker, on a projection basis it is impossible to be precise as to the number of jobs, but I think we owe it to the House and to the public to explain what happened in cases such as this.

Mr. Baldwin: Particularly to the public.

* * *

AIRPORTS

HIJACKING—SUGGESTED TRANSFER OF JURISDICTION OVER POLICE OPERATIONS FROM CRIMINAL CODE TO AERONAUTICS ACT—INTRODUCTION OF SPECIAL FORCE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Transport but I would first like to congratulate him on assuming one of the two most important portfolios in the government.

Some hon. Members: Hear, hear!

Mr. Hees: As police operations at our international airports come under the jurisdiction of the police forces of the municipalities in which the airports operate, which makes it very difficult to deal adequately with potential hijackers and hijacked planes, is the government giving consideration to transferring jurisdiction over these police operations from the Criminal Code to the Aeronautics Act so these matters can be handled by the RCMP?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the hon. member for—what riding?

Mr. Baldwin: Prince Edward-Hastings.

[Mr. Broadbent.]

Mr. Marchand (Langelier): As hon. members have heard, there is a reference in the Speech from the Throne to the Aeronautics Act. We intend to amend this act so that we will have more power, and you will see, of course—

Mr. Baldwin: More power to the minister.

Mr. Marchand (Langelier): Pardon me?

Mr. Baldwin: More power to the minister.

Mr. Marchand (Langelier): Yes. We know that we have to reinforce security at airports. This is being done in the United States and we intend to do it here, but it is very difficult to give details at this moment.

Mr. Hees: Mr. Speaker, I have a supplementary question for the Minister of Justice. Is he doing everything possible to facilitate the transfer of this jurisdiction from the Criminal Code to the Aeronautics Act, and will he advise the House when he expects to have the special force being trained by the RCMP to operate at our airports ready?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I think at least part of that question would be more properly directed to the Solicitor General. I can assure the hon. member for Prince Edward-Hastings that this matter is receiving high priority within the Department of Justice so far as the drafting of legislation is concerned.

Mr. Hees: Mr. Speaker, I have a final supplementary question for the Solicitor General. Will he advise the House when he expects that the special force which is being trained will be in operation at our airports?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the force is being recruited right now and some of the men will be trained very shortly. I do not have an exact date when they will be ready for work.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—CRITERIA FOR APPROVAL OF PROJECTS

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

Has he checked whether officials of his department do apply the major standards in the approval of local initiatives projects, including the one concerning the regional unemployment rate?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I did attempt to answer this question yesterday, but in a nutshell that certainly is the prime criteria which is being applied in the selection of projects for approval.

YOUTH

INQUIRY AS TO 1973 OPPORTUNITIES FOR YOUTH PROGRAM

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, because of the high unemployment figures among young Canadians as announced this week, I should like to ask the Secretary of State whether he will soon be announcing an amendment to the Opportunities for Youth program to take effect in the early spring months when there will be an even greater influx of younger people on the labour market?

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. Speaker, I hope to be announcing early next week the summer 1973 program.

PROVISION OF SPECIAL COUNSELLING IN MANPOWER OFFICES FOR YOUNG CANADIANS SEEKING WORK

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I have a supplementary question I should like to address to the Minister of Manpower and Immigration. It is also based on the unemployment figures in respect of young Canadians announced this week. Is the minister making special provision in the manpower offices to counsel young Canadians seeking employment and will this provision be made soon enough to deal with the anticipated influx of young Canadians on the labour market in the spring months?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker.

OPPORTUNITIES FOR YOUTH PROGRAM—ELIGIBILITY FOR GRANTS OF PERSONS ILLEGALLY IN CANADA

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question for the Secretary of State. Will persons who are illegally in Canada be eligible for grants under the Opportunities for Youth program as proved to be the case last year?

Hon. James Hugh Faulkner (Secretary of State): Of course not, Mr. Speaker.

* * *

BUSINESS OF THE HOUSE

REQUEST THAT PRIME MINISTER INDICATE BEFORE DEBATE ON ITEMS OF GOVERNMENT BUSINESS WHETHER CONFIDENCE IS INVOLVED

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in light of the very unique and interesting constitutional doctrine enunciated by the Prime Minister in the debate on the Speech from the Throne, would he be kind enough before debate on any item of government business commences in the House to indicate whether in the view of the government it involves a question of confidence?

Right Hon. P. E. Trudeau (Prime Minister): I will be glad to attempt to do that, Mr. Speaker, if the hon member can refer precisely to what novel constitutional doctrine I enunciated.

Mr. Baldwin: Mr. Speaker, I would suggest to the right hon. gentleman that he read the speech of the right hon. member for Prince Albert who dealt with this matter. If the Prime Minister agrees to accept this very reasonable suggestion, would he indicate the source of his authority so we will know whether it is constitutional or celestial?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Peace River will appreciate he is suggesting that we have a constitutional debate at this time. I do not think this is the place, the time or the occasion for that.

* * *

BOOKS

ALLEGED DUMPING IN CANADA OF UNITED STATES EDITIONS OF CANADIAN BOOKS IN VIOLATION OF COPYRIGHT LAW

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to ask the Minister of Industry, Trade and Commerce whether the government has investigated charges that United States publishers are dumping American editions of Canadian books in Canada in violation of Canadian copyright laws?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of this situation but I will be pleased to make inquiries.

* * *

PORTS

CHURCHILL—ACTION TO ACHIEVE GREATER UTILIZATION

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in view of representations made last summer by the governments of Manitoba and Saskatchewan as well as by the Hudson Bay Route Association and farm groups for greater utilization of the port of Churchill, will the Minister of Transport tell us what action he is taking leading to the greater utilization of that port?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, that is a problem we are now considering and perhaps in a few weeks we will be in a position to find a solution.

[*English*]

Mr. Nystrom: Mr. Speaker, in view of the fact that this question has been under consideration for many years, can the Minister of Finance assure us that there will be an item in his budget to provide funds for the greater utilization of the port of Churchill?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will have to take that as a representation.

Oral Questions

FLOODS

ASSISTANCE TO PEOPLE WITH PROPERTY ON NORTH SHORE OF LAKE ERIE DAMAGED BY HIGH WATER LEVEL

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, in view of the high level of water in the Great Lakes, particularly Lake Erie, which has resulted in considerable damage to farm land, cottages and marinas, would the Minister of Public Works have his engineers advise the people in the area of Long Point on the north shore of Lake Erie how they may get temporary relief in the form of either advice or financial assistance?

• (1140)

Mr. Speaker: Order, please. This is a representation and the hon. member will have to assume that the minister has noted it.

Mr. Knowles (Norfolk-Haldimand): Mr. Speaker—

Mr. Speaker: Order, please. Hon. members will appreciate the fact that we are running short of time.

Mr. Knowles (Norfolk-Haldimand): I pass, Mr. Speaker.

Mr. Speaker: That is much better.

* * *

POST OFFICE

INQUIRY AS TO AMENDMENT OF PUBLIC SERVICE STAFF RELATIONS ACT IN LIGHT OF DIFFICULTY IN CONTRACT NEGOTIATIONS WITH EMPLOYEES

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the President of the Treasury Board. In view of the problems related to the recently concluded postal negotiations arising out of what appears to be deficiencies in the Public Service Staff Relations Act, does the minister propose to introduce amendments to that legislation and, specifically, what are these amendments which will cope with the problem?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think it was stated in the throne speech that amendments to that act would be introduced at a later stage.

Mr. McGrath: In view of the continuing problems in this department with regard to the recently concluded agreement and the indication that a very small majority of the postal workers accepted the conciliation report, may I ask the minister when the government proposes to introduce amendments to this legislation since this matter does have a great deal of urgency?

Mr. Drury: I will consult with the House leader about the timing.

CONSIDERATION OF PAY SCALE FOR CODE OPERATORS IN FURTHER NEGOTIATIONS WITH UNIONS

Hon. W. G. Dinsdale (Brandon-Souris): I have a supplementary question for the President of the Treasury Board, Mr. Speaker. In view of the fact that the arbitrary low pay scale laid down by the Treasury Board for the new job classification of code operator has been a major concern in the long drawn-out contract negotiations, will this item be given priority consideration in the renewed negotiations?

[Mr. Turner (Ottawa-Carleton).]

Mr. Speaker: While this question is being pondered the Chair will recognize the hon. member for Surrey-White Rock.

* * *

CONSUMER AFFAIRS

INCREASE IN PRICES OF GASOLINE AND AUTOMOBILES—INVESTIGATION OF JUSTIFICATION

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I should like to direct my question to the Minister of Consumer and Corporate Affairs. It is really subsequent to several questions on this subject in recent days. It has to do with the double burden recently put on the millions of Canadian motorists by the increase in the price of certain major automobile company products and the recent increase in the price of gasoline. Are the minister and his department satisfied that these increases, which are a burden to millions of Canadians, are justified or is his office still investigating to find out whether action can be taken to protect this body of Canadian consumers?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, if the hon. member is referring to possible action under the Combines Investigation Act, I am advised that the practice followed by successive governments is not to allude to the possible existence of an inquiry under the act unless such an inquiry has been terminated, unless the matter goes to the Restrictive Trade Practices Commission or unless there is some court proceeding.

* * *

AIRPORTS

MOUNT HOPE, ONT.—RECONSIDERATION OF EXPANSION PLANS

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, I should like to direct a question to the Minister of Transport. In view of the representations he has received and those received by his predecessor, is he giving reconsideration to the existing plans for expansion at Mount Hope airport?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, as the House was informed yesterday, we have just received the report following the hearings on expropriations. We had promised that when we would receive this report a commission would be formed, which would enable those who want to make representations to do so.

We shall therefore give this new opportunity to the people of the area who want to make representations

concerning the new airport, and we shall then reach a decision.

[*English*]

Mr. O'Sullivan: Mr. Speaker, is the minister aware of the fact that there is a difference between the proposed expansion at Pickering and the proposed expansion at Mount Hope?

* * *

SHIPPING

IMPLEMENTATION OF DARLING REPORT RECOMMENDATIONS

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I should like to direct a question to the Minister of Transport in reference to the Darling report. May I ask the minister whether the government has studied the report and is at present studying it, and how soon we may expect the implementation of the very important major recommendations of that report?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Yes, Mr. Speaker, such a report has been considered. As soon as time will permit me, I would like to meet the premiers of the Atlantic provinces who are or may be affected and immediately after I hope the cabinet will bring in a new policy.

* * *

[*English*]

CANADIAN PACIFIC RAILWAY

SITE FOR DUMPING OF GARBAGE FROM METROPOLITAN TORONTO

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is for the Minister of Transport. Would he contact the Canadian Pacific Railway to find out as soon as possible and report back to the House the specific location where the railway intends to dump 400,000 tons of garbage annually from metropolitan Toronto, even though he may have no statutory authority to require that information?

Hon. Jean Marchand (Minister of Transport): As you know, Mr. Speaker, I have no jurisdiction over garbage, but I will certainly put the question to the CPR as soon as I can.

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—REQUEST FOR DECISION ON CERTAIN VANCOUVER THEATRE PROJECTS

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the fact that seven LIP theatre projects in the Vancouver area have been recommended to him and are still in limbo, leaving personnel, material and locations idle for weeks at this time of high unemployment, can the minister give a firm date when a decision will be made on these projects?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I do not think I am in a position to give a precise date other than the indication I gave yesterday that we will be issuing all approvals by approximately January 19. I might say that some of those particular projects are difficult to decide upon because this will be the second or third time that one or two of them have been financed. This raises the question of when such a project becomes viable to operate on its own or whether it should receive continued public financing if the general public does not support it.

Mr. Leggatt: In view of the answer, can the minister explain why seven similar projects have already been approved in the Toronto area, and does he believe that Toronto—

Mr. Speaker: Order, please. The hon. member will appreciate that this is an argument.

* * *

NATIONAL PARKS

NOVA SCOTIA—PROPOSED THIRD NATIONAL PARK—INTENTION OF PROVINCE

Mr. J. M. Forestall (Dartmouth-Halifax East): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. In light of the expiry date on the memorandum of agreement between the federal authority and the province of Nova Scotia with respect to a third national park and as the date is approaching very soon, may I ask the minister whether or not he has received any communication from that government with respect to its intention?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have not had any recent contact with the Nova Scotia government in this regard but I shall inquire and if there is any development I shall inform the hon. member accordingly.

* * *

[*English*]

AIRPORTS

REQUEST FOR ASSURANCE THAT COMMISSIONAIRES WILL NOT LOSE JOBS WHEN SPECIAL SECURITY FORCE INTRODUCED

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is supplementary to an earlier one to the Solicitor General. In view of the fact there are rumours—if I can get away with that term—that the commissionaires at the various airports are in danger of losing their jobs because of the special RCMP security force being appointed, can the minister give the assurance that no such action will be taken?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I will have to check into what might happen to the commissionaires who are at present doing the work. I know we are now recruiting special constables, but I will have to obtain a proper answer to this question.

Mr. Lundrigan: In view of the fact thousands of these dedicated people have been providing this service for years, and as the minister certainly should have made a decision by now, will he give an undertaking to report to the House tomorrow with the assurance that these people will not lose their jobs?

Mr. Speaker: Order, please.

* * *

NATIONAL PARKS

REQUEST FOR RELEASE OF REPORT ON LAND RENTALS

Mr. Joe Clark (Rocky Mountain): Mr. Speaker, I have a question for the minister responsible for national parks. Will he release immediately the report on land rentals in the national parks, which was submitted to him almost two years ago by the rental review board under C. C. McLaurin?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I shall look into that matter and be pleased to inform the hon. member. If this report has not yet been tabled it is because it involves rulings regarding certain individuals and certain business undertakings. It might not be in the public interest to disclose these facts without getting the consent of the people concerned.

* * *

• (1150)

[*English*]

MANPOWER

LOCAL INITIATIVES PROGRAM—REQUEST THAT LOCAL IMPROVEMENT DISTRICTS BE MADE ELIGIBLE FOR GRANTS

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, I wish to address a question to the Minister of Manpower and Immigration. In view of the fact that local improvement districts in Saskatchewan apparently are not eligible for grants under the LIP program and yet they are in effect municipal bodies—they are governed locally and they already get provincial grants—

Mr. Speaker: Order, please. Would the hon. member ask a question and not present an argument?

Mr. Nesdoly: Has the minister given some consideration to changing this policy to include local improvement districts as entities eligible for these grants?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, this question was asked by another hon. member yesterday and I have just sent him a note with the information that I received last night. I find contrary to what I thought was the case yesterday, that local improvement districts are in fact not eligible because they are considered to be part of the provincial government. This criterion was discussed and approved by the provincial government before the terms were established for the making of LIP grants.

* * *

ADMINISTRATION OF JUSTICE

REQUEST FOR LEGISLATION ON SENTENCING, COMMUTATION AND PAROLE IN CONJUNCTION WITH CAPITAL PUNISHMENT BILL

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Solicitor General. As the issues are clearly related, will he or the Minister of Justice introduce legislation dealing with sentencing, commutation and parole which could be considered simultaneously with the capital punishment bill?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, just prior to Christmas I received a report from the Hugessen task force which dealt with the whole matter of parole, temporary absences, sentences and so on. We are presently studying that report with a view to preparing some legislation or changes in the regulations, and we will be announcing our intentions in due course.

* * *

[*Translation*]

CONSUMER AFFAIRS

POTATOES—MEASURES TO CONTROL PRICES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a question to the Minister of Consumer and Corporate Affairs.

In view of the fact that towards the end of 1971 the government guaranteed a minimum support price of $1.50 per bushel of potatoes, and that the opposite trend is now manifesting itself in that potatoes are selling for $3.50 per 50 lbs. and, according to my information, might sell as high as $5 to $6 by April 1973—

Mr. Speaker: Order. I am sorry to interrupt the hon. member but I suggest to him, and to all other hon. members, that many more could take part in the period if questions were shorter—and I must add, answers as well. In any event, I invite the hon. member to put his question as quickly as possible, as we have reached the end of the oral question period.

Mr. Beaudoin: Can the minister tell us whether or not he intends to take steps to protect the consumer?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I feel that the matter of the cost of potatoes really falls within the jurisdiction of the Minister of Agriculture.

Mr. Beaudoin: I would therefore ask the Minister of Agriculture whether he can answer my question.

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, with regard to the price of potatoes I was talking to my colleague from Prince Edward Island and he is quite happy with them at the present time.

Mr. Speaker: Orders of the day.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, on the usual Thursday point of order I would like to ask the government House leader about the business for the rest of this week and for next week?

Mr. MacEachen: Mr. Speaker, we will continue with the throne speech debate today and tomorrow and next week until it comes to its conclusion. Following the conclusion of that debate I will be calling one of the items at present on the order paper. Whether it will be the resolution on food prices or the debate on capital punishment is something I have not finally determined. I would be happy to hear from the other House leaders as to what order of business they would prefer.

Mr. Baldwin: In light of the fact that there have been a number of references to the budget, can the government House leader or the Minister of Finance make a very visible effort to indicate when we are likely to have the budget?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I would like to discuss that further with the government House leader to see just what his panorama or timetable of business is.

* * *

POST OFFICE

CONSIDERATION OF PAY SCALE FOR CODE OPERATORS IN FURTHER NEGOTIATIONS WITH UNIONS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I rise on a point of order arising from your recommendation that the President of the Treasury Board ponder my supplementary question. Could the President of the Treasury Board or the Postmaster General now reply because I feel that this matter is of basic importance in restoring efficiency in the Post Office, which has suffered a serious decline?

Mr. Speaker: Order, please. That is not quite a point of order, as I am sure the hon. member will recognize. However, in view of the fact there was some difficulty or noise in the House when his question was asked, perhaps the minister might be allowed to reply to it now.

Hon. C. M. Drury (President of the Treasury Board): You are correct about there being noise in the House, Mr. Speaker. I am not sure what the question was. I will have a word with the hon. gentleman after the question period.

Mr. Dinsdale: Mr. Speaker—

Mr. Speaker: Order, please. If the hon. member wants to ask his question again, perhaps by consent we could allow it, but after that we will move on to orders of the day.

Mr. Dinsdale: Mr. Speaker, it is an important supplementary. In view of the fact the arbitrary low pay scale laid down by the Treasury Board for the new job classification of code operator has been a major concern in the long drawn-out contract negotiations, will this item be given priority consideration in the renewed negotiations?

Mr. Drury: Mr. Speaker, I am sure the hon. member would not like me to issue an ultimatum. As the hon. gentleman knows, there was consideration of this point by a conciliation board which formulated a report and we expressed our views before it. I am quite sure that the scales of pay and classifications will be examined, or re-examined, in the negotiations which are now taking place.

Mr. Marshall: Mr. Speaker, I rise on a point of order. I do not think we should miss the opportunity to offer the Minister of Communications our best wishes when he makes a telephone call at four o'clock this afternoon to northern Canada to Mr. Ludi Pudlik at Resolute in the Arctic. I wonder if I could prevail on the minister to ask Ludi to call northern Newfoundland for me because that part of northern Canada still has a most unreliable telephone service—I cannot get through to them—and the television service is also terrible.

Mr. Speaker: Order, please. This is not a point of order. Orders of the day.

* * *

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Wednesday, January 10, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Stanfield (p. 52).

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, it is a great pleasure to be able to congratulate you on your successful re-election not only to the House of Commons but also to the Speakership of this House. This is the third parliament in which you will have been the Speaker. I think this has created a rather valuable precedent in our affairs, in that we have now made a series of decisions with respect to you, Sir, which have led, perhaps, to the creation of a permanent Speaker in the House of Commons. Your attainment of the office is well deserved because with your sense of humour and abilities you are able to break up tense moments in the House with a word of humour, thus making Members of Parliament who have never been particularly cognizant of the authority of the Chair, they being carried away in the battles of the moment, aware that they should pay more attention to the rules than otherwise might be the case.

At the same time I would like to comment on the election of Mr. Deputy Speaker. I think it is high time that the practice of sharing high positions in the House of Commons between parties was adopted and continued. I hope that in succeeding parliaments this precedent that we have begun will be continued. I think that the person who now holds the position of Deputy Speaker has been particularly well chosen.

Further, Mr. Speaker, I would be remiss if I did not congratulate the Deputy Chairman of Committees and the Assistant Deputy Chairman of Committees, both of whom served well in the last House of Commons, on their re-election to those positions.

This brings me to an important point which has to do with the committee system as it will operate in this House of Commons in which there is no majority. It has been the practice since the committee system was revamped under the government of the late Lester B. Pearson that, with the exception of the Public Accounts Committee, chairmen of committees have been drawn from the party with the largest numbers in the House. It was always my feeling that this was an undesirable precedent, because the role of a chairman of a committee is analogous to that of yours, Sir, in the House of Commons, in that the committees are microcosms of the House of Commons with the parties represented on them in proportion to their strength in the House. The role the chairman of a committee ought to play should be that of Mr. Speaker in the House of Commons. Therefore, Mr. Speaker, it seems that, given the standings in the House of Commons, we have an opportunity to try to revise the way in which chairmen have been selected.

• (1200)

The suggestion I would put forward is that Mr. Speaker, in conjunction with either the whips of the various parties or the House leaders, should develop a panel of chairmen from both sides of the House, including all groups in the House of Commons, who would serve as chairmen of these committees. I think this would be a valuable precedent. It would give experience to a variety of members in the functions of the House of Commons; it would provide a valuable training ground for individual members to learn the rules and to train for important positions such as the role you now play, Mr. Speaker, the role of Mr. Deputy Speaker, Chairman of Committees and Deputy Chairman of Committees. I think that this kind of precedent could only strengthen the House of Commons particularly at a time when the role of the Chair and the role of the chairmen of committees are going to be of particular importance to the smooth functioning of the House. I think it would also be a happy advance toward building on the precedent which has led, I would hope, to the continuing development of a permanent Speakership of the House of Commons and the bipartisanship of the office of Speaker of the House of Commons with the inclusion of Mr. Deputy Speaker.

Recently the redistribution commission for Ontario made a series of recommendations regarding that province. The riding I represent, Kenora-Rainy River, is one of the largest in Canada. Unfortunately, under the recommendation of the boundary commission that riding would expand by approximately one-third even though, if one looks at the population figures for northern and northwestern Ontario, it would be possible to have the same number of seats available instead of the present recommendations under which we will now lose two seats, one for northern Ontario and one for northwestern Ontario. It seems to me, Mr. Speaker, that the rural ridings in Canada, not only of northern and northwestern Ontario but all across Canada, are too large.

Some hon. Members: Hear, hear!

Mr. Reid: The workload for rural Members of Parliament is simply becoming far too great for them to handle and for them to exercise all the responsibilities they must when they become members. The reason is quite simple. By their very nature rural ridings do not have large centres which can provide the government services so badly needed. That means that the people depend more on their Member of Parliament than do those in larger communities with a variety of government services. The workload is different and I would say that the workload of a rural Member of Parliament is far in excess of that of an urban member.

This development is unfortunate. It seems to me that the redistribution commission has gone a step further in the way in which it has attempted to divide Ontario by creating urban ridings and has left vast rural ridings without any natural communication centres through which the people can contact their member. In my own case I would have to work out of both Winnipeg and Thunder Bay in order to provide proper communication with my constituency. There is no large centre in my constituency which means that the scattered population does not receive that kind of representation to which they are entitled to receive from their member. More important, Mr. Speaker, they do not reap the full benefit of the services of either the federal government or the provincial government because of their isolation and the distance from the larger centres of communication from which government operates. It seems to me, Mr. Speaker, that they do not receive proper value for their tax dollars because of this diminution of services.

I think the way in which the redistribution commissions have been operating works against the rural areas and makes it difficult for them to benefit from the development programs of the government, for example, regional development expansion. It makes it almost impossible for Members of Parliament representing such areas to participate fully in the work of the House and to provide national representation in their areas. The Member of Parliament is responsible for being the linchpin between the federal government agencies, provincial government agencies and his constituents. The workload becomes very heavy.

Parts of the Speech from the Throne could be entitled "What I have learned from the last election". I think we all learned a great deal about how people feel about government, not partisan politics, but the way in which government is carried on. One of the things which has bothered me is the expansion of governments into areas in which they were not before. There has been a tremendous feeling of uneasiness in that what the government says it can do is not in fact being done. The people feel that govern-

ment decides to do things, makes promises and sets up a bureaucracy, but the results of that bureaucracy and those promises fall far short of what was originally intended. They feel that the bureaucracy which has been established to do certain things does not benefit them but only the members of the bureaucracy who hold jobs. They feel that the bureaucracy is not sufficiently sensitive to the needs of the people, that administrative procedures, decisions, interpretations of regulations and even acts of parliament are designed not to assist the people who have selected Members of Parliament to vote these laws into effect but to assist only those people who are administering them.

It is my feeling, Mr. Speaker, that there have to be new ways of solving the problems other than the traditional ones of identifying the problem, identifying a solution and then creating the bureaucracy to solve it. That mode of action is no longer successful. I am encouraged by experiments such as the opportunities for youth and local initiatives programs which have given people an opportunity to use their own ideas and to work on solutions to their own problems.

Because of this distrust, if you will, of the governmental process, it strikes me that we must be prepared to consider another proposition. In the early 1960s there was considerable debate in the House of Commons, in the provinces and in the country at large about the possibility of appointing an ombudsman for Canada. I know the idea was canvassed in the House and the former member for Red Deer presented a bill to the House of Commons. I am in the process of preparing a bill for consideration of the House about the creation of the office of ombudsman.

Because of the situation in which we now find ourselves with a minority parliament, the government will not have the energies to cope with the growing power of the bureaucracy; it means that the energies of the government will be concentrated in the House of Commons; it means that we as Members of Parliament will not have the energy to try to cope with the growth of bureaucracy; it means that we must find some other agency to deal with this growing problem. Therefore it seems to me that the creation of the office of ombudsman would be beneficial not only in terms of dissipating the uneasiness of so many of our constituents over the development and exercise of bureaucratic power, but that it would be beneficial for the bureaucracy itself to know that there was a means by which people who felt they were being discriminated against by that bureaucracy could have an adequate hearing of their grievances. It seems to me that this role can no longer be played to the fullest extent by the Member of Parliament if government continues penetration into a variety of areas of Canadian society.

In the Speech from the Throne I was delighted to see concentration on the needs of western Canada. As a member from Ontario whose constituency is significantly affected by developments in the west, I feel there is a caveat I must enter on behalf of my constituents. That caveat is that if and when the meeting with the four western provinces is held to consider their economic intentions, there must be provision for representation from northwestern Ontario. Our area is affected directly by what goes on in the west and is dependent on decisions taken in the west. I am referring to federal government decisions in response to the desires of the west. While it may be convenient for the federal government to divide the country and to operate on the basis of provincial consultations, it is also important for the federal government to deal adequately with the northwestern Ontario region that abuts on the western region, and to provide us with representation to permit us to make our own case at conferences involving the government of Canada and the West. We in northern Ontario have a separate personality, if you will, and we need representation to speak for northwestern Ontario. We do not merely need representation from the province of Ontario which we feel has never been able to speak adequately for us at Queen's Park, let alone at federal-provincial conferences.

• (1210)

I was also pleased to see the reference to the Department of Regional Economic Expansion in the speech and the promise that there would be more decentralization and closer co-operation with provinces. I wish to make only one comment concerning regional economic expansion. I say to hon. members who come from Toronto and from what we in the north call the golden horseshoe that if there is any sense in the existence of the Department of Regional Economic Expansion in Canada it means that growth must be limited in those particular areas and diverted to the fringe areas of Canada. Perhaps a certain amount of growth will need to be taken away from the golden horseshoe area. It will not do for Members of Parliament on this or the other side of the House to speak piously of the aims of regional economic expansion without being prepared to make the necessary sacrifices to limit their own growth and to take active steps to divert growth, that is, existing industries, to areas in need.

Some hon. Members: Hear, hear!

Mr. Reid: If that basic principle is not accepted by the House the Department of Regional Economic Expansion might as well be eliminated, because it will not have any long-term effect. It will not bring any significant long-term benefit to those fringe areas of Canada that want to grow but have been unable to grow because of the way in which policy until now has been designed in Canada. It has been designed to protect and develop secondary industry in central Canada, which I interpret as being Ontario and Quebec.

I now return to a serious problem existing in my constituency at present. The provincial and federal governments have determined that one of the growth industries in northwestern Ontario that must be developed is the tourist industry. Camp owners have been urged to winterize their operations and to try to keep open, where possible, for 12 months instead of concentrating on the two summer months as some do. Some have accepted this challenge. The province, in addition, has been stepping up its advertising campaign. The federal government has been co-operating through the Canadian travel bureau in attracting more tourists to the area.

In the area I represent a considerable cloud overhangs the development of the tourist industry, that cloud being mercury pollution. That pollution has hampered, hurt and

restricted the development of our tourist industry which at present is probably the second largest employer of people in northwestern Ontario. In 1970 mercury was discovered in the English and Wabigoon River systems and the provincial government, acting in concert with the federal government, issued a series of directives. I wish to put these directives on record because they are interesting.

On April 6, 1970, Hon. Rene Brunelle, Minister of Lands and Forests, closed down all fishing, commercial and sport, in the Wabigoon River below Dryden up to and including Clay Lake. On May 1, 1970 Mr. Burnelle issued a statement which reads as follows:

I have initiated action which will close certain fisheries today. They are as follows: All commercial fishing in the following lakes in the territorial district of Kenora, Ball, Indian, Grassy Narrows, Lount, Seperation, Umfreville, Tetu, Swan and Eaglenest. In so far as sport fishing is concerned, action is being withheld pending consultation by our health dept. Pending further advice, anglers are cautioned to refrain from eating fish from the lakes named in the Kenora district.

On May 14, 1970, Mr. Brunelle issued a further bulletin:

The sport fishing ban established in early April will be lifted immediately. Fish caught by anglers from these waters should not be eaten in the opinion of the health authorities in Canada and the U.S. The mercury in them makes them unfit for human consumption.

This was known as the fish for fun program. Anglers were encouraged to fish for sport, that is, to catch fish but not to eat them. They were to throw them back into the water.

On May 15, 1970, Mr. Colin Myles received a telephone call from the Ontario fish and wildlife department stating that fish from the river system must not be eaten. Then Hon. James Auld, Minister of Tourism in those days, is reported as having said:

In these designated areas fishing will be strictly for fun. This means no shore lunches or take-home stringers.

On May 22, 1970, Bulletin No. 1 issued by the provincial Department of Lands and Forests dealt with Ontario waters affected by mercury. It said there was no longer a ban on sport fishing in certain Ontario waters recently found to be contaminated by mercury but that all fish caught in these designated areas should not be eaten but returned to the water. In a letter of July 14, 1971, Dr. Sutherland, chief of the health studies department, said:

I have no hesitation in stating as my opinion that the fish from these waters should not be eaten.

In a further letter of November 16, 1971, Dr. Sutherland said.

I am informed by our Department of Lands and Forests that there is no evidence that mercury contamination in the fish has decreased significantly. We will recommend strongly that fish from these waters should not be eaten.

On February 28, 1972, Dr. Stopps, also of the health studies branch of the Ontario Department of Health, said:

With calculations such as these, it is quite obvious that eating fish from the English River system would be hazardous to the health of camp guests.

This conclusion was confirmed by letter shortly afterwards by Dr. Richard Potter, the present Minister of Health.

[Mr. Reid.]

In yesterday's Ottawa *Citizen*, dated January 10, 1973, at page 36 there appears a report of an interview with Dr. D. G. Chapman, director of the food advisory bureau in the federal department of health. The report in part reads:

Mercury is extremely toxic in fish and any legal maximum levels for other foods probably will be "considerably lower" than the present 0.5 parts per million (ppm) guide now used for levels in fish, Dr. D. G. Chapman says.

It goes on to say:

"All evidence points to the desirability, from a health hazard standpoint, of reducing this level as soon as possible," he told the Ontario Council of Commercial Fisheries last year. . . .

"We're never too happy about a chemical as toxic as this in any food product and therefore we wouldn't want to establish even this level too firmly. We might want to see it reduced."

Dr. Chapman says in the article that there has been a series of experiments by the department of National Health and Welfare with cats. The animals have been fed regulated amounts of mercury in order to discover how much mercury is necessary to kill a cat, or at least to cause symptoms of disorder. They are now beginning to make important findings. According to the report Dr. Chapman says:

The symptoms, which come on gradually, include: Numbness in the hands, arms, lips and tongue; gradual loss of hearing leading to deafness; gradual blindness with loss of vision from the periphery or edges of the visual area leading to tunnel vision and eventual blindness; deterioration of speech; unsteady gait and general inco-ordination of limbs.

In cats, it has led to almost paralysis of the hind legs.

The point I am trying to make is that mercury pollution constitutes a serious problem in my area. Indian people, who habitually have obtained a great part of their living from the waters of the region through commercial fishing, still fish. Such fish still form a considerable part of their diet. Those Indians who were active in providing services to the camp owners as guides and workers in the camps and the camp owners are concerned because until this matter is cleared up satisfactorily the whole of the tourist business in my part of northwestern Ontario is under a cloud. Up till now we have been unable to get the provincial government, which has the primary responsibility for the fisheries and for the tourist industry, to take any action at all even though they recognize it is a serious problem. They have been unable to provide the kind of assistance and leadership which is required to deal with this problem fairly and equitably from the point of view of everyone.

• (1220)

The Indians from the reserves of Grassy Narrows and Islington are most concerned about the situation. A great part of the diet of these people still is fish because it is all they can afford. They have been petitioning the Ontario government for some time to provide assistance and advice. The only thing they were told by the provincial government authorities is that women at a child-bearing age ought not eat any fish because of the potential damage to any child they might be carrying or which they might in future be prepared to carry.

In the Kenora district death by violence of the Indian people is one of the highest in Canada. There has been

some suspicion that part of this has been caused by the build-up of the mercury in their systems. It has only been in the past two or three months, after a great deal of pressure brought by the Indian reserves in the area, the provincial government has agreed to hold an inquest into the deaths of a number of people who died under what can only be termed as unusual circumstances. That inquest, the first, will be held some time later this month. The Indians themselves, their Indian organizations—Grand Council Treaty No. 3—have been most active, most concerned and most worried about the fact that the effect of the mercury build-up in the body may have something to do with some of the diseases and difficulties these people have been suffering.

It is not good enough for us to say we should compensate these Indian people because something more important is at stake. What has happened as a result of this mercury contamination is that not only have we destroyed the livelihood of these people in terms of the commercial fishery and the tourist industry but, more important, we have also destroyed what the Indians feel most keenly, their way of life. It is now no longer possible for these poeple to live off the land and supplement their diet and income by living off the land as they did in the past. So the hurt to these people goes far beyond anything we might be able to compensate in terms of money. When these people appeal to the Minister of Indian Affairs and Northern Development (Mr. Chrétien) I hope he will be as generous in providing assistance to them as he has been to the Cree from James Bay in giving them the funds or the means by which to fight their battle in the courts of Quebec against the massive power diversion project.

There is one final point on this problem. The tourist industry represented through its association, the Kenora District Camp Owners' Association, has been petitioning the Ontario government to provide assistance, help and guidance. Their problem is simple. The tourist industry in my area at the present time is based to a large degree on fishing. The commercial fisherman perhaps sells his catch at an average price of 50 or 60 cents a pound while the tourist who comes and catches fish, which he takes home to show his friends, finds that the fish cost him about $10 a pound. This valuable industry is based upon the eating of fish, shore lunches and the taking back of fish to the homes of the tourists in the United States. Sports fishing is permitted by the Ontario government but not for eating. The federal government does not permit the sale of fish caught containing over .5 parts per million, while the Ontario government permits fish caught under Tourist Auspices above that scale to be eaten. This is also a commercial transaction. It seems to me it involves a moral question which must be faced.

I feel that governments cannot allow double standards of this nature to develop. It is a question of moral responsibility. It seems to me that the area ought to be closed to all fishing until the Ontario government or the federal government is prepared to say that the rate of mercury contamination in the fish is low enough for it to be eaten by individuals without any harm to their health. Now, the situation is ambiguous and unusual. It seems to me it is morally indefensible. The camp owners and the Indians have been working on this.

My last point concerns the responsibility of the federal government in dealing with this case. I believe that under the constitution fishing is a matter of federal responsibility although in the case of the provinces they have responsibility over the waterways and I understand responsibility for the fishery has been delegated to the provinces. Nevertheless there is a clear federal responsibility because fish basically are a federal responsibility even though it has been delegated to the provinces which have primary responsibility.

The second point is that the waterway in which this has happened is an interprovincial waterway. The Wabigoon River and the English River system flow into the province of Manitoba and Lake Winnipeg. Here it has caused a considerable problem of mercury pollution. It seems to me the federal government, if it is requested by the provinces concerned, cannot refuse to participate in any program of rehabilitation and/or compensation if that is requested. The federal government ought to be prepared to provide assistance to these people when it is required because in my opinion there is a definite federal interest involved.

In the throne speech the government announced it has a number of measures with which it wanted to deal. One that caught my attention was the provision of a series of regional conferences to deal with transportation problems in Canada. Transportation is very important in my constituency and in all of northwestern Ontario. I know the federal proposition is to meet with the provinces in terms of regions. That would mean that the prairie provinces would be a region and that Ontario would be a region. Northern Ontario, however, is a bridge between the heartland of Ontario, or the golden horseshoe, and the Prairies. The problem is that transportation rates have been calculated in a way that has discriminated against those communities which have their existence on this bridge. Transportation rates have not been calculated to provide those communities in northern and northwestern Ontario proper consideration and proper rates in proportion to other communities in Canada.

Mr. Deputy Speaker: I regret to interrupt the hon. member but the time allotted to him has expired. He may continue if there is unanimous agreement. Is this agreed?

Some hon. Members: Agreed.

Mr. Bell: No.

• (1230)

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I hasten to extend my respectful greetings to you, not merely in keeping with etiquette and established usage, but because I have already recognized that you possess the intellectual and moral qualifications that make an impartial and respected mediator.

I also extend these sentiments to the Deputy Speaker of the House (Mr. McCleave), an unanimously esteemed and appreciated colleague. I congratulate the government on its non-partisan action and hcpe the precedent set will be followed. If the Speaker and the Deputy Speaker can be so readily replaced, why could this not apply also to the

head of the government and the leader of the official opposition? I also extend greetings to the mover (Mr. Blais), and the seconder (Mr. Blaker).

Mr. Speaker, I realize that I am sitting in the Canadian Parliament at a time when parliamentary government is living through a unique period of its history where it must serve the prime interests of the Canadian people rather than the electoral designs of political parties.

Mr. Speaker, I feel it is a privilege for me, as member for Saint-Hyacinthe, to represent with my Quebec colleagues the aspirations of that province in the Canadian Parliament and this when all Canadians, from whatever province or region, are precisely yearning for unity in diversity, common ideals which respect the characteristics of all partners.

I would have liked so much, Mr. Speaker, to speak today about the position of our party concerning the government platform. However, the generalities of the Speech from the Throne, stamped with fine intents and pious hopes, do not prompt me to improve upon the Prime Minister (Mr. Trudeau).

Therefore, Mr. Speaker, I do not have to apologize for what I am going to say this morning. Truth has its own rights and so has justice.

I am not very proud of the behaviour shown by some hon. members in this House. Last Monday, I was surprised by the nature and the tone of the speech of the Prime Minister. He was not the man I knew before nor the writer I read once. Listening to him and embarrassed by his words, I remembered an article he wrote earlier in his career in the 56th issue of *Cité Libre*, in April 1963. This article is entitled:

Pearson or the abdication of the mind.

The head of the government said then:

The political philosophy of the Liberal party is quite simple: say anything, think of anything or, better still, do not think of anything at all, but bring us into power because we are the ones who can govern you best.

Ten years later, we hear the echo: "Say anything, but bring us into power".

Mr. Speaker, unaware of what was in store for him, the hon. member for Mount Royal wrote concerning those who did not dare criticize the then Liberal leader, and I quote:

They recognize that the leader of the Liberal party was a little rash about changing the platform of the party, but they feel that this is not the time . . . to condemn the leader and divide the party.

Further on, one can read:

The Liberals believe that power is their own property.

Mr. Speaker, this is how the Liberal party had been stigmatized by its present leader. So I say, with reason, the more it changes, the more it remains unchanged.

This desire of the present government to hang on to power at all cost makes me say that its minority position uncovers its political immorality.

Mr. Speaker, the incredible remarks that the head of this government and the leader of the Social Credit party (Mr. Caouette) have made last Monday have simply made me sick.

[Mr. Wagner.]

Why did we have to listen to these two awkward and ridiculous representations about Canadian unity, so called by some people, awkward and ridiculous representations according to the most objective observers, to editorialists and even to the leader of the New Democratic Party (Mr. Lewis)? They were made to conceal their ineptness to deal with and solve now the real problems, that is economic inequalities which affect the Canadian people.

It was not even clever to resort to such tactics of diversion, Mr. Speaker. I want to state clearly that I had to control myself not to intervene and rise on a question of privilege. Today, I appeal to the pride of the people from Quebec and to the dignity of all Canadians so that they no longer tolerate such situations and I shall keep on doing it.

[*English*]

As a member of this House from the province of Quebec, I note how often and with what ease the Prime Minister (Mr. Trudeau) readily employs distortion to make debating points which could not otherwise stand on their own. Might I give one illustration? On Monday, the Prime Minister referred to an editorial published in the Vancouver *Sun* of November 3, 1972. The section from which he quoted was put this way in the original editorial:

A minority government headed by Mr. Trudeau is almost certain to be defeated in parliament within a matter of months with a further loss of party prestige. The most important prospect, however, is that in the meantime frustrated English-speaking Canadians will feel that their wishes as expressed at the polls last Monday are being thwarted on a constitutional technicality by a party that owes fundamental political allegiance to Quebec.

• (1240)

The editorial writer puts that particular view forward as a prospect, and that is the precise word he uses, "prospect". The Prime Minister, in quoting from the editorial on Monday, did not include that part about the prospect.

Some hon. Members: Shame!

Mr. Wagner: He began his quotation in this way, and I quote this time from *Hansard* of January 8 at page 53:

—frustrated English-speaking Canadians will feel that their wishes as expressed—

It is abundantly clear, Mr. Speaker, that the Prime Minister, by taking this sentence out of its original context as a prospect, has changed the whole meaning of that section of the editorial. The newspaper assesses this as a mischievous reading of its real position, and I agree with that assessment.

Some hon. Members: Hear, hear!

Mr. Wagner: Of course, my purpose in covering this matter is not to defend the editorial integrity of the Vancouver *Sun*. I use it as an illustration, I think a particularly emphatic illustration, of how the Prime Minister is prepared to distort material that is unfavourable to his position.

Some hon. Members: Hear, hear!

Mr. Wagner: One has to ask why the Prime Minister indulges in this kind of distortion. The Vancouver *Sun* thinks it is mischief, but in view of the serious stakes in

terms of national unity I consider it to be much more serious than mischief.

Some hon. Members: Hear, hear!

Mr. Wagner: I consider it to be a tragic and destructive act, particularly when it is done by a man holding a position of high office with the solemn obligation he has to help Canadians understand each other.

Some hon. Members: Hear, hear!

Mr. Wagner: What the Prime Minister did on Monday constitutes an act of blowing up bridges, and there is no justification for that, politically or morally.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Wagner: Of course, the right hon. Prime Minister wanted us to forget the weaknesses of his administration, and in turn the leader of the Social Credit party wanted, us to forget how barren and fruitless his monetary theories were.

Mr. Speaker, during the next months the Creditistes of Quebec, the real ones, those who have been deceived too long, those who like us both outside and inside this House believe in the same principles, the same values, will know at last that their leader has taken them into a blind alley.

And now, the Liberals, those whom the Prime Minister described in such a sweet way in 1963 in *Cité Libre.* who are they? They are the ones who last October in Quebec, and in Saint-Hyacinthe in particular, led a campaign designed to tarnish the Conservative party and my own reputation. They are the ones who did not say a word when they saw some of their friends resorting to discriminatory and reprehensible tactics. They are the ones who spread or allowed people to spread most slanderous rumors regarding myself. However, Mr. Speaker, the voters of Saint-Hyacinthe had the last word and, as the Prime Minister most appropriately said, *Vox populi vox Dei.*

And today, these people come up to us to lecture us, to make repeated innuendos and do so with the greatest of ease.

Mr. Speaker, they played with feelings, worked on racial prejudices, and one has only to remember what they did on television during the election campaign. They used the French Power theme on television where one could see the three doves and one or two common birds gobbling away well garnished plates while exchanging empty words, as they did during this debate, on the problems of today. I challenged them to translate and present the same trailer to English Canada.

Mr. Grafftey: Never!

Mr. Wagner: They refused to do it. They did not dare do it.

Some hon. Members: Hear, hear!

• (1250)

Mr. Marchand (Langelier): Mr. Speaker, I rise on a point of order.

Mr. Wagner: Mr. Speaker, I am sorry but I do not have much time left. I will discuss this matter later on.

Mr. Speaker, here they are—

Some hon. Members: There has been a point of order.

Mr. Lambert (Edmonton West): There is no call for rising on a point of order.

[*English*]

Mr. Deputy Speaker: Order, please. Do I understand that the Minister of Transport was rising on a point of order? If he was, would he please state it?

[*Translation*]

Mr. Marchand (Langelier): I never received any request of that kind and for the hon. member's guidance as well as to save him time, I add that the film will be in the hands of the Conservative party at one o'clock this afternoon and there will be a letter with it.

Mr. Wagner: Now that October 30 is gone they are going to translate what is said in the film. I am surprised because the present Minister of Transport is the only one who does not know that we had dared them to produce that picture in English, because it was mentioned by all newspapers and all radio stations in this country as well as by all the members, and the Minister of Transport is the only one—maybe he was attending to something else at the time—who did not know about our request.

Mr. Speaker, there they are those who have two ways of speaking throughout this country.

And I should like to say something that the Minister of Transport will understand: when we attacked certain ministers of this temporary government during the last election campaign, it had nothing to do with race, language or ethnic origin, but it was on account of their incompetence, their arrogance, their lack of judgment which the people condemned and which the right hon. Prime Minister corroborated by appointing them elsewhere.

Mr. Speaker, I should also say here—and I am proud to recall it—that it was under the Progressive Conservative government, headed by the right hon. member for Prince Albert (Mr. Diefenbaker) that Canada got its first bilingual cheques, simultaneous translation in the House of Commons and the appointment of its first French-speaking Governor General.

The House must know also how kind and understanding the leader of the official opposition (Mr. Stanfield) has been and always is towards Quebec. My colleague for Brôme-Missisquoi (Mr. Grafftey) and myself have nothing but congratulations and thanks to address to our hon. colleagues and our leader for the way in which they welcomed and always welcome us to the House, to the caucus and to the party committees.

Mr. Speaker, as far as I know and as far as the people's wishes are concerned, there are and must only be Canadian parties in this House, parties capable of meeting the aspirations of the two founding peoples of our country.

Mr. Speaker, we must find answers to the problems of the day and even now prepare to meet the challenges of the '80s. However our friends of the government are not ready yet.

How can they anticipate solutions for tomorrow when they cannot in a Speech from the Throne in 1973 clearly offer remedies to current problems; there has been a change of style certainly but the status quo remains as far as inspiration and efficiency are concerned.

The government would rather cling to power in complicity with the New Democratic Party. In the meantime, Mr. Speaker, the elderly who are fed up with having to barely survive from one election to the other are waiting for what would allow them to live decently and with dignity. In the meantime also, Canadians in general, literally crushed by excessive taxes, are faced with darly increases in the cost of living especially the cost of food whose control is constantly delayed. Yet, from month to month, the humiliation of unemployment or its ghost keeps haunting thousands of Canadian families. The government has disgracefully underestimated this human and social problem, satisfied as it was with an insignificant winter works program which was announced so late that nothing can be done for this winter.

However, during this time, small businessmen are putting aside their planning programs because they are unable to find out where the government is going.

During this time also, the farmers—especially in eastern Canada and Quebec, such as the farmers in Saint-Hyacinthe for instance—are being penalized by quotas for industrial milk and by the cost of feed grain.

A word of warning to the government: Quebec is tired of being considered by this government as a poor relative within the federal Department of Agriculture.

Mr. Speaker, these are practical problems for which the Speech from the Throne offers no definite solution nor a priority list.

People are asking for more!

Mr. Speaker, that is the reason for our lack of confidence in this government.

The failures this government has experienced from 1968 to 1972 are still prevailing under a marketing approach which can only last as long as a coat of cheap but glossy paint.

From now on, how can the Canadian people, especially the young people, believe more deeply in public affairs and public men, in our institutions, when they are bound soon to find out that political parties, such as the Liberal party and the New Democratic Party, change their style according to the mood of the moment or the circumstances surrounding an election?

Where is that public honesty that should constantly preside over the actions and behaviour of those in public life? Certainly not on the government side!

[Mr. Wagner.]

This government is losing its credibility, for it is showing a lack of competence when confronted with alarming problems, and probably also a lack of principle.

As the member for the Saint-Hyacinthe constituency, my duty is to hasten the defeat of this government.

[*English*]

Yes, Mr. Speaker, the land is strong but to keep it strong we need a direction for Canada.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. The Chair will call upon the Minister of State for Urban Affairs (Mr. Basford) at two o'clock. It being one o'clock, I do now leave the chair.

AFTER RECESS

The House resumed at 2 p.m.

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, many distinguished members of this House have spoken in this debate already. I am honoured to participate in it at this point, and honoured to follow the distinguished member on the other side, the hon. member for St. Hyacinthe (Mr. Wagner), who had the floor just before the luncheon hour, and whom I welcome to this House.

Like all others who have participated in the debate I would like to extend congratulations to you, Mr. Speaker, and I would also like to congratulate the House for its wisdom in again electing you to the office you hold. I think this House will require all of your abilities, particularly one of your most marked abilities, that of displaying a delightful sense of humour, something which I hope you never lose. May I also congratulate your constituents, Mr. Speaker, for giving us the opportunity to re-elect you so that you may serve your country and parliament. In passing may I say that I have always found, in the two departments with which I have been associated, that in order to get civil servants to act more quickly it was useful to tell them, "This is something Mr. Speaker wants." Somehow when they are told that they snap to it in ways in which they otherwise might not.

May I also congratulate the two new members who moved and seconded the Address in Reply to the Speech from the Throne. The hon. member for Nipissing (Mr. Blais), in moving the motion, expressed very well his concerns for his riding and his country. I recall having had the same honour as he some years ago, and I know his feeling and that of all new members, the feeling of pride, of hope and of promise, when first they come to parliament. I can assure them, at least from my own experience, that they are entering upon a career for which they will have no regret, the most honourable and rewarding career to which any Canadian can aspire.

The hon. member for Lachine (Mr. Blaker), is to be thanked, especially from my point of view, for expressing the recognition that urban Canadians have special problems, not to mention special opportunities. In his speech

he came down advisedly against the kind of unplanned expansion that has blighted cities and nations across the world. He suggested the kind of co-operation between the federal government and the provinces and, I would like to add, the municipalities, that is needed to pull urban programs and strategies together. I applaud the speech he made.

I would like, as a British Columbia member, to devote part of my speech to the conference that was announced in the throne speech on western economic opportunities. May I say to the Premier of British Columbia, who said he hoped the conference would not be a reason to delay action on various matters, that that is not the intention. The purpose of such a conference is to assure, in a co-operative way, that we will be expanding and developing the potential economic resources and opportunities of western Canadians. The three agenda items suggested in the throne speech are, of course, preliminary ideas. Action will be taken quickly to follow up with an agreement on the kind of agenda that we should have. I am glad that the western premiers as a group have welcomed these plans that we have put forward, and are anxious that the conference be as productive of results as possible.

The hon. member for Lachine quite properly noted a crystal clear emphasis in the Speech from the Throne. That emphasis is the federal government's urban commitment. This commitment, this major sense of direction on behalf of the great majority of Canadians who live in towns and cities, is an activist commitment spelled out in some detail in the throne speech. This urban commitment will be spelled out further in more detail in my speech this afternoon, and will be spelled out in totally new legislation regarding housing, the building of new communities, land banking, and measures relating to neighbourhood improvement and rehabilitation. It will be illustrated in initiatives to be introduced at an early date allowing the federal government to assist the revitalization and rebirth of city cores through the relocation of railway tracks and yards. It will be spelled out in the urban commitment to Canada that will be the subject of a federal-provincial conference to be held in this city on January 22 and 23, and in policy and budgetary initiatives to be taken by CMHC which are to be announced as they are taken.

The kind of life that Canadians have in our cities and towns is the kind of national life we have. This country is rapidly heading toward being 90 per cent urbanized, or more. That unconstrained urbanization, and so far really unmanaged urbanization, is being concentrated in a relative handful of larger cities and metropolitan areas. It can, conceivably, lead to congested chaos in some areas and isolated rustic poverty in others. The British, who have been attempting to cope with heavy urbanizing trends for a long time, know this. I quote the Chairman of the Greater London Council:

> Cities are indeed national assets, but they are not permanent assets.
>
> Like all assets, they need to be preserved and developed, and it is time that central governments recognized more clearly that investment in the future of their cities is as vital to national prosperity as it is to the well being of the cities themselves.

The federal government appreciates that national investments are required for the future of urban Canada and for the future of the nation. We are talking here of investments of planning and co-operation, and setting of priorities, as well as investments of money. We have made major moves in these directions.

I have been Minister of State for Urban Affairs, and the minister responsible for federal housing policy and for the National Capital Commission during a year of great activity and change in our cities. Much more activity and much more change—not only physical change but social change, and change in what people find important to them—are upon us. Canada, to cope with this change, is on the threshold of developing urban policy in new ways, ways that accept that urban Canada is too complex to plan and work for without radically new forms of sharing knowledge, planning and application of resources.

I do not want to dwell on the past, but I do wish to report on the tri-level conference on urban affairs held in Toronto last November, the first such conference with federal, provincial and municipal representation. It was an important breakthrough, and I am happy to take this opportunity to report its success to the House. It was the first gathering by the three levels of government to discuss specifically urban issues—how to cope with the pressures and challenges of urban Canada.

The federal government was successful in winning support at that conference for the three main goals that I expressed there. I said that the consultative process should be joint and involve all levels, that it should be continuous and an on-going process, but not a process of constitutional change, rather one of discussing priorities and fitting them in with the proper jurisdiction. All of these goals were attained and we are now in the process of organizing the next conference for 1973. I have already suggested, when discussing the national tri-level conference, that its agenda could be. It should set down issues such as provincial development strategies and regional plans so that the federal government could be supportive of those plans, such as the Toronto centred regional plan which is a provincial plan. We could sit down and discuss those policies and be supportive of them in our federal policies. I have said and I suggest that we should consider in this process problems of municipal finance, problems of housing, of social change, of transportation and the more specific issues such as land cost and sewerage treatment. The Toronto conference affirmed the principle of a national forum for all the three governments to examine major issues and to take representations back to governments which retain all their powers and jurisdictions.

• (1410)

Mr. Speaker, it is not a method of amending the constitution and it is not a method of interfering with the proper jurisdictions and responsibilities of governments but it is, it seems to me, a way of assuring that the constitution is not used as an excuse for inaction; in urban Canada it is a process of consulting on objectives, on goals, on priorities and on strategies.

As was agreed at that conference, Mr. Speaker, we are proceeding, with considerable success, to set up regional tri-level consultative processes involving the federal government, all provinces or groups of provinces and local governments. We are also setting up, and have working, action committees in such cities as Winnipeg, Montreal

and Vancouver to deal with specific urban issues that are of particular concern to particular areas; issues such as housing, community rehabilitation, federal buildings and land use, transportation, harbour and airport activities. The many strands of federal urban concern include transportation—airports, harbours, urban transportation systems and, in a program to be introduced into this House shortly, the relocation of railway tracks away from downtown areas except for tracks and facilities which can be used for new or improved modes of urban transportation.

The Minister of Transport (Mr. Marchand) and I jointly announced the federal intention for this new program and we saw it as a major contribution to the rebirth and revitalization of cities and towns alike. The legislation in essence, Mr. Speaker, will enable the federal government to come to the assistance of local governments and provinces by requiring—and up until now we have had no power to so require—the railways to move their yards, tracks, stations, etc. if that is in the best over-all urban interests of the city or area concerned. There is no federal or any other power at the moment to require anything of the railroads in this respect. The preparation, introduction and passage of such legislation is, in my view, a matter of urgency and priority. Since our announcement, widespread interest has been expressed in cities from one end of Canada to the other, in letters to me and applications to the Canadian Transport Commission in Edmonton, Calgary, Winnipeg, St. Thomas, Ontario, White Rock, Moncton, Montreal and many others.

The amendments to the Railway Act which parliament will be asked to approve with regard to railroad relocation will also provide for expenditures on building and improving grade crossings across the country to be almost doubled. From my experience in this House, I know that many hon. members worry about this both from the point of view of urban development and safety. The strands of urban concern include housing and community planning programs of this government, administered through Central Mortgage and Housing Corporation.

I should like now to devote the rest of my remarks to the programs of that corporation. Central Mortgage and Housing Corporation has been one of the great institutions of the federal government since the Second World War; it has been the builder, the facilitator, the catalyst and often the goad in assuring for Canada a supply of housing that has put this country in a far better position regarding homes for its citizens than most other countries. It is moving now onto new ground and, as I have made very clear to the corporation, it cannot any longer be simply a banking institution or a lending institution for the building industry. It has moved far from concentrating on supporting the building of middle class housing. In recent years, it has moved from having to treat housing as an economic commodity and housing policy as an economic stimulus to be turned up or turned down according to prevailing economic winds in the country.

The corporation, under this government, is the instrument of federal social policy in the field of housing and community planning. This changing role—the process of adapting itself to the changing needs of the country—has not been an easy one. A major reorganization of the corporation's management structure, which will involve the appointment of new senior personnel, is now well under way. In terms of the activity of the corporation, its outlook, and its views, it must as a matter of social policy, be on the lead edge of development.

The new direction of the corporation—and of federal policy—puts housing within its community context and that community context within a philosophy that says adequate homes in a good environment are a social right of Canadians. We have adopted a basic principle that says it is a fundamental right of Canadians, regardless of where they live or their economic circumstances, to enjoy adequate shelter at reasonable cost.

This fundamental right may be self-evident to some, but no Canadian government has yet explicitly and publicly accepted it, with all that it implies, as the cornerstone of federal housing policy. I have said this since I have been minister and I repeat it now because I think it is important. I must add that the realization of that right—the enforcement of that right—cannot be achieved by the federal government alone or any local government alone; to assure the enforcibility of that right will require the combined resources of all governments in Canada working in concert with the industry and with individual Canadians.

The new amendments to the National Housing Act, which I shall be introducing in this House very shortly, are an affirmation of this principle. Our first goal is that there be enough new units and improved and repaired units, in sufficient variety, for Canadians. Toward that end, we are building houses in record numbers of units. In 1971, more than 233,000 units were started in Canada, a record to that time. For 1972, the number will leap to about 250,000 and we foresee a strong pace of construction through 1973.

The unprecedented volume of house construction in the past two years assures that we will far exceed the target of one million new units set for the five-year period ending in 1974. Related to the matter of availability of housing is the question of land prices and planned urban development. It is apparent that the private market does not always function well in the development and opening up of new land. The federal government will provide the initiative and assistance to allow all levels of government to participate in the land market in a concerted way. Through the public assembly of land and the development of new communities, pressure will be exerted to reduce the cost of residential land. For this purpose the federal government, and I will be setting this out at the federal-provincial conference in a few days time, under agreed guidelines for urban development will make a commitment at that conference to make available to provinces and municipalities not less than $100 million a year for at least the next five years for purposes of land assembly and new communities.

• (1420)

Before I leave the subject of the availability of housing, I ought to mention that it is our intention to re-introduce the new financial mechanisms legislation that was introduced in the previous parliament. Hon. members who were here are familiar with that legislation. There will be some minor amendments to it. The original provisions

were for the establishment of a federal mortgage bank and for the support of private mortgage investment companies. Their purpose is to improve the flow of private capital into the residential mortgage market, which essentially helps the middle and higher income home buyers, while leaving the government and taxpayer free to concentrate on housing for lower income Canadians.

The second goal is accessibility of housing. Houses must not only be available; they must be within everyone's reach. Private markets, no matter how well they may work, cannot give everyone the assurance that they can obtain housing they can afford. Where this kind of help is needed, it is the role of governments to provide the help. Under the federal government's programs twice as many housing units have been created for low-income people during the last four years than in all the years since the end of the second world war. That does not mean that there is not more to be done. Nevertheless, I think that indicates the thrust we have been following and will follow in the new amendments that we shall introduce.

Apart from measures initiated by my colleague, the Minister of National Health and Welfare (Mr. Lalonde), we will be introducing amendments to improve access to housing for people who could not otherwise afford it. The federal government will offer in its legislation a number of alternatives providing a range of choice in the type of housing and forms of tenure. There will be, first, an assistance program to help low income people purchase their own homes rather than reside as tenants in public housing developments. They will be assisted by subsidies towards payments of principle, interest and taxes. The government is giving them the right to purchase their homes as an alternative to living in public housing units.

Second, there will be assistance for improvements to existing houses under the repair and rehabilitation sections of the legislation to be introduced. Those proposals enjoy the support of municipal and local governments. The program promises to assist in improving existing but deteriorating houses in neighbourhoods in the downtown core areas of our cities. In the past we have bulldozed such areas. In future, we will be providing this kind of program in order to stabilize, preserve and conserve those areas for the people who live in them. This sort of program was emphasized in the speech of the newly elected mayor of Toronto. I look forward to introducing this kind of legislation which supports the objectives that he outlined in his speech on housing policy for Toronto.

Further, Mr. Speaker, there will be assistance to co-operatives and other non-profit corporations to build or acquire housing for low-income and elderly people. I have spoken to some in the co-operative movement and they are responding. I said, "Go out, please, and build as many houses as you can." I also told them that I do not want the National Housing Act in any way to be an impediment in their particular decision to build.

The amendments to be introduced will contain, for the first time, a special section relating to co-operative housing and to the special structure, organization and ownership provisions dealing with the co-operative movement, so that there will be no impediment in the legislation which will prevent those people from going ahead with programs they want to carry out. All these measures, to some degree, offer an alternative to public housing which, nevertheless in my view, continues to be a useful instrument for providing good, affordable housing to some sectors of the population. I can assure the House that Central Mortgage and Housing Corporation funds for low income housing certainly will not fall below the high 1972 level of commitment. Actually, that commitment can be expected to increase.

The third goal deals with the quality of housing. In addition to making housing available and accessible, we must be concerned with the quality of housing and ensure that people get what they pay for. The resources of the corporation for research and development will be enhanced, and the government proposes to take the initiative in a series of systematic developmental projects which may be taken indirectly by CMHC or supported by CMHC or undertaken jointly by CMHC, the local government and the private sector. I will be putting before a number of provinces a proposal in which we propose to undertake a precise study of the specific needs in the major regions of Canada. We will shortly receive the 1971 census data and will use comprehensive on the ground housing figures. I think we need much more information than is presently available to us in terms of the housing needs of our communities, the income levels of different neighbourhoods and the age of the people in order that our programs may work effectively. We want to fulfil the real housing needs of the five major regions of this country.

In addition, as mentioned in the Speech from the Throne, I shall introduce amendments to the National Housing Act dealing with warranties and I will outline this legislation in more detail later. One of the proposed amendments will provide that where a builder fails to complete a dwelling which he has sold, CMHC may advance the purchaser money out of the Mortgage Insurance Fund to have the dwelling completed. It is advanced on behalf of that purchaser. In addition, as the National Housing Act applies to less than half the houses built in this country, there is a need for a comprehensive purchaser protection plan. This, as well, is being developed by the corporation and will be announced in due course. It would provide for all housing built in Canada and not only that covered by the National Housing Act. I think all hon. members who were here previously will respect the vigour with which I discharged my former portfolio as minister of consumer and corporate affairs. I want to afford the same sort of protection to the house purchaser.

Mr. Paproski: Promises, promises. Do it now.

Mr. Basford: The final goal, and I am rushing to finish, deals with the community; not just with housing, but with the community in which that housing stands, whether it be urban, rural or remote. The government, with the co-operation of the provinces and municipalities, proposes to make new kinds of assistance available to preserve and improve neighbourhoods and small communities which are a vital strand in the social fabric of Canada, but which are threatened by deterioration and decay.

The throne speech mentions new communities. It does so because an urgent requirement is developing to provide alternative ways of coping with urban growth, alter-

native to what we have now, under which, simply, cities sprawl ever bigger and, in many instances, our best agricultural land surrounding those cities is paved over. New communities taking the pressure off the old are one way in which the federal government, in co-operation with provinces and local governments, can bring some shape and direction to the inevitable and rapid growth of urban living in Canada.

More than just the relieving of pressure on existing cities and neighbouring farm lands is involved, important though those considerations are. New or expanded existing communities, chosen within provincial planning strategies, can be a means of economic buildup for regions. They can be developed within a metropolitan region or on a resource frontier, to give two popular examples. The federal government is prepared, by amendments to be introduced to the National Housing Act and by involvement in federal-provincial conferences, to take the lead in creating some viable alternatives to the uncontrolled and unplanned expansion of our great cities. Some existing provisions of the National Housing Act and some new provisions which are contemplated can be of great assistance to provinces and municipalities in planning and developing new communities which will meet the anticipated needs of our growing urban populations.

• (1430)

This assistance can be made available for the acquisition and planning of the land which may be needed for many purposes related to the creation of new communities. For example, on the subject of new communities, I might take this opportunity to inform the House that the Ontario Housing Corporation, on behalf of the federal government and the Ontario government, is optioning some 5,000 acres near Ottawa for a new community. This land, the acquisition of which is to be announced this afternoon, has been designated a potential new growth area by the regional municipality of Ottawa-Carleton. The action of the senior government in acquiring the land is to complement the far-seeing initiative of the local governments concerned. The new community ultimately will have a population of 100,000 people.

Mr. Baker: On a point of order, Mr. Speaker, I wonder whether the minister would accept a question now or prefer that I wait until the end of his speech.

Mr. Basford: I am quite happy to answer a question now.

Mr. Baker: A few moments ago the minister mentioned the announcement of a super-city outside Ottawa. Could he tell us whether or not he has had any consultation with the regional municipality of Ottawa-Carleton with respect to its location, and whether or not he has had any consultation with the township in which it is to be located concerning its location.

The Acting Speaker (Mr. Laniel): Order, please. I must bring to the attention of the hon. member that the point he is raising is not a point of order, a point which concerns the rules and the operation of this House, but is merely a question he wishes to ask of the minister. If the minister should reply to the question, it would take away from the time allotted to him. It would be very difficult at this time to allow the question to be answered because we have reached the point where the time allotted to the minister has expired. Unless hon. members of the House would agree that the minister be allowed to go beyond his allotted time, I could not allow the question. It is agreed that the minister be allowed to reply to the question and complete his remarks?

Some hon. Members: Agreed.

Mr. Bell: Apart from the fact that ministers have been receiving an extra five or 10 minutes in order to finish very important speeches, we do have a tight schedule to follow.

Mr. Basford: Mr. Speaker, I appreciate that point. First of all, if the House is giving its consent that I continue, may I say I thank them. I appreciate the comments of the whip of the opposition party and will be very brief indeed. In reply to the question asked by the hon. member for Grenville-Carleton (Mr. Baker), there has been a long series of negotiations and discussions with the chairman of the regional district and, of course, the plan is in accordance with a planning study commissioned by the regional district, by the Ontario Housing Corporation and by the two agencies of the federal government, the National Capital Commission and the Central Mortgage and Housing Corporation.

Mr. Gilbert: Mr. Speaker, if the minister would permit a question, I should like to ask him if it will take as long to develop the new city outside Ottawa as it has taken to develop the Malvern development outside Toronto which started in 1951.

Mr. Basford: I would hope not. I think the Malvern development has shown what has been wrong in respect of land assembly in the past. I believe its operation is serving a useful purpose. One of the things I will be discussing with the provinces in particular is how better to manage provincial land assembly schemes in order to ensure they are placed on the market when needed and have a desirable effect on prices. What I am talking about now is total planning in terms of a growth plan for the region, which is a regional and provincial plan. This is very important for future growth.

In conclusion, and bearing in mind the statement of my friend in the opposition, may I say that in proposing amendments to the National Housing Act there were in the changes introduced in Bill C-213 a number of programs including assisted home ownership, repair and rehabilitation of neighbourhoods and support by the federal government of loans and grants to non-profit organizations, both municipal and private. The provisions required a matching provincial grant in all the three programs and it would be my proposal to delete the requirement for cost sharing in those programs in order to make federal grants available regardless of the extent of provincial and municipal contributions. In all those areas, there is always provincial and municipal support. It only adds to the red tape if they are required to be matching. I shall be discussing that kind of proposal with the provinces. We will also be considering with the provinces funding arrangements which would assist them in extending their forward planning beyond a one-year time frame. This

would involve the commitment of federal housing funds to the provinces for longer periods of time than is currently provided. I think this would be a vast improvement, permitting federal, provincial and municipal governments, to plan what their housing programs would be.

One of my own most urgent priorities for the immediate future is to strengthen the federal-provincial partnership in the field of housing and community building, to improve the quality of communication between the federal and provincial governments and, through the provinces, with the municipalities. I am hoping, beginning with the federal-provincial conference sheduled for January 22 and 23, to develop new techniques for joint planning in the areas of policy development, program planning, allocation of resources, and particularly joint efforts in research and development which will rapidly expand our common knowledge about the character and dimensions of the problems which we face together.

I would hope that at that conference—and I have suggested to my provincial colleagues that this be the case—local governments and municipalities would be invited by the provincial representatives because I think we all realize there will not be a home building or community program in this country without the involvement of local government. I would hope the federal government through the National Housing Act would respond to local government needs as effectively as it possibly can.

Mr. Marshall: Mr. Speaker, may I ask the minister where that conference is to be held.

Mr. Paproski: Is it to be held in Edmonton?

Mr. Basford: No. It is to be held in the national capital area, I might reply to my large friend from the Conservative party.

Mr. Paproski: Larger than you.

Mr. Basford: I am fast catching up with the hon. member.

Before this conference takes place, I expect I will have placed before the House of Commons the proposed amendments to the National Housing Act, so that delegates to the conference will have before them an explicit statement, for their consideration, of the government's proposals. The proposed legislation and other policy proposals which do not involve legislation, can be modified and improved through discussion and debate in this House and outside, with the provinces and through them the municipalities, before being put into effect.

Mr. Speaker, in the time allowed I have endeavoured to set out the thrust of the federal housing policy and the thrust of federal urban policy. I suggest with deference that it is a thrust worthy of the confidence of all members of this House regardless of party.

Mr. Speaker: Is the hon. member rising for the purpose of asking a question?

Mr. Marshall: Yes, Mr. Speaker. In view of the fact that there will be isolated parts of Canada which will get the advantage of the thrust of national housing policies, particularly in respect of the rehabilitation program to which $4 million was allocated and which the Council of Social Development said was not enough. What is the minister's recommendation in that regard?

• (1440)

Mr. Basford: There are several provisions in the amendment which relate to rural Canada and several policy initiatives. With regard to the other matter the hon. member raised, I accept the suggestion of the development council that $4 million was inadequate, in the sense they put it forward, but it was solely an estimate of the amount we considered that municipalities and provinces could absorb in a year under the program. If they can absorb more, I can assure the hon. member there will be more money available.

Mr. Gilbert: A further question—

The Acting Speaker (Mr. Laniel): Order. I am, of course, at the service of the House, but I might point out that the minister has already received an extension of the time allotted to him and that we must be fair to other hon. members who wish to take part in the debate.

Mr. Gilbert: It is only a short question. Can I ask the minister why he did not touch on one of the most important factors relating to the cost of housing, that is, high interest rates? Am I to believe he does not intend to do anything about the high interest rates which constitute one of the main factors in the cost of housing?

Mr. Basford: I would refer the hon. member to my remarks a few moments ago about the residential mortgage bank in the proposed legislation.

Mr. Allan B. McKinnon (Victoria): Thank you, Mr. Speaker. It is for me, as for other new members, a great privilege to speak in this House. It is well known, though it bears repeating, that election to the House of Commons is the highest honour our fellow citizens can bestow. Progress within the House is gratifying, I suppose, but it is not bestowed by one's own neighbours.

I take this opportunity to add my felicitations to Mr. Speaker upon his reappointment to the high office he holds, as well as to the Deputy Speaker. I support all that has been said about the eloquence and grace with which the affairs of this House are handled. In this connection, I am rather reminded of the cavalry general who had not participated to any extent in a battle and was asked to describe the role of cavalry in the battle. His answer was that it lent dignity and distinction to what would otherwise be merely a vulgar brawl.

This has been, for me, a surprising week, beginning with the unfortunate speech of the Prime Minister (Mr. Trudeau)—I shall say no more about that—followed by the New Democratic Party voting against consideration of old age pensions at this time, followed by the hon. member for Verdun (Mr. Mackasey) launching what was, I suggest, the most scathing attack on the government yet heard, particularly as it came from a former member of the cabinet. The hon. member for Verdun said he might leave this House tomorrow, next week, or next month. I would regret to see him go. I believe him to be a man of high principle and one with the courage of his convictions,

and such people are not easily found. He follows a long line of distinguished people who have been squeezed out of the Liberal government in similar circumstances. I think of Mr. Winters, of Miss LaMarsh, of the hon. member for Trinity (Mr. Hellyer), of Mr. Kierans and others, substantiating the claim made by a well-known columnist that in this cabinet only the weak can survive.

I should like to add my congratulations to the mover and seconder of the motion in reply to the address. I was impressed by their sincerity and eloquence. I should also like to compliment the hon. member for Northwest Territories (Mr. Firth) on the speech he made in this House yesterday.

Some hon. Members: Hear, hear!

Mr. McKinnon: I found that speech to be most informative and I regret that the Minister of Indian Affairs and Northern Development (Mr. Chrétien) was not present to hear what might prove to be the most knowledgeable speech we shall hear on this subject during the present session.

It is customary on occasions such as this to refer to one's own constituency, to its natural benefits and to its man-made problems. I do not propose to depart too greatly from that custom. I suppose no two constituencies are alike, but I do believe that Victoria is a constituency truly different from the others.

It is particularly gratifying for me to be speaking here this afternoon on the birthday of a former member for Victoria, Sir John A. Macdonald.

Some hon. Members: Hear, hear!

Mr. McKinnon: Victoria, Mr. Speaker, is noted throughout Canada for the beauty of its environment. I suppose this is well known to all hon. members; if it is not, I extend to them an invitation to visit us at their earliest opportunity. We shall be glad to see them and I am sure they will receive the usual Victorian welcome.

I should like to mention one important difference between Victoria and other constituencies, namely, the sociological make-up of its people. Over 30 per cent of the eligible voters are old age pensioners. There were at last count 19,600 residents of the age of 65 or over. These people are in many cases entirely dependent upon the financial arrangements that our society makes for the care of its elderly.

Perhaps the next largest identifiable group in my constituency is that of active government employees. Many of the employees of the defence installations in Esquimalt live in the constituency of Victoria; this group includes both military and civilian employees but again their livelihood depends on the decisions taken in this House. Another sizeable group is made up of those who have retired from the armed services. During their service, most of these men and women, have been posted to and fro across the Dominion, and having once seen Victoria they naturally select it as a place of retirement. Their decision is usually based on a desire to live in a liveable climate and the Victorian way of life. Financially, though, their decision is often hard to support. Victoria, as hon. members will have gathered, operates on a very narrow economic base and the retired serviceman in Victoria is almost always under-employed. The three categories I have mentioned are all dependent upon financial arrangements made by the federal government, and I shall have a few words to say about those arrangements later.

In addition to the three groups noted, many Victorians are employed by the provincial governments and by our educational facilities, which are becoming noted for their academic excellence. The University of Victoria has been able to engage some lecturers of international reputation, attracted again, I believe, by our climate and our way of life. Hon. members will note that all the people I have mentioned are employed in the public sector, and in truth this describes Victoria. The private sector of our economy is narrow indeed. We have tourism in the summer, a small and dwindling but efficient ship-building industry, a couple of sawmills. So it can be readily seen that the public sector outweighs the private sector to a greater degree than in almost any other city in Canada, with the possible exception of Ottawa itself.

I should now like to speak about the effects that government action, or inaction, have had on the various segments of the economy of Victoria. In the private sector we suffer from three disadvantages which are difficult to overcome: the extra cost of handling and shipping to and from the mainland; the distances to markets, particularly Canadian markets, and finally our higher labour costs. For these reasons, it is sometimes difficult for us to bid competitively on a dollars and cents basis for federal contracts such as shipbuilding. It is my contention, however, that we are entitled to a reasonable share of such contracts. We pay taxes but we do not believe that paying taxes should be our only type of participation in the federal economy.

In a flatulent press release about a year ago, the government announced that defence contracts were to be allotted henceforth on a zonal basis. To my knowledge there has been no indication of this reasonable concept being put into effect. I should like to point out to the government that Victoria shipyards are second to none in efficiency. Our yards have never burned a ship on the ways; our yards have never subjected a ship to the acid test given the *Restigouche;* our shipyards have never submitted a bill for two and a half times the estimate for a refit.

• (1450)

The plight of the pensioner is very close to anyone representing Victoria whether on the local, provincial or national level. The federal government has shown itself to be remarkably indifferent to the disastrous effects to inflation on those on fixed incomes.

A rise in the cost of living is immediately reflected in a lowering of the living standards of approximately half my constituents. For those living on the old age pension and supplement only, it means less food or meaner shelter. For those with a fixed income of their own, it means having to give up some things for which they had worked and saved to enjoy in their old age. They feel tricked and cheated by society and that is what your inflationary policies do to them. I could go on but hope to have another opportunity to speak on what I would consider to be an equitable basic old age pension. I have accordingly placed

on the order paper a notice of motion recommending a basic old age pension of $150 per month. I find myself in support of the increased income supplement instituted by the British Columbia government and deplore the legalistic quibbling of the federal government as to the obligation to share under the Canadian Assistance Plan.

Perhaps a few words about our place in confederation might not be amiss at this time. During the recent election campaign the touring media fell into a recurring habit, when in British Columbia, of searching for B.C. separatists. As far as I am concerned, separatism in British Columbia is a figment of the imagination of eastern writers. The central government, and particularly the present one, give us sufficient provocation, but our hearts are loyal and will remain so. We do, however, reserve the right to point out the inequities of the federal government. We look for an even-handedness by the central authority and recently have felt that it has been lacking.

A recent example of this is the government policy or lack of policy regarding federal properties in urban areas. Thirteen days before the last election, the government found itself able to purchase some $30 million worth of privately held land in the city of Toronto to be used for the enjoyment of the people of that city. In June the city of Victoria had been treated quite differently. A parcel of land wanted by the city for use as a waterfront park but owned by the federal government was sold, not given to the city by the federal government, at $50,000 an acre, $20,000 cash, the remainder on a mortgage at 9 per cent interest. I would not want you to be under any misapprehension. We do not wish the people of Toronto to be deprived of a park if it is the policy of this government to give parks to cities, and we do not mind the government refusing us if it is government policy to refuse people when they ask for Crown land for parks, but to give land on the one hand and refuse it on the other while charging our taxpayers usurious interest rates offends our sense of fairness.

When I suggested to the Minister of Supply and Services (Mr. Goyer) that we would like to be treated in the same fashion as Toronto, the answer was that the Toronto land was to be a national park. To me this conjures up visions of "Smokey the Bear" patrolling the southern end of Bay Street, but to the overburdened taxpayers of Victoria paying high interest rates to their own government it is not funny.

I think this uneven-handedness has been exemplified by the operations of the Department of Regional Economic Expansion. It was our understanding that regions having serious unemployment problems might reasonably expect to qualify for economic expansion. British Columbia had 61,000 unemployed in September, 1972, as against a comparable national figure of 459,000; that is, B.C. had 13½ per cent of the nation's unemployed. To alleviate the distress, DREE had at that time allotted 1.4 per cent of its funds to British Columbia. The figures speak for themselves. We had 13½ per cent of the illness and received 1.4 per cent of the medicine. The patient can hardly be blamed for feeling neglected.

I should like to point out as well that recent figures show that the metropolitan region of Vancouver has for eight months of the last 12 had the highest unemployment rate in all of Canada, and again this month it is the highest. Why, in B.C., we are only to be allowed to have a designated region several hundred miles away from this great pool of unemployment is beyond me. I spoke of 13½ per cent unemployment in September and the treatment we got. I believe that it was just about the time of the release of these figures that the Minister of Energy, Mines and Resources (Mr. Macdonald) made his contribution to the national debate by announcing that henceforth the sale of firecrackers would be prohibited. The script appeared to have been written by T. S. Eliot and the establishment had apparently decided that the government would go out, not with a bang, but with a whimper. Perhaps the hon. member for Verdun supplies the second half of the quotation, which is from what could be the litany of the present regime, the Hollow Men: "We are the hollow men, we are the stuffed men, leaning together."

I hope that my remarks may have explained to this House why and how British Columbia, particularly Vancouver Island and specifically Victoria, has come to a state of disenchantment with this government. As I said at the beginning, each constituency is different and each constituency has its problems. The problem is not that the majority have been silent but that this government has not been listening.

So, here we are in this House, at a crucial time in our history. The other day we heard the leader of the New Democratic Party give his familiar criticism of corporations. It was like old times for me. In British Columbia we have not heard much about corporate welfare bums since the NDP became owners of a railway, a hydro monopoly, one of the largest ferry fleets in the world and other corporations. This appears not only to qualify them as corporate owners, but even worse, as conglomerate owners, and the word "conglomerate" is even worse than the word "Corporation" in the NDP lexicon, I believe. At the same time, Mr. Barrett announced that he was providing government funds to pay for up to one-third of the cost of building an automobile plant if the foreign corporation would build it in British Columbia. On top of their other acquisitions, of course, they have $500 million in the bank. The silence on the subject out there has become defeaning since the B.C. NDP government decided to practice a little ideological nepotism by granting a contract to a Manitoba corporation, NDP sponsored, to supply buses to their corporation, B.C. Hydro.

The interesting part is that apparently public tendering is passé with the NDP when in office. The Minister of Municipal Affairs in British Columbia was in a hurry and said; "I'm not going to horse around with tendering." In British Columbia, the taxpayers will never know how much these two NDP corporations have ripped off them. So I wish to thank the member for York South (Mr. Lewis) for his nostalgic trip down memory lane, back to the high ideals and piety of the NDP when out of office.

The election results have transformed the Prime Minister into a modern day Uriah Heep, and the leader of the New Democratic Party has enjoyed a position of kingmaker for the last two months. If he now makes the wrong decision they may be the last enjoyable months he will have for a long time. Perhaps I might quote what Uriah Heep said to another David:

Now come, I have got some of you under the harrow. Think twice before it goes over you.

Then, he continues:

I will be a friend to you, in spite of you. So now you know what you've got to expect.

The other David, speaking to his Uriah Heep, said:

I have shown you often enough that I despise you. Why should I dread your doing your worst to all about you? What else do you ever do?

A couple of days ago the hon. member for York South suggested we wait and give this government yet another chance to bring forward legislation before voting it out. My reply is: Why wait for spring, do it now.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa East): Mr. Speaker, I should like first to congratulate you and your colleagues for your appointment to these high posts. I am proud to see that the role of Speaker belongs to a dedicated Franco-Ontarian who is doing honour to his province and to his country.

I should like also, Mr. Speaker, to congratulate and to thank the mover (Mr. Blais), and the seconder (Mr. Blaker) of the Address in reply to the Speech from the Throne. It is a pleasure for me to see that like myself they are members of a minority in their respective province.

Also, Mr. Speaker, may I express my gratefulness to the Ottawa East electors who kindly elected me as their respresentative. I accept the honour and I shall endeavour to carry on my duties with all the dignity of that post and with all the ability I have.

During 27 years, from 1945 to 1972, Ottawa East was represented by Mr. Jean Thomas Richard. He was a man of action, a man of the people, and his voters and his country are obliged to him for 27 years of devoted service.

He acquired in those years as a servant of the Canadian people and his riding an enviable reputation as a lawyer and as a member of Parliament. He managed to prove that he was a serious man, a man who could listen to and serve the people of Canada. The people of his riding came to visit him in his office, in the House of Commons, and he always had time to see and help them.

During his long career in Parliament, Mr. Richard served as chairman of the Canadian section of the Commonwealth Parliamentary Association in 1965 and as chairman of the public service parliamentary committee in 1966-1967. A former whip of Ontario Liberals, Mr. Jean Thomas Richard also had the honor of acting as Deputy Speaker, in 1971. My predecessor served his country and the constituency he represented in Parliament and I should like, on behalf of the electors of Ottawa East, to extend to him our sincere thanks and to wish him long life and happiness.

Franco-Ontarian by birth, Mr. Speaker, I wish to make a few remarks about the importance, for all of us, of bilingualism and above all of the ever growing recognition, in the English-speaking provinces, of the French fact which represents over one million Canadians living outside Quebec.

I want to be the spokesman for a people who unhappily have been too often in limbs, namely the Franco-Ontarians. They do exist and I belong to that group of people who are competent and who want and can render great services to their country if they are given the opportunity of doing so. They proved that they were perseverant and steadfast, while respecting the rights of others. They fought for their country, they overcame a law which prevented them from studying in their own language. They lived with the fact that until very recently they were refused education in their own language, financed by public funds. They fought with persistance and today, anxious for better understanding, they continue to fight for the implementation of a legislation which is supposed to do them justice.

Even if this falls under provincial jurisdiction, the present government as well as the previous one, under the late Lester B. Pearson, recognized more than others that it was necessary to do justice to minorities through legislation, in the fields under federal jurisdiction, where necessary.

This Franco-Ontarian nation of which I am part was severely put to the test but survived and its future is very promising. What is more surprising is that this nation in spite of its problems of survival, the battles it had to fight, still has to fight and win without revolution and hatred. It is through persuasion and perseverance and by recognizing the rights of the majority that it succeeds in convincing more and more the members of the majority of the rightness of its claims and thereby improving its position without however infringing upon the rights of others.

It is only by giving justice to the minorities and through understanding of that fact by the majorities that this country will survive. In spite of the immense progress made in that field, Mr. Speaker, it happens too often that the authorities and even this government, no matter how sympathetic and understanding it may be, act as if "francophone" and "Quebecer" were synonyms. People are unaware of the fact that there are francophones outside of the province of Quebec and if we want a fair representation of francophones in important positions we will have to look outside of the province of Quebec to get them.

I would like this government to recognize in a practical way that francophones outside the province of Quebec constitute a nation with which dialogue is necessary, or the only thing that will be left will still be a silent minority. Francophones exist independently from their brothers of the province of Quebec but they are as francophone as they are and because of their qualities it is their intention to demand to be recognized as such in the allocation of positions and duties in the service of their country.

I repeat, no other government has been as appreciative of the development of French-speaking minorities outside the province of Quebec. As a matter of fact, it was the right hon. L. B. Pearson's governement that gave us the report of the B & B Commission. This royal commission prompted noticeable changes in provinces that have met the hopes of the French-speaking minorities in matters of education. Well informed Canadians will never forget the important role played by the federal government in giving its support to the education of minorities. In provinces where people are still struggling for the recognition of minorities' rights in education in their own language,

those who speak French know and greatly appreciate the important contribution made by the Liberal government towards the solution of their just claims.

• (1500)

[*English*]

The objectives of the French speaking minorities still pertain mainly to the life of this country as a whole. Some would have us believe that over a 100 years of relative peace guarantees confederation. But I would like to remark that the last 10 years with mounting tensions have shown that confederation is still on trial. The unrest is somewhat related to language; it is therefore natural for minority groups to turn to governments, especially the federal government, for legislation and for solutions to their problems.

[*Translation*]

As for education, Mr. Speaker, after the publication of Volume II of the Report of the Royal Commission on Bilingualism and Biculturalism, the federal government stated its acceptance of the principles underlying the recommendations of the commission and suggested a very broad program of co-operation with the provinces in order to stimulate the teaching of the language of the minority and the study of the second language. An amount of about $300 million, spread over a four year period, was allocated to the program which was to result from this co-operation.

Having worked for 11 years in the school field in Ontario, I would like to stress the importance of these programs on the education of French-speaking minorities outside Quebec. In fact, the objectives to which the federal and provincial governments have subscribed are that we should enable Canadians to have their children educated in the official language of their choice and that children should be provided with an opportunity to learn the other official language as their second language.

We are pleased to note that young people are much more receptive to bilingualism. The major recommendation of the royal commission on bilingualism and biculturalism in favour of an equal partnership between the two major cultural groups will fall in fertile soil, since our young people are receptive to the idea of bilingualism. Obviously, this will take some time, but will eventually result in fewer tensions and a united Canada.

A bilingual education system is not the final answer to the major problems of national unity. I suggest that education systems should make every effort to teach both languages, but one should be wary of the attitude of some parents who, having transferred this responsibility to the school system, exonerate themselves from all risks and all blame for the example they set in not themselves practicing what they teach their children. Many parents confine the important problem of bilingualism to the school system while they do not exercise tolerance in the adult world to prove that they too are willing to make the effort. Let us not rest the problem of national unity on our children's shoulders. We are facing a communication problem, and human communication is greatly influenced by the attitudes of the people involved.

Mr. Speaker, I should also like to emphasize the major contribution of the federal government to the teaching of the second language in provinces with a strong English-speaking majority. I am aware that federal-provincial agreements will be negotiated again soon and I hope that our national contribution will be adequate in view of ever-increasing needs.

Nevertheless, because education comes under the sole jurisdiction of the provinces, serious consideration should be given to distribution of amounts contributed by the federal government for elementary and secondary education. It should be ensured that in the course of future federal-provincial negotiations we obtain a report from the provinces covering distribution of these amounts to achieve the specific objective for which they are meant, which is education of minorities. School systems are anxious to broaden their programs and they need manuals. Only through fair distribution of federal funds can the deep-rooted determination of both Francophones and Anglophones to study in their mother tongue be met.

At the same time, those young Anglophones wanting to learn French will be able to study under teaching conditions designed for their needs. It is only through the development of dynamic and modern language programs that we we will be able to satisfy those many people who wish to enrich the Canadian nation, not only in working together as a nation, but in knowing each other in our hearts and mind through the appreciation of both the main cultures of our country.

It is through the support and the recognition of all Canada that minorities will be able to realize their rightful ambition. Some Quebec separatists suggest that we have been assimilated. We are not so and much less separatists as some badly informed Anglophones believe. I cannot help but being proud in saying that we are all convinced federalists.

It is the utmost desire of Francophone minorities outside Quebec to live and let live. We want to live as we please, according to our character and state of mind, as free and responsible citizens with the assurance that in working together we will assure the progress and development of our country. We want to live while maintaining our language, our faith and our traditions, but at the same time respecting other people as we want them to respect us.

• (1510)

[*English*]

The French speaking minorities outside Quebec are at the forefront of bilingualism in Canada. They have fought to preserve their cultural and linguistic heritage, and in so doing are an example to their country.

[*Translation*]

Through federal contributions, francophone minorities are contributing to promote a Canadian way of life which is advantageously reflected on our country.

As they obtain funds from the federal government, francophone minorities are not ashamed nor indebted to anyone. They are rather doing the country a tremendous service by ensuring the survival of bilingualism and endeavouring, for instance, to obtain what we all want—a

united Canada where both official languages and both cultures will thrive in peace, brotherhood and, above all, the respect for individuals.

[*English*]

Representing a riding which, by historical associations within our capital, has a rich heritage of architectural and educational values, it pleases me to note in the Speech from the Throne that, in co-operation with the provinces, we will provide assistance for the rehabilitation of older neighbourhoods. We must preserve our cherished neighbourhoods where a certain type of life has been created, and where tradition has helped shape the eventual national capital and, indeed, reflected itself on to the whole of Canada.

The people of my riding are most appreciative of and attentive to the social security measures which will be reconsidered and reorganized. With a large population of senior citizens who have contributed so much to this country, it is indeed warming to their hearts to see that they will be treated with compassion and equity with a guaranteed annual income.

[*Translation*]

A large number of citizens of my riding have low incomes. The opportunity for them to buy and live in their own house, with the help of the federal and provincial governments, will give them another opportunity of finding family atmosphere and benefitting from an economic factor in real estate which they could not have hoped for otherwise.

In closing, Mr. Speaker, allow me to remind you of a passage in Saint-Exupéry's "The Little Prince". You will recall that when the little prince met the fox, he hoped to befriend him, for he was sad. But then the fox replied that he could not play with him because he was not tame. Thereupon the little prince asked what the word "tame" meant. "It means," replied the fox, "to create ties".

Of course, said the fox. To me, you are still just one little boy out of hundreds of thousands of little boys. I do not need you. And you don't need me either. To you, I am just a fox similar to hundreds of thousands of other foxes. But, if you tame me, we will need each other. You will become unique in the world for me. I shall become unique in the world for you . . .

That is what Canada means to me, Mr. Speaker: the close ties between two great peoples who are part of a country that is unique in the world.

[*English*]

Miss Flora MacDonald (Kingston and The Islands): I should like to add my sincere congratulations to the many already expressed on your election to the high office you hold, Mr. Speaker. Two days ago in the House, the Minister of Finance (Mr. Turner), mentioned his participation in Mr. Speaker's first nominating convention. Sir, I remember participating in an equally auspicious occasion, the recounting of votes that followed Mr. Speaker's first election campaign. And I maintain, Sir, that throughout those tense days you displayed the same impartial and objective approach, to those of all political persuasions who were involved in that recount, that has since earned for you the high regard and respect in which you are held in this House and beyond.

[Mr. Gauthier (Ottawa East).]

Some hon. Members: Hear, hear!

Miss MacDonald (Kingston and The Islands): It is a great privilege and honour to rise in this House today as the representative for the historic riding of Kingston and The Islands which has contributed so much to the development of this great country. This year we celebrate the 300th anniversary of the founding of Kingston in 1673 by Frontenac, and today, January 11, is the anniversary of the birth of Kingston's first Member of Parliament, Sir John A. Macdonald.

• (1520)

Some hon. Members: Hear, hear!

Miss MacDonald (Kingston and The Islands): While I do not mind sharing him with the hon. member for Victoria (Mr. McKinnon), I would remind him that he is uniquely and distinctly Kingston's.

Sir John A. popularized many things in his time, not the least of which was to encourage hon. members to be born on his birthday. I am sure you will understand, Sir, if I take time to express my greetings to the hon. member for St. John's East (Mr. McGrath), the hon. member for Saint John-Lancaster (Mr. Bell) the hon. member for Gander-Twillingate (Mr. Lundrigan), the hon. member for Winnipeg South Centre (Mr. McKenzie) and the hon. member for Lafontaine (Mr. Lachance) on their special occasions.

What Frontenac in his time, and Macdonald in his, built on this continent they had to defend against military threat, political intrigue and the scepticism or the selfishness of men whose vision was small. Frontenac in the 17th century, and Macdonald in the 19th, had ambitions for Canada that transcended the times they lived in and the territory they occupied. Both men looked west. Frontenac extended the power of the King of France into the heart of North America. Macdonald's breathtaking concept of achievement was to secure half the continent to hand on to succeeding generations of Canadians.

I will not belabour the parallel between Frontenac and Macdonald. Their legacy belongs to each of us as Canadians and will be shared by many millions of Canadians to come. The House will understand if on this day especially I claim that special part of the Frontenac and Macdonald heritage which belongs uniquely to the people of Kingston and the Islands. Over the years the constituency of Kingston and the Islands has been represented in this House by many distinguished and remarkably gifted members. I assure the House that I am acutely aware of the exceptionally high standard of service to Canada that they have set.

And none more so than Sir John A. Macdonald—who first spelled out for this country a national policy—as we in our time are engaged in developing a new national policy. It is on several aspects of a new national policy that I wish to speak this afternoon. It is impossible—and indeed foolish—to try to escape the hand of the past in a place like Kingston. It was here that the parliament of the United Canadas sat in 1841. It was here, in the words of Kingston's motto, where the confederation dream began.

The cornerstone of Macdonald's dream—of his national policy—was a partnership between English and French speaking Canadians, making the best of the vast geographic challenge confronting them. This goal is as pertinent today as it was then but, like virtually all other things, the nature of the partnership and the details of the arrangements between the partners have changed substantially since the days of Macdonald.

They have been changed, redefined, in some respects even reversed, partly through informal means, partly even by changing the British North America Act. All these changes were necessary and, in the long run, no doubt advisable and desirable. But they have not brought us perfection nor a lastingly satisfactory solution to the kinds of tensions which are inevitable and can even be rewarding, in a multi-ethnic federal state. It is the very fact that we have not reached a lasting solution in the partnership that makes it imperative for each to find a mode of life with and alongside the other, while at the same time not so weakening the joint enterprise as to lay it open to further erosions of Canada's independence of action—economically, culturally, diplomatically—in relation to its powerful southern neighbour.

It is not unfair to say that although much has been achieved in the past in working out arrangements which seemed satisfactory at the time, there is at present clearly much discontent on the part, not only of provincial governments, and particularly that of Quebec, but also of various private groups within the provinces.

Important steps may have to be taken toward a redefinition of the partnership. In so doing, we at the federal level must remember that creative co-operation and interdependence in these fields, as in others, requires continuous consultation, not merely the presenting of proposals for comment. In devising new departures, alternative ways of doing things and compromises aiming at the mutually least disturbing arrangements we must, above all, maintain an open mind and a flexible stance. Nothing can be debarred from discussion and no approach should be ruled out as unthinkable. I am among those Canadians who are convinced that the long-run interests of both English and French speaking Canadians can best be met if we update our partnership in such a way that both come to feel strongly that our respective goals are being served and aided by the presence of the other.

Some hon. Members: Hear, hear!

Miss MacDonald (Kingston and The Islands): This partnership has been strengthened by the presence of other groups and cultures. In addressing ourselves to the needs of the developing multi-culturalism of Canada I should like to pay particular attention to our native peoples.

The new national policy must spare no effort to provide full partnership to the native peoples. Although the numbers of these Canadians are smaller than those of some of the other main groups making up the country, the resources needed to be applied to achieve this end will have to be enormous—quite beyond what one would arrive at if one attempted to apply some sort of national per capita formula. The reasons are many, and relate to the nature and difficulty of the problem; our neglect of it over the years, and, let us admit it, the moral redress Canadians owe those they have so shamefully treated in the past.

More perhaps even than money, or at least equally, what is needed is the intellectual and creative effort to evolve new solutions and the moral and ethical courage to assign the problems of the native peoples the highest possible priority.

Some hon. Members: Hear, hear!

Miss MacDonald (Kingston and The Islands): I must stress that I found the throne speech shockingly inadequate—in fact abysmally silent in this respect. There was not one single word about the native peoples, and yet there are complex and difficult problems associated with efforts to create conditions under which the native peoples can participate on a footing of complete equality with others, whose values they may not share and which they may not wish to adopt. But whatever the size of the challenge, or because of it, we must assign it the highest priority: the nature of the problems requires it, our past neglect imposes it and the human suffering and injustice involved cry for it.

• (1530)

This is not the time or place in which to become involved in the details of this revision of the national policy, but one fact is utterly beyond dispute. In coping with the problems, in all their varied manifestations and at whatever level, the full, free and vigorous participation of the people most affected must be sought and assured. It is no longer good enough to fashion policies and possible solutions, no matter how well-intentioned and, after they have been thought out, written up and congealed, present them for discussion to their "victims". The total involvement of the native peoples themselves, in the evolution of adequate policies must be the top priority and it must be accompanied by an important psychological adjustment on the part of those with previous experience in the field. There are those, Mr. Speaker, who, having spent many years following a paternalistic approach in their work with native peoples, may find the premise difficult to accept, but accept it they must, that even some false starts and potential errors may be valuable beginnings if they are made by a people working out their own difficult problems. In any event, a new national policy must rest on a vast and urgent attack on the inequalities and handicaps affecting Canada's native peoples and this attack must be centred on the full participation, from the beginning to the end, of those most affected.

There is another facet of national policy that is achieving a growing awareness in Canada—national independence. I venture to say that every national parliament that has ever assembled in our country has had to face in one way or another the three great issues of Canadian political history, national unity, national independence and national development. These three issues confront every generation of Canadians with new and different responsibilities; and from every generation of Canadians new policies are needed. But the underlining challenges to our continued life together as one nationality are in this twenty-ninth parliament, as they were in the first, national unity, national independence and national development. It

is sometimes difficult to articulate these questions in terms of the every day concerns of the Canadian citizen. But I am certain that there is running not far below the surface in this country a strong current of Canadian nationalism, a consciousness of our identity and an awareness of the need to strengthen our economic and political independence.

Sir John A. Macdonald believed that there were certain distinctive values which the people of British North America had in common, values which were worth the effort of developing a strong independent state. In that sense, Macdonald was a nationalist. In that sense, too, I am a nationalist. Macdonald recognized that confederation could not work if Canada did not have a strong, independent national economy. That is no less true today than it was in 1867. Canadian nationalism is considered by some not to be of primary importance, because there is not one concrete incident or issue to crystalize it. The cause of Canadian nationalism is too complex and important to be wrapped up in one issue; it is all pervasive. It relates not only to foreign investment but to many other areas: the extent to which we are producing Canadian textbooks for our schools, the extent to which we have available films produced by the National Film Board, and many other areas.

I believe there is a danger that, if focussed on one issue, nationalism can become negative or chauvinistic or anti-American and the good, essential cause of Canadian nationalism is thereby degraded. Rather than attempt to harness this current of Canadian nationalism to one passing issue, surely it is for parliament to give it a creative and constructive explanation in many different ways. I gladly acknowledge the imaginative and positive efforts that are already being made in this direction, such as assistance to the publishing industry in Ontario and the good work of the CRTC, among several federal bodies that I can mention.

The time has come to reinforce our control over our economic and political destiny. I believe this parliament can do so by joining with the provinces in an effective means of examining present and proposed foreign investment in Canada. We can do it by re-examining our resource policies, not by being stampeded into precipitate action by others. We can do it by adopting an industrial strategy to ensure that Canadian resources are processed in Canada. We must provide support for the development of an independent Canadian technological capability. We must adopt measures to encourage foreign owned companies to re-invest their profits in Canada and to ensure that Canadian borrowers are not deprived of capital because our lending institutions have chosen to give preferred status to the larger multi-national corporations. I firmly believe that such measures would strengthen and stimulate our national economy.

A new national policy must commit Canada to the elimination of poverty. There are probably as many as 6 million men, women and children in this country today who are compelled to live on incomes which are below the poverty line. I have seen poverty in this country. I grew up with it in Cape Breton. I have seen it in rural Saskatchewan. I have seen it in the outports of Newfoundland, and I have seen it in my own constituency. Until we have solved this problem, no government can dare feel self-satisfied, no politician can be allowed to indulge in complacency.

Economic development means, first of all, real solutions to unemployment and the resulting poverty. We know that poverty causes irreversibly destructive effects on individual character. Isolation and despair have risen in vast numbers of Canadians who are confronted by the cruel realization that they cannot attain the self-respect that comes from a secure livelihood. This is the realistic human side of economic issues. In this post election period, the Prime Minister (Mr. Trudeau) and his colleagues say they have discovered the unemployed and the old age pensioners. But it is not enough to offer palliatives after the fact. This government has no comprehensive social policy, no policy which seeks to offer enduring solutions.

I cannot have confidence in a government which has allowed soaring food prices to hurt hundreds of thousands of Canadians on limited budgets and yet has taken no action. I cannot have confidence in a government which fails to provide sufficient expansionary economic policies while a record number of Canadians are without jobs. I cannot have confidence in a government which has resolved merely to do a better job of selling its policies while failing to tackle the maze of incompetently administered programs. These things have happened because this is a government which has become remote from the people and insensitive to individual human concerns, a government whose vision is limited by its isolation from the people.

I believe that the success of any policy is related to the responsiveness of government and I would argue further that the responsiveness of government is related to the sensitivity, understanding and interest of those who hold power. But this has been notoriously lacking in the recent years. I think there is an urgent need for government to recognize, not just pay lip service, to the need for greater involvement, wider participation, more thorough consultation and understanding. I would see this as basic to the evolution of the new national policies I have been discussing. If this should not materialize, I fear the result will be the alienation of more and more Canadians from a political system that fails to respond to their needs.

• (1540)

The maintenance of our political system is of special interest to me because most of my adult life has been spent as an organizer for my political party, as an officer, or as an active worker. It is a matter not just of my personal observation of many Canadians but confirmed by every scientific study of the subject I have seen, that there is a substantial number of Canadians who are convinced that nothing they say or do, including the exercise of their right to vote, has the slightest impact on the governmental or parliamentary process. To many, the machinery of government seems to operate in its own way for its own purpose, and while it closely affects their lives, they feel powerless to influence it.

The House is aware of the numerous methods that have been proposed or experimented with to give the citizens a greater degree of influence on decisions that affect their lives, and the kind of country they live in, but none of

this—not the ombudsman, not the regional desk, not information in, not information out—can have anything but a marginal effect. What is essential is that we build up a credibility in our party process, increase the influence and responsibility of the individual Member of Parliament, and secure the integrity and legitimacy of the electoral system, for these are at issue.

Some hon. Members: Hear, hear!

Miss MacDonald (Kingston and The Islands): We, as Members of Parliament and as members of political parties, have a personal responsibility to combat the alienation that afflicts the political system. There is a growing danger to political parties that pressure groups, protest movements, student activists, social planning councils, will so establish themselves as agents of social change that parties will have little room to manoeuvre. Many people already feel there is so little genuine radicalism inside the party system that anyone wishing change must look elsewhere. Yet we cannot function without political parties. It was Lord Bryce, a great scholar and a great politician, who said:

> Political parties are far older than democracy. No free large country has ever been without them. No one has shown how representative government could be worked without them.

Sir John A. Macdonald was not only the father of this country, he was the father of his party. I am sure he would be the first to recognize the changes that are necessary in our political and electoral processes to ensure a viable party system and thereby a viable parliamentary system. It is with that reference to Sir John A. Macdonald that I return to Kingston and The Islands. Many important functions and occasions will be taking place in my constituency in this tercentenary year, none more important than the visit of Her Majesty the Queen which His Excellency the Governor General so graciously observed in the Speech from the Throne.

I should like to take this opportunity, Mr. Speaker, to extend to you and to all hon. members an invitation to come to Kingston to participate in our tercentenary celebrations.

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, it is not only with apprehension and anxiety but with a deep feeling of respect and pride that I deliver today my first speech in the House of Commons.

I have already had the privilege, Mr. Speaker, of serving the Canadian people for a few years in other capacities. It is however a great honour for me to take my place in this assembly as elected representative of the constituency of Outremont.

I have been for a long time an observer and admirer of our parliamentary institutions. Those institutions are closely related to the Canadian context and they have appeared quite sensitive to the problems encountered by the government as the result of the complex developments in the world.

Now if the successive Canadian governments have remained mindful of the needs of the people that ability is mostly due to the fact that it is made up of individuals sitting in this House who heed the advice of the 264 delegates of the Canadian people who are sharing that task.

[*English*]

This House certainly has known many outstanding parliamentarians. I believe the highest honour that can be conferred on one of its members is that of being recognized by his colleagues as a true House of Commons man. As I begin my parliamentary career, I can only express the hope that one day my colleagues will be kind enough to give me such an honour.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Lalonde: The profound respect that both you, Mr. Speaker, and your distinguished colleague the Deputy Speaker have inspired in all hon. members of the House will set up an ideal which I shall strive to emulate.

I am also flattered by my nomination as Minister of National Health and Welfare. However, my pride is tinged with a substantial dose of humility and the awareness of the challenge so ably met by my predecessors, among them the Hon. Brooke Claxton and Paul Martin, J. Waldo Monteith, Judy LaMarsh and also the President of the Privy Council (Mr. MacEachen) and the Minister of Labour (Mr. Munro), all of whom successively gave shape to the social security policy of Canada.

Mr. Speaker, I should like to inform the House of the approach envisaged by the government for its social security policy as outlined a few days ago in the Speech from the Throne.

As indicated in that document, that aspect of policy is one of this government's first two priorities, and there are two excellent reasons therefor.

First of all, our study of the social security system has revealed that income security plans in Canada are inadequate for attainment of the objectives set. They were created for several purposes; first to provide protection for those who normally would have adequate incomes, whose incomes were, on the average, adequate during their lifetime, against the risk of lost earning capacity during a relatively short period and also to assist them in regulating their income flow along the years. In the second place, the plans aimed at ensuring adequate and equitable incomes to people normally unable to be self-supporting and finally to contribute an income supplement, with due consideration to appropriate work incentives, to those who, during a given period, are unable to earn sufficient amounts.

Now, during that study, we clearly saw that a reform of the Canadian social security programs was not possible solely through amendments to federal legislation; instead, a concerted global approach of all the social security programs, at the federal and provincial levels, was in order.

A second reason for the high priority accorded the Canadian social security policy is the fact that the Canadian people have clearly indicated to the House of Com-

mons, and through the House of Commons to the government, that the social security system which the federal and provincial authorities built over the years as a patchwork job no longer meets their wishes. They see in fact in that system some elements that do not correspond to their own attitudes and their own values. They also see in it contradictions and even some confusion and, moreover, weakspots unequal to the needs the system is supposed to meet.

Therefore, we suggest that social security be acknowledged by parliament as one of the two main national priorities and that the federal and provincial governments now assume the task of studying and revising the system in a way that truly reflects the values and aims of the Canadian people.

Mr. Speaker, I wish to point out that the government suggested that such a study should follow five main guidelines. Such guidelines, I feel, issue from what I take to be two of the main characteristics of the Canadian people.

First of all, as pioneers and settlers in a new country, Canadians learned long ago that they were interdependent and, above all, that they had to be so in order to survive. That basic fact in the life of the first settlers bluntly confirmed the moral principle generally admitted that each individual has and must accept some responsibility as concerns the well-being of his fellow-men. Therefore in all communities, parishes and constituencies of Canada, a tradition of mutual assistance developed very early, whenever such assistance was necessary.

• (1550)

Along the years, this sense of community brotherhood broadened, and the Canadian people came to recognize their responsibility as regards welfare, not only of their neighbors within the community, but also of their fellowmen in the province where they lived as well as their fellowmen throughout the country. Therefore, there appeared a complex system of redistribution of resources, of federal-provincial equalization payments, of medicare and hospitalization plans, etc., thanks to which Canadians could contribute to a satisfying level of social welfare as well as a fair distribution of personnal incomes throughout Canada.

Another characteristic of the Canadian people, I believe, is independance, that is to say, on the surface, a characteristic which seems to be opposed to the first one, but only on the surface, since independence and interdependence are basically complementary notions. No country, no nation can hope to survive without one or the other. The Canadian people as a whole are independent people. They expect to meet their own needs thanks to their own efforts. They expect as well that others will do the same. And whenever they have an opportunity to help others, they expect that everyone will bear a fair share of the burden. In modern terms, this truth means simply that Canadians expect that every person able to work will do so. They expect the government to create an economic climate that will lead to the creation of a maximum number of job opportunities. As economic productivity increases, Canadians expect also profits there of, namely increased incomes and more leisure opportunities, to be distributed fairly rather than being monopolized by a small number whose power enables them to do it, or by only a few people who are prepared to remain idle while others work.

I think those particular points constitute values accepted by Canadian society and they must therefore be reflected in our legislation on social security. We are quite prepared to propose to the House the reforms which may be necessary to allow the federal income security programs to reach that goal. Mr. Speaker, I am purposely using the word "reforms" because the principles mentioned in the Speech from the Throne do not mean a complete break with the past. They are compatible with what the present and previous governments hoped to accomplish, that is to say a higher degree of social justice.

However, we recognize at the same time that it would not be enough, or even acceptable to the provinces, for the Parliament of Canada to take the initiative regarding the programs and act on its own because the fact still remains that our system of social security is a responsibility shared by both the federal and provincial governments and it has always been so, with the municipalities also playing an important role in the application of the programs. Why will you ask me is it so? Why do the federal and provincial governments have major responsibilities in that field of policy? I think members of this House know very well the answer to those questions. The Prime Minister (Mr. Trudeau) has already given the answer when he published the working paper on the constitution entitled "Income Security and Social Services".

So it would seem that because of that participation of federal and provincial governments in the field of social security no reform of the Canadian social security plan could be accomplished unless all components, the federal government, provincial and municipal governments, are included in the reform and the architects of the plan, the federal government and all ten provincial governments, participate equally in the development of those reforms. And it is precisely what we wish to suggest today to the House and the provinces.

It seems to me that five principles are implied, as already mentioned, in the abilities and the values of the Canadian people and they consequently should guide the federal and provincial governments throughout their study.

First, the social security scheme must ensure to the unemployable, the aged, the blind and the disabled a guaranteed annual income which is fair and human. That principle reasserts and strengthens an assumption of the social security scheme to which all governments and parties have been dedicated for half a century. Although they have different opinions on the degree of support to be provided, the Canadian people have long been conscious of their responsibilities toward those who are unable to work and gradually they have developed various pertinent programs so as to live up to those responsibilities. Old age pensions were initiated in 1927; veterans allowances in 1930; allowances to mothers without support and with dependents, that is those who at the time were called abandoned mothers, were introduced in most provinces during the thirties; pensions for the blind were introduced in 1937; the old age security system was instituted in 1951, whereas allowances to the invalid were implemented in

1954. The guaranteed income supplement for aged people was created in 1966, while the Canada and Quebec pension plans date back to 1965.

While drawing this list, Mr. Speaker, I could not help but note that most of these legislative measures had been the work of Liberal governments, over the past 50 years.

Some hon. Members: Hear, hear!

Mr. Lalonde: The people who contribute to the pension plans are entitled to pensions as soon as they retire or become incapacitated, and payment of benefits to their survivors is provided. Elderly people who find it difficult to live on their personal savings and their pension benefits receive a minimum annual guaranteed income by way of the old age pension and the supplement. Furthermore, the provinces grant welfare benefits to those who are unable to make both ends meet because of insufficient income.

Each of these programs has been set up to correspond to specific needs, but they have never been entirely coordinated. Benefits paid to old people, for instance, are fixed, in a general way, by the Parliament of Canada, and are thus different from those set up by the provinces under the welfare plan for those who are blind or handicapped and for mothers with dependent children. These differences result from the fact that each program comes under a different jurisdiction and that the programs themselves were adopted at one time or another in view of purposes which were different and even sometimes conflicting.

Therefore, during this session we intend to strive to overcome these obstacles. The federal government feels that federal and provincial authorities should identify as explicitly as possible the groups of people who now are or should be considered unable to work, and set up a guaranteed plan to be implemented gradually over a given period, which would apply in the most rational way possible to all these groups.

Some hon. Members: Hear, hear!

• (1600)

[*English*]

Mr. Lalonde: The second principle is this; the social security system as it applies to people who can work must contain incentives to work and a greater emphasis on the need to get people who are on social aid back to work. Let me say here immediately, Mr. Speaker, that saying this is not advocating a return to poor laws. This is plain commonsense and good judgment. The first and most important requirement must be the opportunity for people to obtain work. However difficult the achievement of this goal may appear, this government, through the expansion of job opportunities in both the private and public sectors, is as committed as anyone else on the opposition benches to the creation of an environment in which jobs will be available for Canadians who are ready and able to work.

An important incentive is the assurance that a person will not be better off on social assistance than if he takes a job. This involves two separate problems. First, wages generally take no account of a worker's family responsibilities, whereas social assistance must be high enough to provide for all one's dependents. It was to help meet this problem that the family income security plan was originally proposed. Some means must be found to make sure a worker with a family is not penalized by going back to work. The second problem lies in the way assistance payments are calculated; apart from a small amount of exempt earnings, assistance payments are typically cut back by a dollar for every dollar earned. You are thus no farther ahead by taking on a part-time job. Assistance plans should be designed so as to encourage those who can work to take jobs and still receive whatever supplementary assistance is necessary.

It will not be easy to devise incentives that will provide assistance to those who need it, including the working poor; those who work full-time at low levels of earnings, and those who can only work part time, and yet assure the public that those who can support themselves do so. But there is clearly room for improvement in existing mechanisms. In recent months this government has made amendments in the administration of the unemployment insurance program to ensure that those who are getting the support which this program affords are in fact entitled to that support.

Our social assistance programs need similar attention. In this area almost all governments have indicated the need for special measures to help those temporarily on assistance to find jobs, and have recognized that there are obstacles to self-support which must be removed. The task of removing them is not a simple one, but the attention which this particular problem has received in recent years, by my predecessor in this portfolio, and by his provincial colleagues, provides a sound basis for a renewed effort to overcome the various obstacles. I have every hope this problem can now be successfully tackled in a joint federal-provincial forum.

The third principle which would, in our view, guide us in our review of social security problems is this: a fair and just relationship must be maintained between the incomes of people who are working at or near the minimum wage, the guaranteed incomes assured to people who cannot work, and the allowances paid to those who can work but are unemployed. This principle encompasses a basic problem that must be faced in the rationalization of the income security system. We want to develop a reasonable balance between income support available to the aged poor and to the non-aged poor. We also wish to structure benefits for people who can work, in a way that fully recognizes the levels of incomes normally earned through employment. Also, we need to ensure adequate recognition in all cases of the additional needs where there are dependents. Because there is no automatic relationship between what people are able to earn and what they need in order to maintain their families outside of poverty, we will need to supplement low incomes. Supplementation must be structured so as to preserve incentives to work, and also so as to recognize that larger family responsibilities involve larger income requirements. It was this last concern in particular that motivated the development of the family income security plan; and we intend to pursue this concern with legislation in this session. The proposals will be designed not only to meet this pressing need, but also to ensure that the plan can become an integral, consistent part of the total income security system which will result from our broader review.

The fourth principle we have enunciated is integrally related to the third, namely that it must be recognized that provinces may wish to have the structures of social security varied in accordance with the social needs, income standards and the cost of living in different communities.

Canada is a very large country, and the problems which particular categories of individuals face in relation to the satisfaction of social needs are often quite different. These differences are rooted in the differing demographic, geographic, social and economic circumstances in which individuals find themselves. These variations in immediate environmental circumstances of individuals are of special interest and concern to provincial and municipal governments. On the other hand, we in this House have been especially concerned, as we must be, with national standards. Whether national standards can really be achieved by providing uniform levels of benefits is an issue of major concern to provincial administrations and, I believe, to the community as a whole. There is much evidence that suggests that uniform benefits do not necessarily achieve standardized effects on the relief of social needs.

We must admit, I think, that parliament, despite its excellent record of social legislation, has not yet found a way of providing for variations in payments that would assure fair and equitable results in all situations. This paradox of uniformity which fails to achieve equality has long troubled all who have been involved in the administration of social welfare. In recent years provincial governments have criticized a national security system which is not integrated at the level of the beneficiaries and which does not take sufficient account of provincial resources, goals and priorities. What appears to be needed, if we are to resolve the unavoidable problems of conflicting objectives and priorities within income security systems, are mechanisms by which the issues can be fully discussed with the provinces so that provincial legislatures may play a fuller role in determining what patterns and priorities should prevail in the total social security program.

• (1610)

This is not a matter, I might say, of weakening the federal presence in this area of policy. In so doing, we are not seeking solutions that would involve setting up the federal government as a mere tax collection agency for the provinces, because the federal government, indeed the federal parliament, would not support such an arrangement. Members of this House do not regard themselves as mere representatives of their respective provincial governments for they were elected directly by the citizens of this country to legislate for the whole country, and members of the House are authorized to speak for the population they represent every bit as much as are provincial legislators.

Some hon. Members: Hear, hear!

Mr. Lalonde: If the provinces are willing to be one-tenth as flexible as the federal government on this question, if they are prepared to show vis-à-vis our proposal a spirit of understanding similar to the one that we will show vis-à-vis theirs, if they are willing to admit that the concerns of the members of this House for the under privileged is just as great as that of members of provincial legislatures, then I am convinced that we can find some sensible way of adapting the programs to the needs of different areas and of achieving the integration of the programs which will mitigate if not wholly remove the anomalies which have been found to be unacceptable to so many Canadians.

[*Translation*]

The last principle derives from everything that has been stated so far. The review of the social security system in Canada has to be a joint achievement of the federal and provincial governments. A more rational system of social security could not be created eventually unless there is a reasonable measure of agreement between the government of Canada and the provincial governments. It is superfluous I hope to emphasize that the very nature of our country demands that our social security system be the result of consultations between the federal government and the provinces. Actually, it was the inefficacy of our efforts in that direction, as I mentioned earlier, that probably gave rise to the contradictions which appear today in the Canadian social security system, since Parliament and the legislative assemblies have a natural tendency to legislate on their own in fields that come under their constitutional jurisdictions.

So, if the provinces agree, it is our intention to re-examine with them the whole social security system. This is what we have done for the past few years within the Canadian government with respect to federal programs and I know that many provinces have done so as regards their own programs, but the time has come to review the whole social security system together and to work out a new approach involving the principles which we believe are generally supported by the population and the legislative bodies in Canada.

We must perform this review with due consideration for other federal and provincial measures. Many of these connected fields will obviously be involved. It is essential to keep in mind the impact of overall economic policies on economic incentives and j ·b creation. We must also recognize the occasional need for special measures to create jobs in areas where unemployment is highest. Finding jobs for those who are able to work is indeed one of the cornerstones of the social security policy.

Therefore it is important to understand the effects of legislation on minimum wages at all levels of social security. This is not meant to say that social security levels must be tied in with minimum wages or vice versa. It is rather a matter of properly understanding that—

The Acting Speaker (Mr. Laniel): Order. I regret that I must interrupt the hon. minister as I must inform him that his time has run out. Unless he is given unanimous consent, he cannot continue his speech. Is there unanimous consent?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): Is it the wish of the House to allow the hon. minister to finish his speech?

[*English*]

Mr. Bell: Mr. Speaker, may I say that we have been giving permission to the ministers to take an extra five or ten minutes, and this is certainly all right, but may I suggest that questions should not be put from this side following the extended time. So, we are agreeable to the minister having a few more minutes to complete his speech.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we, too, are agreeable to giving the minister a few more minutes to complete his interesting statement. We wish, however, that he would use some of that time to give us some precise information as to what the government intends to do within these broad principles.

Some hon. Members: Oh, oh.

The Acting Speaker (Mr. Laniel): Is it agreed that the minister continue his remarks?

Some hon. Members: Agreed.

Mr. Lalonde: I thank hon. members for their understanding and kindness in allowing me a little more time. I will try to complete my remarks in as little time as possible and answer all the points that have been raised, Mr. Speaker.

[*Translation*]

Moreover, I said that there must be a link between the social security system and the taxation system. The basic hypotheses related to the possibility for single people and families of paying taxes on one hand and to their need for a supported income on the other hand should be considered as components of the same problem. Efforts should be made in order to set up income security programs reaching the objectives within a relationship of interdependence with the taxation system itself.

It is also important to recognize that there are numerous forms of redistribution of income in Canada and that the social security legislation must be approached in the context of the global system: taxation laws, redistribution of certain services such as medical and hospital care, equalization payments to the provinces, regional economic expansion programs and so on. If Canada wants to reach the goals it has set for itself in the realm of social security, it must find the best way of grouping these components.

• (1620)

Lastly, we must take into account the possibility of a conflict between, on one hand, the natural aversion of Canadians for an increase in the general level of taxation an on the other hand the concern that the various governments should have on behalf of all Canadians concerning the improvement of the help given to the poor. It is obvious that desirable goals whatever they may be, whether in the public or private sector, cannot be reached without the necessary resources. We have not discovered yet a magic wand or an alchemical formula allowing us to reach economical or social objectives effortlessly. We mean that the government must undertake a redistribution of resources and that it will take the necessary steps in order to carry out the desirable reforms in social programs. However, that redistribution of resources will only be undertaken after having carefully taken into account the present requirements in various fields and the main social priorities.

Having asserted the conviction of the government that the provinces, in co-operation with the federal government, should review the entire social security scheme in Canada, and having stated the principles which we feel should be adhered to while that review is under way, allow me to explain the procedure we propose to the provinces.

First of all, the principles that should govern the revision should be discussed with the provinces at a federal-provincial conference. We would also hope that those principles would also be discussed extensively by the public, as well as studied by the representatives of federal and provincial governments.

Secondly, the federal government would suggest, after consultation with the provinces, that it develop a theoretical model for a social security system towards which all efforts would be aimed. We would also welcome all alternative models proposed by the provinces, singly or collectively. In that way, we would be assured of seeking the best solution and those proposals would, of course, be debated during a series of federal-provincial conferences should several conferences be needed.

May I add that we will not suggest that, to achieve this revision, an independent semi-autonomous federal-provincial commission or secretariat be created which would be vaguely responsible to the federal and provincial governments.

Lastly, I am convinced that the provinces will agree on setting a time limit for this study. I shall suggest a maximum period of two years to the provincial social welfare ministers. The federal government would be willing to speed up the process if the provinces so wish. In any event, I feel it would be possible, in that period of time, to develop an objective or the prototype of a social security system, and elaborate specific plans to enable us to attain that objective or use that model.

However, this government wants to assure the Canadian people that this global review of the social security system will not bring everything to a standstill during that period. Indeed the pursuit of a better integration should not lead us to desregard, even temporarily, the citizens' welfare through the existing programs.

This government has committed itself to introduce a new guaranteed family income plan which would take particular care of the needs of low income families, because it recognizes that the institution of a just and equitable family allowance plan is a basic element of the social security system. Families whose breadwinner is unable to work need allowances to increase the income guaranteed by reason of their inability to work. Families whose breadwinner is able to work, as I said a moment ago, also need family allowances because their salary does not take into account their dependents.

Before the social welfare ministers' conference in April, we will introduce in the House measures to deal with the new guaranteed family income plan. When I shall have had discussions with my provincial counterparts and

benefited from their suggestions, I will be able to introduce the new legislation concerning the guaranteed family income plan.

The government has also undertaken to improve the economic situation of the aged. The first leading principle of the social security system of the future, we stated, is that aged people who can no longer work must be provided with a guaranteed minimum annual income. A number of amendments have been made over the past years to improve the lot of pensioners and aged people in Canada.

Canada already has a guaranteed income plan for the aged. We must still find out to what extent pensions paid constitute a fair income.

I wish to ensure the House that I have considered all suggestions submitted for the improvement of old age security pensions, and that I have already discussed this matter with several of my provincial counterparts. I am confident that I shall complete this consultation with the provincial ministers well before the official formulation of a proposal to the House. However I can assure hon. members that a substantial old age pension increase will be announced soon, and I hasten to add that it will not be a mere token increase. We will bring forward other measures in order to improve the financial position of more elderly people, measures we must first discuss with the provinces in the light of the principles stated in the Speech from the Throne as to a complete review of the social security system. While making our decision, we must always bear in mind the opinion so often expressed by my provincial colleagues that increasing the gap between the pensions available to people over 65 leads to greater difficulties as regards people under 65. That is a question to which we should give great attention in our upcoming federal-provincial review of the overall income system.

Mr. Speaker, I also should like to point out to the House that officials met recently in order to improve the benefits provided under the Canada Pension Plan.

The 1970 white paper on income security recommended substantial increases in pensions for widows and disabled people.

Discussions took place this week and they will continue in March, then we will have the opportunity of discussing them with the ministers during the April meeting.

I should like also to inform the House of the very important meeting on health matters that will take place next Friday with the ministers of health in order to consider that question and, if possible, agree on a new and complete health care financing system in Canada. Under that proposal, new financial arrangements would be introduced to give greater scope to the provinces when they set their priorities within the national overall standards and follow the policy they deem the most efficient, considering such priorities.

Since I became interested in the affairs of the state, Mr. Speaker, I have been warned on occasion that a government should never venture on a road whose destination is more or less uncertain. For two reasons, I cannot accept such advice from timorous and conservative souls. First, if we perceive with enough vision the guidelines and if we have devoted sufficient time to the consideration of a problem—as we have certainly done within the government of Canada—we do have then a sufficiently clear notion of the road to take it with some confidence.

Still more important however, if we do not have the courage to revise the programs thoroughly we are unfailingly imposing on the taxpayer, even without knowing it, the high cost of temporary and incoherent solutions. If I understand the Canadian people well, the governments should put an end to the dispersion of efforts and participate instead in the entire revision of the system just as the government of Canada is suggesting today.

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I begin with my sincere congratulations to you and to all our presiding officers, but particularly to the Speaker of the House, who has again been acclaimed as the chief commoner among us. I am not one of these who believe in developing sophisticated techniques for securing for all time the position of permanent Speaker. I always believe that when the time comes Members of Parliament will choose from among themselves a Speaker whom they will want to have in office as long as he will stay, and this is what we have been able to do. We have chosen one of us. He is chief among us, *primus inter pares*. We honour his selection, and that is a fair way to have the whole matter dealt with. I congratulate our Speaker and I congratulate our corporate wisdom in time after time giving him the burdens of the high office, the functions of which he discharges with ease, grace and great impartiality.

• (1630)

I have as well to congratulate the hon. members who moved and seconded the address. I think they acquitted themselves very well.

This is a most interesting time to be in parliament, Mr. Speaker. It is my seventh parliament. I come from the cradle of confederation, the city of Charlottetown—sometimes I have to assure people that in spite of my appearance I am not a father of confederation! It is indeed a most interesting time. I look across at the truncated, traumatized and slightly tenderized government led by a swinger who has become a clinger. I look down to my left at those who were the mighty terrors in this House—my, how terrible they could be. They are now the handmaidens of the iniquitous of yesterday. The people across the way wear the cap of penitence and the cloak of humility. How different things are from four years ago when I took part in the Speech from the Throne. The whole place was supposed to tremble at the merest shrug then.

It is not of course for me to tell my erstwhile neighbours to the left, geographically that is, what they should do and how they should preserve themselves in the public life of Canada. I believe they have a role to play but because I used to sit near them, and I like a good many of them, I should just like to say that as they accept the embrace of the fervent and fevered party across the way they should just pay a little attention to history. When Ulysses saw the cave of the Cyclops he almost went in, but he noticed that all the tracks went in and none came out.

I am surprised that the hon. member, the scrapper from Nanaimo-Cowichan-The Islands (Mr. Douglas), with his

great knowledge and love for the Prairies, did not think of a situation later than the one that faced Ulysses. I think of a period before my time, in 1921, when a party much larger than the New Democratic Party was in this House. There were 64 Progressives—64, Mr. Speaker. They were courted by the Liberal party, then as now determined to stay in power whether the people wanted them or not. What happened to the 64? In the next election there were 24, in the next election there was only half that number and so that once great party, an important party of idealism, disappeared, and there was very little left but a cabinet post or two and a few senators. I wonder if I am going to see the day when I will leave my duties in this green chamber, walk across to the red chamber and there see Senator Knowles and Senator Lewis being introduced by Senator Argue to those august gentlemen. For this advice there is no charge, Mr. Speaker.

I am happy to be taking part in the Speech from the Throne today, January 11, and to hear the fine speeches like the one of my good friend the hon. member for Victoria (Mr. McKinnon) in British Columbia. I call it "the other Victoria" because there is Victoria, Prince Edward Island, my home town, which is somewhat smaller than but just as beautiful as his fine city. I liked his literary style and the statesmanship of his utterances. I was delighted with the maiden speech of our maiden member for Kingston and The Islands (Miss MacDonald). She said things that should be said about people who really concurred in the ideals of Sir John A. Macdonald.

Sir John A. Macdonald was not regarded as one of the greatest orators of our public life. He would rank behind Howe, Laurier and Bourassa. The story is told of one occasion when at a great public meeting he was applauded for the great speech he had delivered. One of the poll chairmen told him that it was the greatest speech he had ever made. He replied, "Do you know why? That glass of water in front of me was straight gin". But the hon. member for Kingston and The Islands had straight water—I ordered it for her. She did not need anything else to deliver a fine and eloquent speech.

I was much impressed and moved by the fine address of my new colleague, the hon. member for St. Hyacinthe (Mr. Wagner). This is the kind of wisdom, the kind of moderation, the kind of concept of the whole country that we need in these days. As I looked at him, I thought of Sir John A. Macdonald and came to the conclusion that we have a modern Cartier among us. I salute him and I predict for him great accomplishment for his province, for our party and, much more important, for our country.

Sometimes hon. members will make a mistake and in this debate refer to the Speech from the Throne. I am going to lapse just for a moment. I was impressed by some discoveries there and some continuing amnesia. I am glad that the west has been rediscovered. It needed to be found again by the people on the Treasury Benches, but I wondered why the Atlantic region still seems not to be visible. There is to be a conference with the four western premiers. Just because we have hardened to a situation where unemployment is chronic, where the cost of living is the highest, where these things become constant over the years, that is no reason some effort could not have been made to redress the imbalances of that part of Canada from which the whole country had its origins in the Charlottetown conference. Search as I could, I discovered very little that had a direct bearing upon the economic problems of my province or the other three provinces by the Atlantic.

I did note one item, Mr. Speaker. The government will meet with provincial governments in the five regions of the country to examine the impact of freight rates on economic growth and consumer prices. I can tell them that for one region they might as well save their time and the taxpayers' money. Surely to heaven, we do not need a top level conference to discover that nine freight rate increases in four years would not be a good thing for the economy of the Atlantic region. We have had studies up to our necks. We would like now a little remedial action. That is my suggestion on that matter.

I do not go in for partisanship in this House. I do not know whether that has increased my popularity or not, but I am impressed by the effort made by the present government at conversion. If it comes off, it will make that incident that befell St. Paul a very slight and casual undertaking! I am wondering if in fact we are seeing any repentance or a new form of arrogance.

I am troubled when it is suggested to the people of Canada that they should recant their judgment because they are bidden to do so and that those Canadian people who rejected the government's best thoughts on October 30 should some day in the future go all-out for them when their second best thoughts are put forward. Are the Canadian people to be bidden to give an accolade to this truncated cabinet and to the ministers who obviously could not have been first choice or they would have been put in the cabinet earlier?

Some hon. Members: Hear, hear!

Mr. Macquarrie: It comes close to suggesting that the people do not really know what they are doing after all; that if we can dress the thing up some way they will swallow this and come through with what was supposed to happen on October 30 anyway. I would not count on that if I were a member of the government.

We are impressed with some interesting changes, and I heard this suggestion in the speech of the minister who has just left the chamber. I remember that the provinces were likened to the opposition. The provinces and their premiers were terrible. Now we are overwhelmed with dominion-provincial co-operation and consultation. The provinces are almost as popular as the Queen.

• (1640)

Mr. Muir: They rediscovered her.

Mr. Macquarrie: I followed with close interest the minister's speech. I do not wish to critize the speech itself, because he obviously is a scholar of great distinction and is clearly used to writing speeches, although I suspect he may be used to writing speeches for members who have unlimited time in the chamber, since he went a good deal beyond his time. I appreciate the generosity of the two whips in donating my time and allowing him to continue. However, I am a man of great generosity and do not complain. My only reaction to the minister's speech was

this: I had to go back to the Speech from the Throne to find something that was close to specific. It struck me that instead of telling us in specific detail what would happen, what the impoverished people of Canada can expect from this government, the minister delivered, rather, a position paper which was drawn up before the Speech from the Throne was delivered. I am now further from knowing, as I am sure other members are, what the government plans in this important field than on the day we heard His Excellency read the speech. Somehow there has been a reversal of priorities.

An hon. Member: Perhaps he read the wrong speech.

Mr. Macquarrie: My colleague suggests that perhaps the minister delivered the wrong speech. Perhaps he did.

As hon. members may know, I have been given special responsibility in the vast and important field of national health and welfare and I plan to discharge my duties as best I can, although I do not think even in the days of modern image makers I can pass as the epitome of physical fitness and become a household word to the youth of Canada in that regard. However, I can say that I kicked the smoking habit long before I heard of Judy LaMarsh.

Some hon. Members: Hear, hear!

Mr. Macquarrie: Perhaps that is one of my attributes which qualifies me for my eminent position, in as much as I am following such an eminent minister as the Minister of National Health and Welfare, (Mr. Lalonde). This morning I was reading in the Montreal *Gazette* just how eminent he has become. We are told he is the architect of new social policy. Clearly, he is a very important man. What do they say about the Minister of Communications (Mr. Pelletier)? He is left on the beach. The Minister of Transport (Mr. Marchand) we are told is no longer vital, I assume they mean politically rather than otherwise. And, the former solicitor general (Mr. Goyer) has been overtaken by change. So, I am now given the responsibility of following one of the giants of the new administration. It makes you think.

I thought he would tell us something about the olympic games. There is some confusion over which minister is responsible for that important exercise. I thought he might tell us a bit about what happened to the Le Dain Commission which used to hold us so breathlessly attentive in the previous parliament. I want to know, particularly, what is to be done for our old age pensioners. I had the fearful sensation throughout his speech that what the impoverished and underprivileged of this land would get would be another series of consultations and studies. Perhaps, under the new dispensation, they may even be called royal commissions. That adjective is now acceptable. I do not know what is to happen. Has the White Paper of 1970 been completely discarded? Is there no federal initiative at all? What will this government do regarding those portions of the social welfare program which are solely its responsibility. What will be done about old age security? I remember, not long ago, that the payment was jacked up by 42 cents a month. Will the new benevolence double that? Will the extra payment be brought up to the six buck level of earlier days of Liberal munificence? I fear that, while many will be impressed by the minister's literary style, by the structure of his address, if the needy are looking for solace they will not find it in anything that has been said.

I want to be as positive as possible. I hope that there is on the part of this government, finally, a sincere withdrawal from the old politics of confrontation with provinces. Far too much of that went on. The dominion-provincial conference was a battle ground where you won your spurs by snapping back at the provinces. Of course, the entire realm of social welfare requires tremendous involvement on the part of provinces because our fathers, in their wisdom in 1867, gave to the provinces the burden of jurisdiction in this field but not the adequate taxation field. So, it has been a constant battle for them. There must be meaningful discussion with the provinces. It has been called for time and again by the leader of my party and others. Even if this were to be a deathbed conversion, and even if the newly converted were to be in office a short time only, it could be a positive good. I was disturbed by the frequent reference to words such as "further study, further examination". I jotted them down. Some are to start in April. Why? When in the world will benefits start to flow? The minister's speech, I think, was certainly no manifesto for action. I am afraid it was a highly literate stalling device. The government is stalling for time. There seems to be a good deal of that today.

It is interesting to note that people who are so "hepped up" in staying in office are so terribly slow in producing that legislation which will indicate where they are going.

Some hon. Members: Hear, hear!

Mr. Macquarrie: Last fall it was declared that the country could not afford to lose the services of such people as sit opposite. One would think that logic, and the minister used the word "logic" a good deal in his speech, would compel the government to act, would compel it to introduce piles and piles of legislation and would compel the government to tell us what it will do with its stay of execution. Yet, Mr. Speaker, alas, there is no indication from the government that it is poised for action, that it is composed of a group of people finally awake to the inequities and inequalities in this country, determined to do something meaningful about them and finally willing to show compassion for the hundreds of thousands of Canadians who find it difficult to get along day by day.

There are people in Atlantic Canada, actually in all parts of this nation, who just cannot cope with grim economic realities. Are there to be increased benefits for them? We do not know if the government will do something for those people, or when. I still do not know what it will do, and they do not know. Will we see any moves regarding the old age security pension? Are we finally to do something in this field. I know it is not the minister's department, yet it should be of concern to him, but are we to do something about the war veterans? We are burying gallant men who have died and not received pensions to which they were entitled—

Some hon. Members: Hear, hear!

Mr. Macquarrie: —because of lumbering, inefficient, careless and cold bureaucracy somewhere. I hope there will be action at the ministerial level finally to process the

claims of these men and to give them their just deserts. It is simply criminal. I am sure there is not a member in this House who has not had personal experience with his constituents, especially the gallant old boys of World War I who are passing on. No amount of retroactivity will do those gallant sons any good.

• (1650)

It was interesting to hear about the minister's incentives. When he was reading about them I quickly looked up one of the policy statements of my party which pretty well contained all of them. So, for that part I liked the speech. As he read further, I concluded he had only read it and had not really determined what he would do with it. He still does not know what he is going to do with it. The provision of incentives can hardly be meaningfully put into effect by a government which month after month displays that it cannot find work for thousands and thousands of Canadian people. So, we get back again to this issue of the general incompetence of the government. I heard the minister say that the government was committed in this field. As one of my colleagues said, they may have the commitment but do they have the competence. This is the question we must ask and which our people must ask.

I think the time has come for us to look very carefully at the question of incentives. I believe a government has an obligation to provide the opportunity for people to work. Some of us Calvinists are often sneered at for what is called the old fashioned work ethic of people several generations ago. But when I look around the world and see country after country competing with Canada in the markets of the world with economic gain I wonder if the work "ethic" is so out of date after all. Nor can I believe that any but a very small group of Canadian people prefer the dole to meaningful work. No society should be placed in a position where government makes it easier and better economically to be on the dole than meaningfully and interestingly employed. These are the kinds of things I believe we must examine. To that part of the minister's speech, I take no exception. I think it is the kind of thing he should think more about and which we should think more about.

I look forward to something which might mean more hope and more confidence. Part of the problem of the government opposite is that it never really sensed the extremity of the problem. It never realized I am sure how much poverty stalked this rich land. The government never looked at what happened to the person who under the system is penalized because he did find work. I received a letter from a man 71 years of age who said he never drew a cent of unemployment insurance in his life because he had always found something to do. However, he said he now is idle and while his neighbour who is 31 years younger has been receiving unemployment insurance every winter he cannot receive a cent because he is over age 70. Is that just a statistic or just a little human tragedy about which we should be concerned?

The minister mentioned the FISP program. I profoundly hope, with his great intellectual capacity and agility, he will not recycle the administrative monstrosity that was before us in the last parliament. I hope he will correct the errors where the need is greatest but that we will not have the Canadian people required to abjectedly display their poverty before some emanation of the state. I think we have passed the stage of the rude means test which caused such agony to so many people for so long.

Finally, since I have had one good habit since I came to this House of never exceeding my time limit, I will resume my seat and say in a personal way that I wish the minister well. If all the things he produces will benefit the people of Canada he will find not carping criticism from this side of the House but rather as much thoughtful and helpful discussion as we can give him, because I believe in the field of social welfare there is no ground for partisan infighting and I for one do not intend to indulge in it.

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, might I join with other members of this House in congratulating you on your election to office. I should like also to extend my congratulations to the Deputy Speaker. Needless to say, after stomping through Meadow Lake constituency for several months the atmosphere here is somewhat different and therefore my knees are somewhat shaky. However, as time goes on I believe probably I shall warm up a little bit.

Some hon. Members: Hear, hear!

Mr. Nesdoly: A number of references were made in this House, with a certain amount of derision, to the fact that only 10 per cent of the seats in this House are held by members of the New Democratic Party. I should like to remind members of this House that although we hold perhaps only 10 per cent or 12 per cent of the seats, if we include the Northwest Territories and some of the other far flung constituencies, we represent half of the land area of this great country. I think this is something the members of the Liberal and Conservative parties should note.

For too long a period the members of the old line parties have considered these far flung areas to be nothing but places from which to obtain the raw materials which provide jobs for people in their huge cities. Some reference was made to a socialist ripoff in British Columbia. We have had that ripoff in Saskatchewan for quite a number of years, but the people get right back to it again after experimenting with the other sort of thing. I have had an interesting experience since coming to Ottawa. Back home my telephone bill was something in the order of five dollars and a few cents. In Ottawa, my bill amounts to something over $6. This is a city which has a dense population in relation to that of Regina and yet the phone bill in Regina is lower. Let us not talk about a Socialist ripoff because I know something about the purposes of public utilities and the Crown corporations. Reference was made to some people going to bed with other people. I can assure hon. members who are concerned about our virtue that we intend to hang on pretty tightly to our pyjamas.

An hon. Member: You will be wanting to sleep with us one of these days, too.

An hon. Member: Never. We do not want to prostitute ourselves.

Mr. Nesdoly: I appreciated the remarks of the hon. member for Kingston and The Islands (Miss MacDonald). I believe she is the only speaker so far who has referred to principles. Perhaps we should speak a lot more in this House about principles. Perhaps I should turn now to the text of the speech I have here. I am not very good at speaking off the cuff, although I did not do too badly in that regard in my constituency. However, my knees are shaking a bit now.

• (1700)

First of all, I should like to point out that when I speak on behalf of the constituency of Meadow Lake, I speak in a very real sense on behalf of all Canada, because 84,000 square miles of the constituency I represent is in reality a microcosm of Canada. From farming and ranching areas in the south, we move into the lake and forest country toward the north, and lumbering, fishing, trapping; a natural gas field, some hardrock mining, and, in particular, uranium mines, one of them presently producing and another which will be producing next year. It is true we lack a city, a concrete jungle, but that is something we feel we can do without. The entire area is interspersed with 32 Indian reserves and inhabited by people who have come here from all parts of the world to make their homes.

A good deal has been said in this debate about national unity. To many people in my area, the entire question of national unity is a very remote one because they have already learned to live with each other and borrow the best from each other's cultures.

Some hon. Members: Hear, hear!

Mr. Nesdoly: I have been a guest in English homes where they served Vareneyke; I have been in French homes where they have served Hungarian goulash. When I was in Arborfield, my wife learned to prepare all these dishes as well and she offered them gladly to all our neighbours who wanted to try some of her Ukrainian recipes. Today, we in Saskatchewan have solved a good many of our social problems. It has been a long history. History tells us about the northwest rebellion and the hanging of Louis Riel, as well as the bungling which was responsible for it. Nowadays, in Saskatchewan, our history books consider Riel to have been a patriot, not a rebel. History tells us about the Ku Klux Klan and some of the weird associations formed by it. There were cross-burning ceremonies in the Moose Jaw hills, and people telling men in the sheepskin coats to go back where they came from. This was rather like the immigration backlash which was supposed to have occurred during the last election. In my opinion, that is a somewhat shameful thing. Occasionally there are instances of discrimination against the so-called men in the sheepskin coats. In the past, there were a great many more.

There were many hard times. I can recall the relief measures of the 'thirties, along with the "Bennett Buggy" and the Anderson cart, low wheat prices, poor wheat sales, and the march to Ottawa which was stopped, not without some bloodshed, in Regina. It is because of these many hardships experienced that we in Saskatchewan attempted to develop a type of society just a little different from that in other parts of Canada. As a son of Saskatchewan, I am proud of the fact that we were in the forefront of the movement for hospitalization, medicare, compulsory auto insurance, better schools, and other social and much-needed reforms. We conceived the hospitalization legislation in 1948, and much to the credit of the administration of the right hon. member for Prince Albert (Mr. Diefenbaker), a national hospitalization scheme was introduced in the late 'fifties or the early 'sixties. Medicare followed in 1967, introduced by the Pearson government after a lot of birth pains and Liberal promises dating back to 1919.

Despite the fact that we have overcome many of our problems, many still remain at both provincial and federal levels. Here, I am mainly concerned about federal responsibilities. I should like to express a few ideas in relation to my constituency—and what applies to my constituency applies, also, to many other areas in my province and in Canada. To me, it seems that if the Liberal and Conservative parties had their way they would abandon something like 3,000 miles of Saskatchewan rail lines. It all started with the MacPherson Commission under the Conservatives and now it appears it will be finished by the Liberals hiding behind the Canada Grains Council. If those railway tracks are abandoned, Mr. Speaker, more than 300 communities in Saskatchewan will disappear. I heard someone say "Manitoba, too". Yes, this applies to Manitoba as well as to other western provinces. If these tracks are abandoned at least 800 elevators will close down and costs to farmers for shipping and handling will be greatly increased. No doubt the railways will save some money. But the cost will be borne by the producers and by the people who pay taxes in the Meadow Lake constituency.

These are some of the effects rail line abandonment will have on the constituency of Meadow Lake which were revealed by some research we did before the election: one, more than 253 miles of railway line will be abandoned. Two, in the past ten years, an average of 4.4 million bushels of grain have been carried over those tracks each year. That grain would have to be trucked. Three, more than 2.39 million bushels of grain elevator capacity would be closed down. Four, other farm services would disappear as elevators closed down, for example, supplies of fertilizer and lumber. Other services would soon move out of the community. People would lose their local stores, service stations, recreation facilities and other benefits. Five, more than 1,655 farmers in the constituency would have to haul their grain longer distances in large trucks. Six, the grid road and municipal systems, as well as other highways, would need to be totally rebuilt to handle the larger trucks, and higher taxes would be the result. Seven, tax revenue losses to municipalities would be extremely high. For example, on the basis of 1964 figures—and the situation has probably worsened since then—the Village of Shell Lake would lose 21.36 per cent of its total tax revenues. Spiritwood would lose 18.4 per cent of its tax revenues and Paradise Hill would lose 16.34 per cent.

Such losses, and those sustained in other communities, would have to be made up by local residents. The government has made some nebulous mention of transportation in the Speech from the Throne. Nevertheless, I should like to see spokesmen on the front bench opposite make a clear statement immediately concerning their attitude

toward the planned abandonment of these railway lines by 1975, because we, in Saskatchewan, are not going to take the present situation lightly. We do not care who we may be accused of being in collusion with. We want to stop the abandonment of railroad lines in Saskatchewan.

Some hon. Members: Hear, hear!

Mr. Nesdoly: Now, there is talk out west about a great plains project, or something of that kind. A bunch of easterners came out west to make proposals—there was not a westerner on the committee—and they came up with a great many ideas which were going to save the west. At a meeting we held several months ago the hon. member for Regina-Lake Centre (Mr. Benjamin) suggested that the only idea they had not come up with was to cross a boxcar with a goose so that it could fly by itself.

• (1710)

I was rather disappointed, in examining the Speech from the Throne, to note there was nothing said about native rights. I think I will leave that part of my speech because the hon. member for the Northwest Territories (Mr. Firth) covered the subject yesterday, and I agree with what he said. One thing I would mention is that we must remember that the Indians and Eskimos of Canada were the original Canadians. During this entire battle over bilingualism and multiculturalism not much has been said about native rights, and that is very disappointing.

It would be interesting to see what the implications are in the throne speech for the so-called western conference on development of the northern frontiers of the four western provinces. Because my constituency covers half the northern frontier of Saskatchewan, perhaps this statement represents just a tiny flicker of hope for the constituents of Meadow Lake. For too long the people of that constituency have been waiting for some sort of coherent transportation and communications policy for the north. People from Green Lake to La Loche want better radio service. Television service is something they just do not have. Toronto has 11 channels but the people of the north have none. They have been told there are some long-range plans in this respect.

Mail service in that area has to be improved. For example, a post office is required at Turnor Lake. This is a community that had 126 voters on the voters' list, with approximately 400 people living there. There is a road to this village which is 50 miles from the next community with a post office. Their mail and pay cheques are picked up by one resident and put on the store-counter in the village, but often they are lost. Surely these people are entitled to postal service.

An hon. Member: Not under this government.

Mr. Nesdoly: People throughout the north would like better roads. Many roads have been built, but we have to develop a better economic base there; the provincial government has had some difficulty finding the finances necessary. Roads are required to places like Pinehouse, Patuanak, Dillon, and a road to the south shore of Lake Athabasca is certainly something required in the long range because the people of Uranium City require access to the outside world. We do not want Edmonton to be the commencement of all transportation to the northern part of the province.

It is interesting to note that in the last seven years some $464 million has been spent by federal authorities on road construction and improvements. Some of these expenditures were under cost-sharing agreements with the provinces and covered roads to the frontier regions. Some of the money was spent on national parks and Indian reserves. It is interesting to note that Saskatchewan received only $2.17 million, or 0.6 per cent of the total expenditures, yet within the boundaries of our province there is just a little less than 5 per cent of the total population of this country, with 27 per cent of the nation's roads. That is something that members of this House may not be aware of. In my view this is not justice and equality of opportunity for the people of my constituency or the people of my native province.

Let me suggest that when we start talking about the development of the northern frontiers of the west, high on the agenda should be placed the whole matter of communications, transportation and aid to small industries. If Saskatchewan's north is to be developed, it must have roads, it must have communications facilities. Certainly, if we had had proper communications facilities the type of thing that happened on election night would not have happened. Nobody knew where he stood until at least a week after the election. I was one of those who was saved, by the grace of God, at the last minute.

Mr. Knowles (Winnipeg North Centre): Another John Wesley.

Mr. Nesdoly: The crash program to increase employment rather intrigues me. Some months before the election the western premiers asked the Prime Minister of Canada whether he would announce the winter works projects early in the season so that suitable plans could be formulated before the prairie winter set in. Some projects are just now being approved. It is pretty hard to start building something in certain parts of Saskatchewan where four days ago it was 40 below in the morning. I defy any hon. member to put on mitts and go out there and hammer nails.

In October, a few weeks before the election, the government announced a local initiatives program that was to be financed to the tune of $85 million. I understand this has now been increased to $165 million. From my constituency, up to the end of last December, approximately 40 local initiative project applications had been received. To date, seven have been approved, although information in this regard does not flow very quickly. I understand one more was approved this morning. I do not know what the dispensation of the rest of the money has been. I know that four or five applications have been rejected outright. It is interesting to note that seven of the 40 applications have been approved—perhaps now it is eight; I want to be fair. The total cost is $172,178.

Let us do some simple arithmetic and divide the $165 million approved for local initiative projects by 264, the number of constituencies in Canada. This gives us a figure of $625,000 per constituency. It appears to me that the constituency of Meadow Lake is not getting its fair share of the Local Initiatives Program grants that are

available. Perhaps I should hasten to say, to be completely fair, that maybe we are not entitled to $625,000 because our population is so low and our unemployment rate is not as high as in some parts of Canada.

I believe that some formula could be developed so that areas, provinces or constituencies could know in advance what their allocation would be. In this way the people would know exactly where they stood and would not feel they were being discriminated against by the government. I feel it is imperative that the government come up with a formula which will take into account population and unemployment rates.

If there are problems of regional disparity in Canada, it is because the federal government has helped create them through its indefinite steps, its procrastination and its "pork-barrelmanship" on some occasions. I say pork-barrelmanship because I have ample reason to believe there have been occasions when grants have been assigned for certain projects and have gone into areas which the government thought would garner it votes. I have a strong suspicion this is what happened before the last federal election. It is quite evident that the manoeuvre did not work too well.

Not only should DREE programs be decentralized considerably; the whole question of providing jobs for Canadians in depressed areas and in high unemployment areas should be decentralized to a greater degree, because I feel the bureaucrats in Winnipeg should not be making the decisions for northwestern Saskatchewan. Decisions for Saskatchewan should be made in Saskatchewan and not in Winnipeg or Ottawa as has been the case in the past in respect of the Local Initiatives Program. Because of the high rate of welfare and unemployment, our areas should be getting special consideration in order to provide for a society of justice and equity, words that have been so glibly thrown about in this chamber.

There were two local initiative projects which were rejected and which I think are worthy of mention in this debate. One I should like to refer to is the Butte St. Pierre project. Some years ago in northwestern Saskatchewan we had a priest, Father Imhoff, who is perhaps one of the greatest painters of religious works of art the west has ever produced. He has painted the inside of many churches. Many of his paintings are in a church at Butte St. Pierre. Owing to increased farm size, and for other reasons, the church at Butte St. Pierre is no longer being used. People in the neighbouring town of Paradise Hill have raised a considerable sum of money for the purpose of moving the church at Butte St. Pierre to Paradise Hill. They have asked for a modest LIP grant, but their request has been turned down. This would also have provided a considerable amount of work for the unemployed people in the area.

• (1720)

Mr. Peters: There is no sex or marijuana in that project.

Mr. Nesdoly: The government rejected the project and said that funds were not available. The same is true of the Loon Lake recreation centre which was built by the people in the area. They raised thousands of dollars and originally provided much volunteer labour. Now they want to complete the recreation centre and have asked for a modest grant. This centre could also be used by the native people, because there is an Indian reserve adjacent to Loon Lake. Again, this project met with an outright rejection.

As I mentioned earlier, we do have a uranium mine in my constituency in a place called Uranium City. At one time it was a thriving city indeed. That was back in the 1950s when at its peak it had a population of 7,000 which later declined to 1,700. It was one of the original uranium mines in Canada. The mining company is a Crown corporation, Eldorado Nuclear Limited. It has been the cause of some concern in our area for the last year or two. For one thing, the current decline of jobs in Uranium City is creating hardship for many families.

I believe it is the duty of the federal government and Eldorado Nuclear to provide economic conditions that will be of benefit to the people who live in Uranium City. I think the government should have a more aggressive uranium sales and stockpiling policy which would assure throughout the year a reasonable level of employment in Uranium City.

While jobs are disappearing in Uranium City, the government has provided $29.5 million to Denison Mines Limited, one of the corporate welfare bums, to stockpile uranium. It would be interesting to know just what has been happening to uranium production in Uranium City. Is uranium production by a Crown-owned company being sacrificed in order to bolster the private sector of our uranium mining industry, namely, Denison Mines? I point out, by the way, that the former chairman of the board of Denison Mines is a man named Stephen Roman who was a Progressive Conservative candidate in a Toronto riding.

Furthermore, I feel that Eldorado should be purchasing high-grade ore from small claim owners. There are many small claim owners in Uranium City, and some very rich small veins of ore. Eldorado should be able to buy this high-grade ore from the small claim owners and process it on their behalf. This would provide employment to some people who are currently unemployed in Uranium City. It appears that perhaps the government is interested in protecting Denison Mines whose largest mine, I understand, is at Elliot Lake—and the Elliot Lake seat is presently held by a Liberal member.

In conclusion, I would simply state that for the last 23 years the Meadow Lake constituency has been held by "liberatives", meaning Liberal or Conservative members. These Members of Parliament stumped around the constituency saying that their government would build railroads in the area. That is what the people in my area have been told for the last 23 years. I am thinking particularly of the railroad from the town of Meadow Lake connecting up at Grand Centre, Alberta. In 23 years of railroad building not a single inch of track has been laid down, and now it is proposed to abandon another 250 miles of railroad. I want to add that some people in the Goodsoil-Pierceland area have to haul their grain to market 50 or 60 miles away.

For years the Liberals and the Conservatives have told the people, "We will try to provide you with television service in the far north". These people are still waiting for television. For years members of these two parties have

been promising to build roads to Uranium City, but any roads that have been built to our far north have basically been provided with the assistance of provincial funds and the money of the people of Saskatchewan. In all justice, I should point out that the roads to resources program in the late fifties and early sixties was of some help.

The irony of our situation, also, is that in the last federal election my opponents went around the constituency, especially its northern areas, saying, "Look what we have done for you. We have provided you with medicare and hospitalization". I really became angry on hearing this, because the people of Saskatchewan know very well where medicare and hospitalization came from, who provided it and who opposed it. Millions of dollars were spent in trying to defeat it in 1962, and this effort succeeded for a while.

Federal funds went into hospitalization and medicare only when the government was forced into doing it by the weight of political pressure as well as for reasons of political expediency. They had to do this if they wanted to survive. They have been stealing a lot of our thunder, but we are still proud of being called the conscience of the nation. I know very well who financed the doctors, who tried to oppose medicare in Saskatchewan in 1962, who sent funds in order to defeat the government of the province, and who had integrity and belief in the basic goodness of human beings.

Mr. Speaker, I think we should give this parliament an opportunity to work and we should get away from some of the quibbling that has been going on—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but his time has expired, unless there is unanimous consent to allow him to continue.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: The hon. member for Drummond (Mr. Boisvert).

• (1730)

[*Translation*]

Mr. Jean-Marie Boisvert (Drummond): Mr. Speaker, it is the first time I have the honour to speak to this noble assembly and, on behalf of my constituents in Drummond and of all the right-thinking citizens of this country, I am proud to be able to show how well-founded were their discontent and criticisms as regards the government and to inform the latter of their desires and hopes.

There have always been criticisms; but there is less and less hope among Canadians because they have less and less faith in the promises of this government, which used the same methods that were used by all previous governments to deal with the same problems. The government still considers taxpayers as suckers that can be fooled according to the same old recipe which everybody finds disgusting but which never changes because the head is always the same: high finance, the leader of the Grits or of the Tories who cooks for himself only without even wondering about the taxpayers or knowing whether they are starving or able to provide for themselves.

In the Speech from the Throne read by the Governor General, the government gives us a list of pious wishes. It is all bluff. The taxpayer follows from afar and sometimes absent-mindedly what goes on on the federal scene and hears false ringing comments from government members and the official opposition, not to mention the dreams of conquest on the part of the NDP.

Mr. Speaker, in the Speech from the Throne the government begins to consider the reforms advocated by the Social Credit party for more than 30 years. One must therefore conclude that in the case of the Liberals, the age of discretion is 30. Better late than never, however.

Mr. Speaker, there are problems in Canada and particularly in the constituency of Drummond.

Drummondville is a major town of the province of Quebec situated in the center of the riding of Drummond, whose taxpayers have chosen me to represent them; I want to thank them heartily and assure them of my dedicated service for the whole duration of my term of office.

Drummondville is a centre for textile industry, and its main employers pay below-average salaries. That is why Drummondville has one of the lowest average income in Canada. When workers are dismissed, they are perfectly entitled to receive welfare benefits, and there are a great many of them who have no other means of subsistence. All the other industries are also of secondary or tertiary importance. There is really no basic industry, on which secondary industries could be grafted.

Drummondville is situated at a crossroad in Quebec. In fact, it radiates towards all major centres of the province. Its highway system is excellent and adequate for the needs of any industry. The government deprived it of an excellent opportunity for extension recently when it was decided not to build the new airport in Drummondville but at Sainte-Scholastique. I mention the airport because for some time it was the greatest hope in the history of our town.

• (1740)

The location of Drummondville at the crossroads of Quebec, near large centres such as Trois-Rivières, Montreal, Granby, Sherbrooke, Victoriaville and Quebec had been praised. Thousands of citizens had signed petitions voicing their desire to see that project carried out. The unemployed and the recipients of social welfare were anticipating better days. The pride of all citizens had heightened with the hope that their town would be gaining importance. Our hope was based on the support of two ministers of the constituency, one at the provincial and the other the federal level. As it happened the airport was set up elsewhere in an unknown and remote area near the federal capital and Ontario in a hilly district which did not lend itself to speedy development.

It seems to us that the government could have made up for it by promoting the establishment of thriving and viable industries among us which could have contributed to bring new assets and stimulate the trade in order to enable the economy to operate more regularly and normally.

If, in our democratic system, the government is not free to ensure each citizen a fair distribution of resources, it

could—and that is not asking for the moon because it also belongs to the Americans—ensure a fair distribution of industry throughout the country through genuine incentives which, while respecting free enterprise, would put all Canadians on an equal footing, thus eliminating underdevelopped areas in Canada and keeping Quebec from constantly lying in stagnation, having to do with crumbs. By that I mean industries in which Ontario or the western provinces show no interest and which pay low wages and prepare workers to spend winter drawing unemployment insurance benefits that they will in fact get in the spring only, all this thanks to the system we now have.

What is required is a true industrial policy based on short and long term planning, satisfying the requirements of the environment and respecting human dignity.

The existing legislation as well as those that are being proposed in the Speech from the Throne are nothing more than stop gap measures, an inconsistent policy of social welfare that will benefit only the rich companies.

Some industries have undertaken a real blackmail campaign against this government and the Canadian people while literally demanding to be paid for making profits. It is highway robbery to demand to be paid by those who, in a number of cases, are being exploited, and to demand from low income taxpayers that they pay taxes not for bridges, roads, schools or hospitals, but for dividends that directly fall into the shareholders' pockets.

If this government really wants to have a sound industrial policy, it will need a sound basis, one that will resist any pressures while providing the country with a modern, flexible monetary system based on respect for the community and intended to look after the interests of Canadians.

This industrial policy should include efficient measures on behalf of the unemployed.

Right now the Unemployment Insurance Commission is in a terrible mess. In fact, I am receiving complaints by mail, by phone and from people who come to my Drummondville office saying that their unemployment insurance benefits are not coming in or are late. People have not received anything for two, three or four months and this is called insurance.

It is a real joke because when you are out of work and thus deprived of income this is when you need money the most. The first objective of unemployment insurance is precisely to fill that need and I say that the Unemployment Insurance Commission will not give the service it was created for.

Yet, the Speech from the Throne says, and I quote:

> In respect of people who can work but are temporarily unemployed, legislation will be introduced to clarify certain aspects of the Unemployment Insurance Plan and to prevent abuses that have not been overcome by the administrative action already taken.

Mr. Speaker, it is precisely in the administrative measures and waiting periods that the abuses exist. There will be abuses as long as man will be considered to be at the service of computers and not computers at the service of man.

Mr. Speaker, people who have difficulty understanding or being understood by unemployment insurance officials have to leave Drummondville and drive 50 miles to go to the Sherbrooke office. When you are without a salary or benefits because the computer does not understand you, you cannot afford to make such trips.

This is why I would like to invite the hon. Minister of Labour (Mr. Munro) to consider the possibility of opening an office in Drummondville to examine in that location the cases of people having difficulties. As Drummondville has a population of 45,000, I think this request is quite justified, especially in view of the large number of unemployed people in this town and the surrounding area.

This decentralization would get the Unemployment Insurance Commission nearer its first objective of helping the jobless and would put an end at the same time to a great deal of criticism about this service which is no longer worthy of the name.

When a man has stopped receiving the benefits to which he is entitled, he applies for welfare assistance and has to submit to a whole series of inquiries, indiscretions and intimidations because of rules and instructions which leave no latitude to the officers who deal with the poor, even though for many years we had two ministers in the constituency. It will be evident that the office which I have taken over is not an easy one to fulfill.

Mr. Speaker, people come to see me each week at my office to ask for help because they do not succeed in gaining satisfaction during various interviews they have with social welfare officials. Yet, there is a member of the National Assembly in the constituency, he is even a minister, but since he does not do anything, I try to deal with these cases. I am saying this, Mr. Speaker, to urge the federal Minister of National Health and Welfare (Mr. Lalonde) to closely control the situation in order to impose stricter conditions to his provincial counterpart if need be so that proper consideration will be given to the human being.

Presently in Quebec, the pride of the people is being annihilated by restrictive socializing measures which suppress all freedom of action and speech and could deprive him of an income that he cannot do without.

This phenomenon reaches even the farmers who have had a difficult year in 1972. Everyone knows that the rains of last summer destroyed the crops and caused huge losses to the farmers of the province. The farmers in the Drummond riding were not spared and many were so discouraged that they even thought of selling their property. It is at this point that they understood with an even greater shock that the federal government and the Department of Agriculture is very little concerned about them.

The Speech from the Throne advocates a fair relationship of prices of feed grain to livestock feeders in various regions of Canada.

Mr. Speaker, I maintain that before we speak of a fair relationship of prices of feed grain used by western and eastern feeders, we should begin by paying the meager amount of $400 to those who have been waiting for it since last summer.

I protest against this situation. It is shocking to see that farmers are up against rain in the summer and red tape in the winter.

It makes one wonder whether there should not be a ghetto for eastern farmers, at least if the government keeps on treating them as second class citizens and showing some interest in them only when the time comes to consider their profits for income tax purposes.

Mr. Speaker, Social Credit demands respect for human beings. A case in point is that farmers, who are the back bone of our economy, are not appreciated at their true worth through snobbery or because it is not profitable for high finance.

Mr. Speaker, the government is now beginning to take seriously the reforms advocated by the Social Credit for over 30 years. When the government starts to talk about a minimum guaranteed income, I am all for it as well as the party of which I have the honour to be a member. Even though only part of the population is concerned, it is a start, and the government deserves praise for thinking at last of some of the people. Soon the monetary system will be placed at the disposal of the people, it will no longer serve only the big financiers.

Then and only then will we speak of true democracy because although we now have parliamentary democracy we do not really know economic democracy. Economic democracy will be a fact only when all Canadians are shareholders in their country, just at it goes in private industry.

Consequently, Mr. Speaker, I move, seconded by the hon. member for Rimouski (Mr. Allard), the following sub-amendment:

That the main amendment be amended by deleting the words after "Your Excellency's advisers" and substituting therefor the following:

. . . did not introduce the social credit reforms required to guarantee a minimum annual income to all Canadians, for instance the old age pension at 60."

Mr. Speaker: Order. The hon. member moved an amendment about which I have serious procedural doubts. But before ruling on the matter, I am willing to hear the comments, recommendations or advice of my hon. colleagues of the House. Here is the amendment:

That the main amendment be amended by deleting the words after "your Excellency's advisers" and substituting therefor the following:

. . . did not introduce the social credit reforms required to guarantee a minimum annual income to all Canadians, for instance the old age pension at 60.

The question before the House is therefore the following:

We respectfully affirm to Your Excellency that Your Excellency's advisers did not introduce the social credit reforms required to guarantee a minimum annual income—

To my mind, this is a new amendment and not a sub-amendment. As I said, I would be happy to hear the comments of hon. members to help me decide whether or not the proposed amendment is in order.

• (1750)

Mr. Gérard Laprise (Abitibi): Mr. Speaker, we moved a subamendment in order to bring something positive to the amendment moved by the Leader of the Official Opposition (Mr. Stanfield), which is practically meaningless. It is something purely negative, while our sub-amendment brings in at least something positive.

Mr. Speaker: Any further comments? I suspect that the hon. President of the Privy Council (Mr. MacEachen) is rising in order to suggest to the Chair that the amendment is out of order. Should he try to convince me that the motion is in order, I would be willing to listen to him. Otherwise, I am ready to make a ruling.

In my opinion, there is no doubt from a procedural view point that the hon. member's amendment raises an entirely new matter. It does not attempt to explain the substance of the amendment moved by the hon. Leader of the Official Opposition (Mr. Stanfield) but rather to substitute an entirely new proposal.

The hon. member's motion would have been in order as a main motion and not as a secondary motion appended to a motion already before the House. For this reason, I regret to say to the hon. member that his motion is not in order as a sub-amendment.

Mr. Arthur Portelance (Gamelin): Mr. Speaker, first of all, I should like to join with the other hon. members in congratulating Your Honour on your reelection as representative of the Stormont-Dundas constituency. I am sure that your constituents are as satisfied with your services and your ability to represent them for the fifth time in the House of Commons as are all the hon. members in finding that your reelection as Speaker was a unanimous decision. Your past experience, your sound judgment and your competence asserted during previous Parliaments fully justify your holding the Speaker's office.

I also wish to congratulate the hon. member for Halifax-East Hants (Mr. McCleave) for his appointment as chairman of the committee of the whole House. Such an important function will be occupied, I am convinced, by a man who deserves the confidence and the co-operation of all hon. members. The hon. member for Halifax-East Hants, to my knowledge, has always acted objectively, whether in the House of Commons or in committees, when speaking on behalf of his party.

Mr. Speaker, two other hon. members also deserve congratulations. I shall first congratulate the hon. member for Nipissing (Mr. Blais), the mover of the Address in reply to the Speech from the Throne, who acquainted us with his constituency in such a vivid fashion that I shall be only too happy to accept his invitation and visit his riding.

I also wish to offer my congratulations to the hon. member for Lachine (Mr. Blaker), the seconder of the Address in reply to the Speech from the Throne. He gave us the background of his constituency of Lachine. Although he did not mention the Lachine massacre, perhaps he could have referred to the massacre of October 30 last, when he gave a sound licking to his Progressive Conservative opponent.

Mr. Speaker, I also take pleasure in congratulating all the hon. members, both new ones and former ones, who have been elected to the House.

Mr. Speaker, the Speech from the Throne proposes several new measures, all equally important, whether it be in the social, economic, political or national unity fields. I

am surprised to note that the leader of the official opposition (Mr. Stanfield) criticizes the content of this Speech only to turn around and take credit for the measures which are proposed. He is accusing the government of stealing the Progressive Conservative platform as if his party were the only one concerned with the well-being of Canadians. I think that it would be more honest to state that the Speech from the Throne contains rather the recommendations and suggestions of all parties, including those of the Social Credit party of Canada, the New Democratic party the Conservative party and the Liberal party.

During the recent election campaign, I have met a number of my fellow citizens, mostly mothers, who told me that the present family allowances did not meet needs any longer and would only be justifiable if they were adjusted to the needs of the people.

I was happy to listen to our Prime minister's New Year's message, in which he insisted upon the family, which is one of the foundations of society and I quote:

> The Christmas season gives us opportunity to be present with our families and our loved ones from whom at other times of the year we are too often separated by work and circumstances. We are able to conside how fortunate we are to live in a country which protects the family unit as a very precious element, which regards it as one of the cornerstones in our way of life. It is in a family setting that so many of our national characteristics are best understood, and best appreciated.

In 1973, the family is as important as it was in 1944. The right hon. Mackenzie King, who was the Prime Minister, said in this House and I quote:

> Family and home are the foundations of national life. In order to secure a minimum of welfare for the nation's children as well as to provide them as many equal opportunities as possible in the fight of life, you will have to approve a measure designed to establish family allowances.

Mr. Speaker, it was true in 1944 and it is even more so in 1973 that family is one of the foundations of the Canadian society. I hope that, very soon, the hon. Minister of National Health and Welfare (Mr. Lalonde) will give us all details as regards a piece of legislation in this very important field of family allowances.

Advantages brought by such a plan are obvious. In the first place, we must help the family and better abide by the principle of social justice. Of course, allowances are financed by the rich, those whose incomes are high enough to make them fall in the taxable brackets. Indeed, it is mostly to meet the expenses represented by all kinds of allowances that the federal government is compelled to maintain a high level of income tax. It is more fair this way: those who are more privileged and have more resources obviously benefit more than others from society and the general prosperity. Is it not fair that they contribute more to assist those who, by bringing up children, make possible the existence and prosperity of the nation?

Low income people, of course, are not assessed at the same tax rates. However, they pay indirect taxes, which the government collects on consumer goods. This is an ideal tax from the point of view of people within the government, because it is easy to collect and because taxpayers pay it and often do not notice it.

But although this indirect tax is advantageous to the government, it brings serious drawbacks to the taxpayer. For one thing, by its very nature, it prevents any deduction for dependents; secondly, and this is more serious, it makes heads of families poorer to the very extent that their dependent expenses are higher and decrease their ability to pay. For instance, the 12 percent tax on manufactured goods which is included in the selling price to the consumer is to be paid only once by the purchaser who is single. However, a man with dependents pays it once for himself, again because of his wife and as many times as he has children. This is the case for all indirect taxes going to the government.

This is a case of injustice for those with families. If the government is to maintain much longer this indirect taxation, it must make up for this injustice and has no way of reimbursing the taxpayers other than paying family allowances or a guaranteed annual income which will correct this situation.

It is often said: "Equal pay for equal work". It is true to a certain extent. However, responsibilities of single persons and of those with dependents are not the same and the matter of equal pay does not hold true.

Mr. Speaker: It being six o'clock, I do now leave the Chair.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Portelance: Mr. Speaker, since I began to speak shortly before recess, I will try to be as brief as possible.

I said before recess that we often hear the following saying: Equal pay for equal work. It is true up to some extent, but the responsibilities of the two individuals, a single person and a married person with children, are not the same and equal pay is unfair.

During the last election campaign, several mothers complained that family allowances had not been increased for many years. As early as 1951, they rightly complained that the amount of $5 per child up to 6 years of age, was inadequate. This fabulous amount of $5 was not enough to buy a quart of milk daily at 19 cents a quart for a month. Do we realize that in 1973, although the allowance for that age group has been raised to $6 per month up to 10 years of age, it is not even enough to buy a quart of milk a day for 30 days, because the milk is sold at 35 cents a quart? Milk costs have increased twofold, but family allowances are still at almost the same level.

Mr. Speaker, I urge the government and the Minister concerned to review this situation as early as possible and to increase once and for all family allowances in such a way as to allow the head of the family to discharge his responsibilities more readily. If family allowances were pegged on the cost of living, as the old age pensions are, they would truly be effective.

It is true that during the last Parliament a bill was introduced. Although it was not perfect, I am sure many Canadian families would have benefited from the amendment, even those of the riding of Toronto-Trinity whose

representative (Mr. Hellyer) voted against adoption of the Bill.

We, of the Liberal Party, during the last Parliament, felt it would have been more equitable for some families to receive amounts of $15 and $20 monthly instead of the present $5 and $8.

The bill was introduced in the House and I believe a majority of hon. members were prepared to pass it. But since this did not take place, today, the new Minister of National Health and Welfare has already given us to understand that the Family Allowances Plan will definitely be reviewed and that it will all be done in co-operation with the provinces who are interested in improving such a plan. I hope that it will be possible to do all this quickly enough.

One of the responsibilities of members of this House is to make sure that family allowances are paid everywhere in Canada and that the amounts are not too different from one province to the other. I do not think it would be fair for a province to be able to pay $35 allowances while other provinces could only afford to pay $20 a month. It is advisable that these things be considered in future discussions between the Minister of National Health and Welfare and his colleagues from the various provinces.

The minister also dealt with the improvements that will be made to the old age security pension plan. Of course, in the last election campaign, many members certainly heard about the problems that exist in that field, particularly in the case of a married man who has reached the age of 65, who is deprived of his earnings and who has a younger wife.

In Quebec, a 65-year-old man is entitled to a pension of $150 a month. If his wife is younger, they both will have to live on that amount. In my opinion, there surely is room for improvement in such cases and I hope this Parliament will give this matter priority.

Much has been said about unemployment insurance during the election campaign. Several candidates of some parties accused the government of bad administration with regard to unemployment insurance. I think all those former members who voted for this legislation should be proud of themselves. I am convinced that Canada still has one of the best unemployment insurance programs in the world. On account of it, several fathers, mothers and children were able to have a better Christmas and New Year's because they were in receipt of unemployment insurance. It is true that there are several unemployed people in Canada. However, it must be remembered, before introducing such a program, that two thirds of the Canadian workers are not unionized. The last third which is unionized certainly has better working conditions than the two thirds which are not.

For the first time in this country, a worker was entitled to benefits in case of illness, which was not the case before, except for people with good jobs, such as federal, provincial or municipal public servants, and people working for big companies that could afford such benefits. But under the new unemployment insurance system, workers are entitled to such benefits in case of illness.

For the first time also, women, in case of maternity, will be able to receive their salary for a maximum period of 15 weeks, and they will also be eligible to unemployment insurance assistance after eight weeks of employment.

The drawing of maximum benefits after 20 weeks of employment has also been allowed. All this was beneficial to the economy.

During the holiday season, the department stores had one of the best years ever. And I am sure that the sales were not made only to people who are employed. A good number of unemployed people had happier holidays because of their unemployment benefits provided by insurance, this humane program introduced by the last Parliament.

Ninety-four per cent of the population of Canada is working while 6 per cent is unemployed. However, Mr. Speaker, I believe that the 94 per cent who are working have a responsibility towards the 6 per cent who are out of work.

I would like those who have a job to keep it as long as possible because I have faith in the Canadian worker. I am sure that among the unemployed 6 per cent many would also be working if it were as easy to find a job as it is claimed.

We constantly hear that there are problems in Canada. There are problems but we know that Canada has the second highest standard of living in the world. The only other position in which we could be is the first one. It is not all that bad. I hope that with the help of all our recently elected friends, we will succeed in reaching this first position. I am sure that this is the main goal of all my colleagues on this side of the House.

• (2010)

[*English*]

Mr. Norval Horner (Battleford-Kindersley): Mr. Speaker, first I should like to congratulate you on the appointment to your high office. I offer my congratulations, also, to the Deputy Speaker. I know this parliament will be the better for Your Honour's presence in the chair, and as a result Canada will be a better place. I am not sure we can say that about many of us.

It is with a great deal of satisfaction that I rise to speak for the first time representing the people of Battleford-Kindersley. They have bestowed upon me a great honour by choosing me to represent them in parliament, and I hope that during my time here I shall be deserving of their trust. For the benefit of hon. members who may not be familiar with the constituency of Battleford-Kindersley, I might mention a few of its attributes. The constituency borders the province of Alberta. The distance from north to south is about 230 miles, and it extends eastward into Saskatchewan for some 100 miles. It is a very large constituency and it is likely to become still larger when redistribution takes place.

It is a wonderful place in which to live, and there are a lot of very hard working people there. We do not have a high unemployment rate in Battleford-Kindersley; when the jobs are not there, it seems people just go and find them. As I say, they are a hard working, aggressive and progressive people. As for the principal cities, I have North Battleford and I share the city of Lloydminster with the hon. member for Vegreville (Mr. Mazankowski).

Some hon. Members: Explain.

Mr. Horner (Battleford-Kindersley): Within the constituency are some of the finest ranches and some of the finest herds of breeding cattle in the world. Being so large, my constituency extends northward into the parkland and south into some of the best wheat growing land in western Canada. I might add that it lies in the flyway of the Canada goose. It is also on the migration route of many other species of geese and ducks. This attracts hundreds of people from all over the United States and Canada to visit the area during the fall. There are in Battleford-Kindersley a great many active and lively communities served by 12 weekly newspapers which do much to hold these communities together.

In my speech this evening I intend to deal mainly with agriculture, coming, as I do, from an agricultural constituency. I had a very interesting experience early in November. I attended a meeting in Kindersley at which about 150 mayors, reeves and other responsible leaders were present: they had come from within a radius of about 60 miles. For two days the problems facing rural Saskatchewan were examined and discussed. We followed a procedure whereby we listed problems in order of priority. The first, we agreed, was the depopulation of the rural areas. This, of course, is closely related to agricultural policies. We felt that the main cause of this depopulation was the inability of young men and women to get started in farming.

During my time in this House I hope to devote myself strenuously to policies which will help not only to maintain the population of rural Saskatchewan but to increase it. This is vital to the social life of the region and to the communities concerned. I do not intend to go into details now, but I have in mind amendments to the farm credit legislation, amendments long overdue, which would enable young men and women to get started. I would point out, Mr. Speaker, that in the city one can buy a $30,000 house by making a down payment of $500. One would need a lot more cash than that before the Farm Credit Corporation would look seriously at an application to acquire a half section of land.

Before I address myself more specifically to the subject of agriculture I wish to bring before the House a very serious social issue. On Monday we heard an hour and a half of whimpering about how the west was lost. I can tell the Prime Minister (Mr. Trudeau) and a number of his hon. friends who are absent from the chamber tonight that I was asked many times to state my position on the issue I am about to mention. In fact, it was raised more frequently than any other issue which was discussed during the campaign. Every day in hospitals across the country human beings are being slaughtered as a result of the legislation which was passed in 1969, a bad piece of legislation, poorly drafted, allowing therapeutic abortion to be carried out in hospitals. In the first month after its passage, September, 1969, there were 105 such abortions. In December, 1971, there were 3,090. How many will there be this month? Heaven only knows. In 1971 there were 30,944 therapeutic abortions.

Before long this House is expected to discuss the question of the death penalty, something which would affect relatively few people. What about the innocent human beings who are being murdered every day—and "murdered" is the term used by a great many very fine people who have approached me on the subject. I have committed myself to trying to do something about this problem in the hope that an amendment can be made to the legislation. I know members of all parties are most concerned about this question and I hope we will reconsider the legislation in the very near future.

• (2020)

I should now like to turn to some agricultural problems I feel must be dealt with immediately. In the last few years we have not appeared to be a very credible supplier of grain. Sure, we can sell it now because there is a shortage in the world and our customers will take it in spite of the inconvenience to and the harassment of them. This spring the United States will be increasing its wheat acreage and we will probably increase ours. We could very quickly be back in a similar situation to that which existed in 1969-70. We were not prepared for it then, but let us prepare for it this time.

The "build for a billion" minister is not in the House at the moment, but I advised him this morning I would be speaking on matters pertaining to the Wheat Board and would be critical of his position. Let me list four things that must be done immediately, some of which will take four or five years to complete. We can carry on no longer with a band-aid approach to agricutural problems, with the minister flying out in an attempt to give the farmers a lift.

We have no shipping facilities capable of handling large ships. In five or ten years' time wheat might be handled this way, with a saving of perhaps 10 or 20 cents a bushel, and the difference could well mean a sale. I can foresee the day when we will be loading our wheat through United States ports such as Seattle because we cannot handle large ships and the customers will want loading done that way. We have to get at this problem right away because it cannot be solved in a month.

We do not have sufficient storage from which to fill the ships now coming into port on the west coast, let alone the larger ships to which I have referred. We do not have enough storage to ensure that a proper supply of wheat is available of various qualities and grades for export. We cannot guarantee delivery on a regular basis because we cannot assure customers that there will not be hold-ups due to strikes. Of course, the previous government had a policy regarding grain strikes: they allowed them to continue for 50 days in the east and 21 days in the west, provided it was just before an election.

If we are to be a reliable supplier of grain we must realize that one of the first things our customers will ask is whether we can deliver when they want delivery. They do not want to store two years' supply of wheat in their countries: they want to buy wheat from somebody who can fill the ships and get the grain to them quickly; they cannot afford to wait days, weeks and months. Our acreage seeded to rape and barley fluctuates drastically. Our customers are aware of this and do not consider us a very credible supplier of grain when we do not seem to know how much we are going to seed from one year to the next.

There are a number of other things that should be done immediately. We should have storage facilities somewhere in Asia. Many countries there could use wheat. We could develop these markets by providing storage there to fill orders of 20,000 to 30,000 bushels at a time. This matter has been mentioned often and should have been looked after five or ten years ago. We should also begin immediately to develop as quickly as possible a number of varieties of feed wheat. Had we done this years ago I am sure we would now have markets and would be selling feed wheat. I realize that progress is slow; it took us five years to adopt protein grading.

We should improve facilities at Prince Rupert. The minister in charge of the Wheat Board made an announcement a long time ago that he was going to improve these facilities. He could not explain specifically what he was going to do then, and has not explained since. There is no reason in the world why we should not be using the port of Churchill to a greater extent. You will never convince people in western Canada that the reason for not using that port to a greater extent is something other than that related to political power in central Canada. These mistakes are academic ones for the ministers and civil servants to solve, but they make the difference between existing and making a living in western Canada.

Our storage policy is responsible for another problem in Canada. This problem has created a loss of hundreds of millions of dollars to western Canada in the last five years. The farmer has been expected to store his grain while the large companies were being paid for storage. The farmers stored it for nothing, and the federal government told them it was surplus, there was a glut on the market and they should get rid of it. They sold it for 40 cents to 50 cents a bushel in the area in which I live. The same wheat is selling today for $3 a bushel in Vancouver. Wheat sold seven months ago will not bring the western farmer more than $1.40 a bushel. I assume the minister in charge of the Wheat Board will have an opportunity to speak, although I know he is not at the top of the priority list. I should like to hear him emphasize once again, as he did during the campaign, that the Lift program was not a mistake.

I should like to congratulate the hon. member for Saskatoon-Humboldt (Mr. Lang) on his tremendous feat of getting elected in western Canada. One would have to say this was entirely a personal victory; Liberal policies could in no way have helped him get elected in the riding of Saskatoon-Humboldt. In 11 of the 13 constituencies in Saskatchewan, the Liberals came third. With the union we now have in the House, I am not sure they will not be running candidates opposing each other in those constituencies.

The Minister of Justice said the Lift program was bad medicine but it was necessary. Speaking on behalf of the western farmer, the result of the election was also bad medicine but perhaps equally necessary for the Liberals. From what I have heard, the people of Saskatoon-Humboldt felt they had to get this hon. member elected because he could fight from the inside. I wish him lots of luck in that regard.

The Liberals' discovery of the west is nothing less than an admission of failure to handle the problems of western Canada in the past four and a half years. The minister in charge of the Wheat Board could perhaps learn something from the results of the election and be a little more honest, because he cannot fool the western farmer. There were headlines in the Saskatoon *Star-Phoenix* three inches high, to the effect that the minister had said the two-price system was permanent legislation. I did not see the bill, but it was neither permanent nor did it give any priority to wheat. This was a one-shot acreage payment. Had the minister been honest, the farmers would have thought better of him.

Wheat is now selling to flour mills at $1.95 a bushel. If a feeder wanted to buy it, it would be $3 per bushel. What we have is the wheat grower subsidizing other farmers. I am sure the minister in charge of the Wheat Board can explain this to the wheat producers. I hope he can also explain to the wheat growers what he means when he says the two-price system is a great breakthrough for the west. The $1.95 should have been a minimum price.

I should like to congratulate the hon. member for Essex-Windsor (Mr. Whelan) on his appointment to the cabinet. I assure him I am looking forward to working on the agricultural committee. A long time has passed since the election and we have many problems to tackle. I urge the minister to make that committee active as soon as possible.

• (2030)

There does not seem to be any rush for legislation in the House. Let us have some agricultural legislation brought forward immediately. I am very anxious to see measures that would bring some sort of stability and confidence to the agricultural industry, and a move away from the Liberal band-aid approach. The new minister has been quoted very often with regard to national marketing boards. I say to him that the only marketing board legislation that is likely to get through the House is that which comes at the request of the producer, and then only that which leaves complete control in the hands of the farmer. So far as western agriculture is concerned, such control must be in the hands of the western farmer—and "control" is the key word here.

Some hon. Members: Hear, hear!

Mr. Horner (Battleford-Kindersley): In this respect I want to mention briefly the Wheat Board. I think it would be an excellent idea if an active producer advisory board were set up to advise the Wheat Board. It is an odd thing that we hear voices in favour of the Wheat Board handling rapeseed, but not from rapeseed growers. The NDP are in favour of such a move. It is strange, since the producers and customers do not want the Wheat Board to handle rapeseed. When you are in business, it is the customer who counts. But, of course, business is something that the NDP do not understand.

Some hon. Members: Hear, hear!

Mr. Horner (Battleford-Kindersley): It is the belief of socialists that the farmer does not know anything and that the civil servant is the source of all wisdom. So it seems to me that a federal socialist Liberal government and a federal socialist New Democratic Party should get along

very well: this is very interesting to me, having spent all my life in Saskatchewan and being subjected to the provincial authority of one or the other. Talk about Tweedledum and Tweedledee! Two years ago in Saskatchewan our government changed hands, but I did not notice any difference.

Some hon. Members: Hear, hear!

Mr. Horner (Battleford-Kindersley): I notice that the term "small businessman" is used in the Speech from the Throne. Not only has the government discovered the west, they have discovered the small businessman. I spoke to hundreds of small businessmen in my travels during the campaign and found them to be desperate and disenchanted with the socialist provincial and federal governments. I went to a store one day and the owner said to me, "I have an inspector downstairs looking into education tax and an inspector upstairs looking into income tax. If I could sell this place, I would be gone". If you want to do something for the small businessman, get off his back, I say; let him run the business.

Some hon. Members: Hear, hear!

Mr. Basford: They are all provincial inspectors.

Mr. Horner (Battleford-Kindersley): The throne speech also spoke of assistance to provinces with regard to secondary education. I am very interested in that question since I have had something to do with education in the last six years. Many mistakes have been made in the past in putting federal money into education which is under provincial jurisdiction, and I hope that we will move cautiously in this area. This assistance is certainly needed, but we should not move too quickly.

Hon. Jack Davis (Minister of the Environment and Minister of Fisheries): Mr. Speaker, may I first say that it is good to see you back in your place. There are not many of us from the class of 1962 who are still here, and still fewer from the influx of 1958. It is good to see you back in the chair exercising your usual wisdom and compassion.

I shall speak particularly about environmental and fisheries matters tonight and I shall dwell on two paragraphs which appear in the Speech from the Throne. They are important paragraphs and they describe new legislation designed to protect our national heritage. One relates to the management of our renewable resources, the other describes further initiatives which the government is taking in the twin fields of fisheries and oceanography off our coasts. The actual wording, to remind hon. members, is as follows:

> Measures to protect the natural environment and to enhance the productivity of Canada's renewable resource industries will be laid before you. In addition to amendments to the Fisheries Development Act, you will be asked to consider an environmental contaminants act and a Canada wildlife act.

The second paragraph in the throne speech which I should like to read is as follows:

> To preserve the ecological integrity of Canada's coastal and maritime areas, further preparations will be made for the Third United Nations Law of the Sea Conference. The Ministry of State for Science and Technology, in co-operation with the Department of the Environment and other interested departments, will recommend a national program of research and development in the field of marine science and technology.

In the first paragraph reference is made to three new pieces of legislation, amendments to the Fisheries Development Act, a new Canada wildlife act and a new environmental contaminants act. Passed by the House, they will form an integral part of Canada's growing arsenal of laws which are essentially environmental in character. Under this heading I would class the Canada Water Act, the Clean Air Act and Canada's Territorial Seas and Fishing Zones Act, among others.

This new legislation has much to recommend it to hon. members, beside helping us to cut down on pollution, help protect endangered species and help us to increase our national output. These pieces of legislation will generate more jobs. They will be most helpful in the disadvantaged parts of the country. By helping us to better manage our renewable resources it will also help us in the fight against inflation in this country.

Hon. members will want me to be specific, and I will try to do so. Let me concentrate for a moment on our proposed amendments to the Fisheries Development Act. The scope of this particular bill will be broadened so that financial assistance can be provided to small inshore fishermen who require ice-making, ice storage and fish-chilling facilities.

Installations of this character are badly needed, especially in our outports. They are needed in order to cut our losses in the fisheries and to improve the quality of our fish. More of the small fisherman's catch, in other words, will reach the marketplace. Being first quality rather than second quality, it will fetch a higher price for fishermen. Now 20 per cent of all landings are rejected by our fisheries inspection service as unfit for human consumption. This is a monstrous waste which can be avoided if we have the right kinds of chilling and preservation facilities. Outright losses are one thing, but of the 80 per cent of our inshore fish which is actually sold, more than half is currently classed as second quality.

Remedying these two situations together will put another $25 million in the pockets of our inshore fishermen. The cost of this ice-making, ice storage and fish-chilling program is likely to be small compared to the benefits. The once-and-for-all investment of less than $10 million will produce an annual income increase in the pocket of the fishermen themselves in the order of $25 million. This is a high benefit cost ratio in anyone's language. Not only does it represent a marked increase in productivity, but it also means that thousands of fishermen in Newfoundland, the Maritimes, across the Prairies, in the Northwest Territories and on the west coast will have more money to spend because they are operating more efficiently and more of their fish is making its way, in good quality, to market. I would put the once-and-for-all cost to the federal treasury at $5 million, with grants being made on an individual basis. In total, this means that local co-ops and individual fishermen will be called upon to put up about another $5 million.

• (2040)

I might describe this increase in another way. As a result of this amendment of the act we should be able to

increase the earnings of all our inshore fishermen and lake fishermen by about 30 per cent. We can do this at a cost of $5 million to the federal taxpayer and raise the income of 20,000 fishermen without killing any more fish than we do today.

The second piece of legislation to which I refer, and which was mentioned in the Speech from the Throne, is the Canada wildlife act. A bill of this kind has never before been passed by parliament. True, Mr. Speaker, we have the Migratory Birds Convention Act, but we have never had legislation on our statute books dealing specifically with wildfowl and the establishment of wildlife sanctuaries.

This new legislation will require close co-operation with the provinces, all of which have important responsibilities in this area. This is one reason why I have consulted personally with all the provincial ministers who are concerned with wildlife, in general the ministers in charge of recreation and conservation. Without exception they have welcomed the government's initiative in this legislation. Also, they are high in their praise for the technical competence and managerial ability of the Canadian Wildlife Service. Under this legislation we will be able to obtain additional funds for the protection of individual species and for the acquisition of certain lands the ownership of which is essential if we are to manage our wildlife resources as we should.

The wildlife program we have in mind will cost the federal treasury something in the order of $10 million but, again, as with the fisheries scheme, the benefits are likely to be several times the cost. Many millions of dollars already accrue to our federal and provincial treasuries through the sale of hunting licences and the like. Ducks Unlimited spends more than three million U.S. dollars a year on the preservation of waterfowl alone. Our own tourist industry benefits in a major way from programs of this kind.

This afternoon the hon. member for Meadow Lake (Mr. Nesdoly) rather facetiously referred to geese and grain. He talked about geese being crossed with boxcars to fly grain out of the country. Last year we did much to develop a facsimile of such a scheme in the crop depredation program. It is a $1 million a year program, a joint program with the provinces. In effect, it feeds ducks and geese on their way north and south across the country. It feeds them at public expense and not the expense of the individual farmer. Lure crops are planted, and the prairie farmer is insured. Hence, my reference to geese and to their unique ability to pick up and move grain on the Prairies.

This brings me to the third piece of legislation in the Speech from the Throne with which I am concerned, the new environmental contaminants act. Here the emphasis will be on prevention rather than cure. We will be screening new man-made substances. New products like plastics and toxic chemicals will be the first to be vetted under the proposed law. They will be vetted essentially by the industries themselves. Of course, our specialists and engineers in Environment Canada will be drawing up the test procedures and protocols. They will be responsible for the guidelines, much as the officials in the Department of National Health and Welfare in the Food and Drugs Division are responsible for tests that apply to food additives, drugs and pesticides. But industry, basically, will be called upon to do its own testing and our officials in government will be keeping an eye on industry's performance in this regard.

There may be some hon. members among us who see this screening process as offensive to the private sector. I cannot agree with them. Most chemical companies would welcome a firm policy in this area, a set of environmental guidelines or protocols which would help them sort out the kind of products they can sell with impunity. At present they run a considerable risk that one of their products may be on the market for a number of years before environmentalists point out its dangers.

We will be looking out for chemicals that have four common characteristics. The first are those that only slowly degrade or break down in nature. The second characteristic is that they are taken up by living things and are concentrated as they pass up through the natural food chain. Third, they are rapidly and widely dispersed, often found hundreds, if not thousands, of miles from their source; and fourth, having entered the environment they may be irrecoverable and even with the expenditure of large amounts of money they can never be brought under control. The names of some of the offending substances are familiar; they include heavy metals such as lead, cadmium and mercury, and chemicals like the polychlorinated biphenyls, or PCBs. Unfortunately, some of these substances are already present in alarming quantities in our biosphere. Since their sources are many, and since their use has become worldwide, international co-operation is often essential if we are to keep these environmental contaminants under control not only in Canada but elsewhere.

I might mention in passing that similar legislation is being considered in the United States and that a toxic substances act is being drafted in Washington. Our legislation will be broader in scope. It will deal not only with substances toxic or poisonous in nature, that is, poisonous to all living things, but also with other pollutants that tend to suffocate because of their bulk volume or concentration in a single place.

I have used the word protocol, Mr. Speaker. Environmental protocols are tests that establish the safety of a new product. We have developed several for checking out substances. NTA, a substitute for phosphates in detergents, is a case in point. The protocol here has been developed with the assistance of the Department of National Health and Welfare. Environment Canada is also working with the Department of Agriculture on pesticides. We are already working with industry, with various companies, on other important new industrial products. The idea of containment is fundamental to our approach to pollution. Either we prevent a product from being manufactured in the first place or we insist that it be recycled within the factory premises. If possible, nothing should get out that is toxic or suffocating. This makes sense, because it is terribly expensive to gather it up again. Such a toxic substance could do irreversible damage if it got loose.

As I have said in the House on other occasions, Mr. Speaker, our national pollutant abatement standards are

linked to the best possible technology. As new techniques are devised, our standards are continually tightened up. Every new plant in this country must make use of this new technology. Here I would emphasize the word "ideas". Already as a result of this technologically-oriented policy of ours we have developed a good deal of fresh and valuable Canadian know-how. Not only has this been beneficial, in environmental terms, in Canada, but it has an important dollar sign attached to it. It is a new industry which is selling its expertise not only to firms here but also widely in the United States, in Sweden and the USSR. With these multiple dividends to Canadian workers and to our scientific community in mind we have launched a number of research projects for broader programs. They are essentially co-operative with nature and industry. In our pulp and paper mill industry, the research is increasingly being undertaken on a dollar for dollar or 50-50 basis, the taxpayers putting up half of the money for this and industry the other half.

• (2050)

We have already scored a number of important breakthroughs. Here are a few which also show considerable promise and which may be highly successful not only from an environmental point of view but also from a financial point of view. The first is the use of oxygen to bleach wood pulp rather than using other chemical ingredients. Over a period of time this would make a pollution-free industry of one which is now largely responsible for much of our pollution. I have no doubt that the pollution outstream from those mills using the new process could be eliminated in its entirety. Preliminary estimates of cost benefits over a decade are interesting and show a benefit cost ratio of better than six to one.

Second is a new process for treating waste waters from mining operations. This would be invaluable for salmon rivers like the Miramichi and the Fraser. This technology, which is also transferable, is now in an advanced stage. I think it will be suitable not only for Canada but for other countries as well. It promises to have a benefit cost ratio in the area of ten to one.

Third, we are exploring a new process for controlling the emission of sulphur dioxide from smelter gases. By eliminating the expense of the limestone washing process, savings would result to both the smelter and the refinery. This process would have benefit both at home and abroad. It has an indicated benefit cost ratio of more than three to one.

Fourth, other investigations are under way in laboratories and more particularly in industry across the country. Many of them are in the chemical, food and allied industries. Others promise considerable savings to municipalities in respect of sewage collection and sewage treatment.

These are among the reasons, Mr. Speaker, why Environment Canada is entering into numerous contracts with industry and occasionally with universities, that is, to develop new technology which can not only create a pollution abatement industry in this country but can also provide meaningful and well paid jobs for many Canadians.

What I have described is clearly an integral part of our over-all industrial strategy. It turns losses into gain; it converts present day wastes into products of future value; it adds to our efficiency in a very material way; it will improve our earnings and at the same time it will help to clean up our national surroundings.

[Mr. Davis.]

I believe quite sincerely, Mr. Speaker, that it pays to be clean. It may cost some industries more than others to be clean, but the total Canadian community is bound to benefit. We will have to expend less effort in tidying up our surroundings. We will not have to use as much paint, to suffer as much wear and tear or feel as badly as we have at times. Indeed, we will be a lot healthier and depreciation of our assets will be slower. Our great Canadian outdoors, if we are careful and plan far enough ahead, will be preserved for all time.

In over-all national terms, the cost of an abatement pollution program is unlikely ever to exceed 2 per cent of our national income. It may have fallen to as little as 1 per cent by 1980. In narrow economic terms—which does not look insurmountable—the savings in dollars and cents to individual Canadians may be several times that amount. The over-all benefits accruing to the whole Canadian community may be several times the actual financial cost to industry and to individuals in this country.

As I have said before in this House and in other places, and I say it again now, we in Canada can have a substantial rate of economic growth and a clean environment. We can expand our industrial output as long as we do it intelligently and put into effect the best possible technology, particularly a technology to suit our own Canadian problems in our own industries and eventually by selling the results abroad in our own interests and in the interests of others.

Mr. Speaker, I have very little time left and I should like to deal, not with matters which are largely internal to Canada but with matters which relate to our coasts and the sea. Not only do we have the longest shoreline in the world but we have the largest continental shelf which adds roughly 40 per cent to the area of our nation. How we manage these seas and direct the quality of the living resources which they nourish is very important to us.

In their forthcoming review of our departmental estimates, hon. members will see that we are adding substantially to the surveillance of these waters. In the fisheries and marine services alone, we are adding three large ships and a dozen medium-sized patrol craft by 1975. We are adding other shipping capacity in the area of research. In co-operation with the Department of National Defence we are stepping up surveillance from the air. A number of scientific expeditions are being planned, some in co-operation with other nations, which will also let us know more about the continental shelf which joins our shores.

Hon. members will be glad to know that we have gained a greater measure of control over the dumping of oil and other wastes near our coasts. The strong position which Canada took at the United Nations Conference on the Human Environment in Stockholm in 1972, and again at the Conference of Maritime Nations in London last fall, led to a convention which gives the coastal state certain powers of intervention which it never had before. For instance, Canadians could take emergency action against ships not only coming and going from Canadian ports but also passing close to our shoreline.

In conjunction with other fishing nations we have also pioneered, and to a considerable degree succeeded, in bringing about management of our fishing resources, those out over our continental shelf and beyond our own exclusive fishing limits, onto a sustained yield basis. This is true particularly in the North Atlantic where there is raiding and indiscriminate fishing by long-distance fishing nations, which on other continents has been so destructive in the past.

Preparatory to the next Law of the Sea Conference we will be hosting a conference on fisheries management—a conference of the world fishing nations—in Vancouver, in February. This will deal primarily with management, not only to preserve the resources but to make sure our fisheries resources are in the best state possible.

Finally, let me say a word about the next Law of the Sea Conference. It will be first convened in New York in November, 1973; the subsequent meeting is scheduled for Santiago, Chile, in April, 1974. Not only have Canadians a great deal riding on the outcome of this very important conference, but so do many other countries where the people are becoming increasingly concerned about the viability of their fisheries and the quality of the waters which wash their shores.

Mr. Speaker, several important priorities were outlined in the Speech from the Throne, and I think I have touched on all of them in my remarks tonight. Pieces of legislation, and the program relating to our fishery areas, among other things, will expand job opportunities for Canadians. They can certainly help to increase the income of Canadians because they are highly productive. Because they add to our efficiency they should do something to ensure a greater measure of price stability in the country. This applies particularly in respect to fisheries legislation which does something about other areas of the country which are less fortunate from an income and employment point of view.

I hope that these pieces of legislation will be brought forward soon, Mr. Speaker, and that all hon. members will do their utmost not only to expedite their passage but to improve them during the course of debate here and in the standing committee on environment and fisheries.

• (2100)

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, may I first extend my congratulations to you and to the mover and seconder of the address in reply to the Speech from the Throne, and immediately express my regret for having to bring to the House again a situation that detrimentally affects my own constituency.

As hon. members who were here during the previous parliament are aware, I have been putting forward certain objections and grievances. These finally culminated in a petition being placed before the House. It was accepted by Mr. Speaker and by the government, and referred to the justice and legal affairs committee for study. I and the people I represent, on whose behalf I put forward the petition, were delighted when the Standing Committee on Justice and Legal Affairs came down unanimously with a favourable report. In so saying, I remind the House that the committee was made up mainly of lawyers; there were 12 representatives from the government side of the House and eight members from the other parties.

In view of this favourable report it is regrettable that the Cape Breton Development Corporation, known as Devco, failed to act and implement, on behalf of the people of my area, the provisions of the legislation passed unanimously by this House in 1967.

Some hon. Members: Shame!

Mr. MacInnis (Cape Breton-East Richmond): I should like for a few moments to review the details. I realize that it may be somewhat difficult for all members of the House to follow this. This legislation was introduced because of an ailing coal industry. It affects a somewhat localized part of Cape Breton, and because of that I doubt if some hon. members are interested. It would make about as much sense for some hon. members to be concerned about this piece of legislation as it would if I were to get up and, in opposition to four or five western members, try to speak on wheat. Nevertheless, I especially ask the Prime Minister (Mr. Trudeau) and members of cabinet present in the House to pay particular attention to what I have to say.

I have prepared a 25-page brochure which I will make available to members of the House in order that they may become familiar with the facts. The evidence is documented. Most of it involves the corporation itself and the justice and legal affairs committee. There is evidence from other committees before which Devco officials appeared. Once they have looked at this material, I am sure hon. members will realize that the way Devco officials implemented the legislation passed by this House in 1967 was not what was intended by parliament. I am appealing to parliament to take a close look at this matter, because we want what was requested in the petition and what parliament intended originally in its legislation.

To begin with, Mr. Speaker, having undertaken to rehabilitate the mines in Cape Breton, the authorities completely ignored them. I will send a copy of these documents to the Prime Minister. In this situation, I think it would make sense for the government to act. This House passed the legislation and a committee of the House fully supported the people of my area. I would therefore be interested in listening to him on this matter and in his doing something about it.

Some hon. Members: Hear, hear!

Mr. MacInnis (Cape Breton-East Richmond): Briefly, the situation was this. The committee made certain recommendations which Devco failed to follow. They have not been followed to their full extent by any means. Instead of attempting to rehabilitate the mines the authorities in the area initiated a pre-retirement leave plan. The legislation was to make available $3,000 to a married man and $2,400 to a single man. Yet immediately afterwards Devco turned around, contravened section 48 of the Unemployment Insurance Act and told the men, "We will give you $3,000 but you must go down to the unemployment insurance office and pick up the money you are entitled to for the first 17½ months, and we will reduce or take that amount from the $3,000 we will allow

you." As a result, as members of previous parliaments have seen, cheques for one cent were paid out twice a month by the Cape Breton Development Corporation.

Is this what the government intended? I am not asking that merely as a rhetorical question. Do not the members on the government side of the House feel that Devco was doing the wrong thing, especially as there was a unanimous report from the justice and legal affairs committee on the subject? Devco ignored the report.

Now the situation in Cape Breton is this: in addition to violating the Unemployment Insurance Act, the corporation has said that the pre-retirement leave moneys, so far as it is concerned, are not earnings which come under the unemployment insurance fund but are earnings so far as the Canada Pension Plan are concerned. As a result, those who have been forced to take pre-retirement have continued to make contributions until they have reached the age of 65. Devco has been using the 1923 standard of $75 pensions. Some men have worked in the collieries for 50 years. They will be paid $50 from the Canada Pension Plan and will obtain $25 from the corporation.

Is this what the government intended when it passed section 18 (a)(i) of the act? That section requires Devco to set up a pension plan for its employees. Section 18 (a)(ii) requires the setting up of pension arrangements for former employees and their dependants. In addition to the documentation which I can make available to hon. members, they can peruse that section of the legislation.

One will also find, on reading section 28 (e) of the legislation, how generous are the provisions respecting pensions for the officers of Devco. The criminal aspect of this is that the Devco officers have been brought under the civil service superannuation plan, yet nothing has been done for former employees who come under sections 18 (a)(i) and (ii).

Some hon. Members: Shame!

Mr. MacInnis (Cape Breton-East Richmond): What makes this even more hard to take is that in the five-year period some officials of Devco will contribute more than miners contribute in 45 years. In other words, it would take miners 45 years to catch up with the contribution the officers make in five years.

Although nothing has been done with respect to sections 18 (a)(i) and (ii) of the act, Devco is getting ready to sign a contract with its present employees. The arrangement is for a pension of $4 per year, as I understand it, up to a maximum of 20 years, making a total pension of $80, or $5 in excess of the standard set by the previous company in 1923. Surely that is not what the government intended. Surely that is not what the justice and legal affairs committee supported. Again I say there were 12 Liberal members on that committee. This is not what we were led to expect from the legislation passed in this House in 1967. What I say, I say without fear of contradiction. The documentary evidence is there for anybody to examine.

Having established the Cape Breton Development Corporation, the authorities then brought a man over from England, or from the U.K., I ought to say. When he came, he brought many of his buddies with him and then disregarded the wishes of the people of Cape Breton. His actions affected the livelihood of the entire Cape Breton area. He imposed on the people, and I have documentation to prove it.

What did he do after imposing on them? In his representations to the minister, he lied; and I say that advisedly. He lied to the minister on a number of occasions and that fact can be documented inasmuch as he appeared before a committee of this House. There he contradicted himself, and Devco officials appearing before the justice and legal affairs committee also contradicted him. In addition, you will find a note from the former minister, the meaning of which is plain. There is a letter verifying the fact that Blackmore lied to the minister on more than one occasion. This can be further verified by a perusal of the evidence placed before the justice and legal affairs committee. It can be shown that it happened on at least three different occasions.

The legislation required Devco to consult with all unions certified under the Nova Scotia labour act. Devco and Blackmore failed to do that. They imposed on the union, they imposed pretty well on everybody, and they made threats. They impose their will on everybody. They say the pre-retirement benefit must be taken this year and that it may not be available next year. They also tell the men their jobs may be gone. They used coercion, lies and threats. This matter has gone to court. The court did not do justice to the situation. This is fully documented for the benefit of everyone. In one instance the court said:

> Pension benefits will not be paid to the widows or other dependants following the death of an employee or retired employee, including the plaintiff.

• (2110)

It goes on to say that the plaintiffs would not be called. That is not in accordance with the facts, because some of the plaintiffs were called back. The matter went to the court and the court did nothing. I appeal to every member of this House, this House which is often referred to as the highest court in the land, for justice for the Cape Breton miners and their families, as well as the other people involved.

If we reflect on this situation at the time it began, we will recall that I have been raising the subject since 1967, as well as during the last parliament, in respect of what Mr. Blackmore, the import from the United Kingdom, has done in Cape Breton. It is interesting to note that he is no longer there. The people of Cape Breton, however, today are paying for the sins of Gerald Blackmore just because the House of Commons does not stand behind the legislation passed in 1967.

I appeal to hon. members, especially the government, to stand behind this legislation. In my petition before the House I did not ask for anything that was not in the legislation. I now ask the government to take a good, hard look at what has gone on and to see that what the legislation intended in the first instance is carried out.

I have a document here in respect of what Mr. Blackmore stated. I have a letter signed by the original president, along with the president of the former company. This, however, was dishonoured before the ink was dry. I will make this document available so that all members can check it with the preamble to the legislation, and also

check it against sections 18(a)(i) and 18(a)(ii), and so on. Then they might ask, did we intend that the high-salaried principals would receive the protection that others have been denied?

The hon. members might go on and look at the different approaches taken by Devco and the former chairman of that board who is now running the National Capital Commission, much to the regret of many people in this area, I am sure. They might check out what the vice-president in charge of development had to say, and then turn to the evidence given before the committee, which indicates that they were entirely wrong in their statements before the committee.

Again I say there have been blatant lies, impositions and coercion. A man is made to subsidize his retirement by the use of his UIC benefits. He is also forced to subsidize his final retirement by using his Canada Pension Plan benefits. I might say that in addition to that, if a man finds employment with somebody else and makes a contribution to another employer, Devco in the end reduces his final retirement benefit. Despite the fact that some of these men paid both their own share and the employer's share of unemployment insurance, nevertheless Devco uses it to subsidize the retirement benefit.

The Minister of Justice (Mr. Lang) is here, and I would ask him to take a good look at the evidence placed before the committee. I appeal to him to see that the legislation passed in this House is fully supported by the House of Commons.

Mr. Lang: I read the court evidence, too.

Mr. MacInnis (Cape Breton-East Richmond): You should read section 18, which makes it mandatory for Devco to see that the pension scheme protects its employees and dependants. In other words, while the judge says there will be no benefit paid to widows or dependants, section 18(a)(i) of the act provides:

pension arrangements for the benefit of persons, and dependants of persons, employed by the Corporation—

Section 18(a)(ii) reads:

pension arrangements for the benefits of persons, and dependants of persons, formerly employed by the companies—

Today we have a situation where the judge comes down with a decision and says that no pensions will be paid. If the pensioner dies, the pension dies with him. Devco is getting ready for a big stunt; it is going to set up a pension scheme of $400 a year for a man who has worked 20 years. Then let us see what they intend to do for a dependant widow and other dependants of a miner. They may be protected for a five-year period, or if he lives over a year into his pension years they can look forward to a pension from the corporation for one year after the death of the husband.

I might also mention that I have documented evidence to the effect that in its own policy statements Devco has said that it will pay a widow for the month of the pensioner's death until the last day of the following month, but not thereafter. That is in contravention of section 18(a)(ii) of the act. I have another quotation here from Devco. It reads:

—make a single payment to her on the last day of the month in which the pensioner dies and again on the last day of the month following but not thereafter—

I submit that that is an absolute contradiction of section 18(a)(ii) of the act. Again I appeal to the members of this House and point out to them that the legislation passed by this highest court of the land is not being fulfilled. The judge said that none of these men would be recalled. That is not the fact. So far as the judge's finding is concerned, he expressed it in dollars and cents and not in accordance with right or wrong. He referred to the cost and also to the benefits to be paid. He referred to them as being substantial.

I ask anyone in this House if he would consider $75 a month after 50 years service substantial. Why did the judge refer to the dollar and cents aspect? We went into court on the recommendation of the committee, looking for a right and wrong finding. We did not ask for an opinion in respect of dollars and cents, but this is what we got. We want justice. We ask that there be a further examination of the legislation passed in this House, because if there is such an examination no one could come to any conclusion other than that these men are not protected under the civil service superannuation plan in the same way as members of Devco.

• (2120)

If there is any question about this, I can read a letter made available by the former minister who I am sorry to see has left the department because we were just about reaching a conclusion on this; I think he was sympathetically considering the matter and was reaching the understanding that he had for some years been listening to lies from Mr. Blackmore. I think he was prepared to do something about the matter, and this letter would indicate that the former minister of the Department of Regional Economic Expansion was prepared to do something. The new minister has also shown a sympathetic approach and has indicated to me he hopes something can be done to straighten things out.

Now where did the minister stand? I have a letter here addressed to Mr. D. V. McDuffe, assistant, Canadian legislative representative, United Transportation Union. It reads as follows:

Dear Mr. McDuffe:

Replying to your letter of February 1, 1971, I wish to advise that employees of the Devco Railway who were formerly in engine and train service of the Cumberland Railway Company Limited could be included in the public service superannuation plan but at the present time are not because the corporation has not applied to have employees in these categories (and in like categories) included in the plan.

This is the letter from the former minister of that department indicating that the employees of the Cape Breton Development Corporation can get the protection of the civil service superannuation plan if the Devco officials will look for it. They have not made any effort whatsoever to provide this protection for the men. But they have provided for themselves, and for four years they have been enjoying that protection.

An hon. Member: Shame!

Mr. MacInnis (Cape Breton-East Richmond): The legislation, and again I refer to section 28(e), is only a blanket

coverage for those not covered in sections 18(a)(1) and 18(a)(2), and the same privileges are available, or should be available, and according to the minister's letter are available, should Devco officials such as Blackmore, who has finally been removed, make such an application on behalf of these employees. There has been no effort in this regard.

I could go on and on, Mr. Speaker. I could refer to the fact that the president of the Cape Breton Development Corporation has made the following statement:

Gentlemen, I recognize that the pre-retirement leave plan is wrong and I intend to do something about it.

That is from the responsible officer, the president of the Cape Breton Development Corporation. I will repeat it for the benefit of the Minister of Finance (Mr. Turner) if he will just pay attention to me for a moment. Would the Minister of Finance please pay attention to this one statement by the present president of the Cape Breton Development Corporation? I quote:

Gentlemen, I recognize that the pre-retirement leave plan is wrong and I intend to do something about it.

Well, he did. A year ago last November he changed it around. It will be recalled that I said originally the Cape Breton Development Corporation leave moneys were not considered as earnings under the U.I.C. and that therefore they took 100 per cent of the men's U.I.C. benefits and subsidized their own retirement, in violation of section 48 of the Unemployment Insurance Act. So it has been changed around; Mr. Kent has changed it around. He said, "We are going to pay it all to you now and it is going to be considered as earnings."

I have had this out with the commissioner of U.I.C. and he said that it was part of the contract of service. He told me that they only get part of the U.I.C. benefits now, whereas they were getting it all when Devco was using it. Now they get only a portion. I ask you, why did they stop paying the men U.I.C. benefits? The answer I received was that they have a contract of service, and I suggested that they have a contract of service which is subject to recall. The commissioner agreed. He said they have to consider the merits. I am sure hon. members will agree that that is a strange thing. That contract of service has been in the retirement leave plan since its inception. It has been there ever since its inception, and I say they cannot now turn around and say it should be considered as earnings, because they took 100 per cent of the men's insurance benefits and used them.

I could go further and quote from page 29 of the sixth report of the justice and legal affairs committee in which a responsible officer of Devco admitted to the use of coercion. It is right there in the committee report. When questioned by a member of the committee, he responded by admitting they had used coercion. Is this the type of justice the government had in mind when they set up the Cape Breton Development Corporation Act?

I have said before—and I invite members to check this in *Hansard* by referring to the report of April 15, 1969; anybody is free to mark down the date and check it—that the plan was not legally set up. The House leader at that time reported that the government had approved the plan. At that time I brought to the attention of the Chair that I had been in contact with Treasury Board; on April 15, 1969, Treasury Board had not only not approved it, and on April 15 they had not even heard of it.

Some hon. Members: Oh!

Mr. MacInnis (Cape Breton-East Richmond): Yes; and this House was told that it had been approved. And Blackmore went about the country in Cape Breton and told the people that the government had approved this. He forced the plan down their throats. The effect was to put men on the street at the age of 60; in fact, it put men on the street before the age of 60, against their will.

Then on April 16, 1969, the minister then responsible for the department, in answer to a question by the leader of the New Democratic Party, reported to this House that Treasury Board would probably give approval the following day. So that would take it to at least April 17. They imposed; they used coercion; they lied. Yes, they lied. I think the government would be well advised to call Mr. Blackmore back from western Canada before he ruins the coal industry there. That is all he did in Cape Breton. He closed mines despite the fact that evidence was given before the committee that no mine would be closed until alternative work was provided outside the coal industry, a requirement in the preamble to the legislation. They put the men on the street but they failed to provide alternative employment. In fact, a report came to the House that on February 5, 1970, there were 1,200 miners working in the new mine at Lingan. For the benefit of hon. members I will tell them what was going on in that new mine on February 5. A construction crew was just removing sod. However, on that date they were on strike and there was not a wheel turning at the new mine at Lingan. So there were not 1,200 men working.

If further proof is required that Mr. Blackmore was doing a snow job at the expense of members of this House, documents are available to me. In addition, I have the evidence from the public accounts committee which will further support my statement. Then there is the evidence which was placed before the committee on regional economic expansion. This would further substantiate the fact that all Mr. Blackmore did was to impose his will upon the people of the area and lie to his minister. If he had not lied to his minister, the miners in the Cape Breton area would not be faced with the situation they face today. They would not be receiving one-cent cheques—

The Acting Speaker (Mr. Laniel): Order, please. It being 9.30 o'clock p.m., it is my duty in accordance with section 4 of Standing Order 41, to interrupt these proceedings and forthwith put the question to the House.

• (2130)

The question is on the amendment. Is the House ready for the question? Those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Laniel): Those opposed to the amendment will please say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Laniel): Call in the members.

The House divided on the amendment (Mr. Stanfield) which was negatived on the following division.

(Division No. 2)

YEAS

Messrs.

Alexander
Alkenbrack
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Blenkarn
Carter
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates
Cossitt
Crouse
Danforth
Darling
Dick
Diefenbaker
Dinsdale
Ellis
Epp
Fairweather
Forrestall
Frank
Fraser
Gillies
Grafftey
Hales
Haliburton
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hees
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Howie
Hueglin
Hurlburt
Jarvis
Jelinek
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Kuntz
Lambert (Edmonton West)
Lawrence
Lundrigan
MacDonald (Egmont)
MacDonald (Miss)
MacInnis (Cape Breton-East Richmond)
MacKay
MacLean
Macquarrie
Madill
Marshall
Masniuk
Mazankowski
McCain
McCleave
McGrath
McKenzie
McKinley
McKinnon
Mitges
Morgan
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Nowlan
Oberle
O'Connor
O'Sullivan
Paproski
Patterson
Reilly
Reynolds
Ritchie
Roche
Rynard
Schellenberger
Schumacher
Scott
Skoreyko
Stackhouse
Stanfield
Stevens
Stewart (Marquette)
Taylor
Thomas (Moncton)
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—107.

Division

NAYS

Messrs.

Allard
Allmand
Andras
Barnett
Basford
Beaudoin
Béchard
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boisvert
Boulanger
Breau
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caouette (Charlevoix)
Caron
Chrétien
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
De Bané
Demers
Dionne
Douglas
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Faulkner
Firth
Fleming
Fortin
Foster
Fox
Gauthier (Ottawa East)
Gendron
Gilbert
Gillespie
Godin
Goyer
Gray
Grier
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Harney
Herbert
Hopkins
Hymmen
Isabelle
Jamieson
Jerome
Knight
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Lajoie
Lalonde
Lang
Langlois
Laniel
Laprise
La Salle
Latulippe
Leblanc (Laurier)
Leblanc (Westmorland-Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Matte
McRae
Morin (Mrs.)
Munro (Hamilton East)
Neale (Vancouver East)
Nelson
Nesdoly
Nystrom
Olaussen
Olivier
Orlikow
Ouellet
Pelletier (Hochelaga)
Pelletier (Sherbrooke)
Penner
Peters
Portelance
Poulin
Prud'homme
Railton
Reid
Rodriguez
Rompkey
Rondeau
Rooney
Rose
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stewart (Cochrane)
Stollery
Symes
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—148.

• (2150)

Mr. Speaker: I declare the amendment lost.

At 10.02 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, January 12, 1973

The House met at 11 a.m.

SUPPLEMENTARY ESTIMATES (A), 1972-73

PROPRIETY OF INCLUSION OF ITEM L30a IN REFERENCE TO COMMITTEE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I sent to Your Honour today notice of my intention to raise what I consider to be an extremely important matter, a question not only of a grievance as a right of privilege but also involving the inherent jurisdiction of the House.

On Monday, January 8, the President of the Treasury Board (Mr. Drury) introduced Supplementary Estimates(A) for the fiscal year ending March 31, 1973. These estimates included an item of $454 million for the Department of Manpower and Immigration, headed vote L30a. This amount represented two special Governor General's warrants of $234 million and $220 million respectively which have been issued for the purpose of attempting to appropriate money during the period between the end of the last parliament and the calling of this parliament. The President of the Treasury Board subsequently moved that the supplementary estimates be referred to the Standing Committee on Miscellaneous Estimates.

At that time, Mr. Speaker, I raised a question about the legality of this particular appropriation, although I admit I was not as specific then as I can be now because I had not seen the supplementary estimates and so was not able to pursue the subject any further.

Mr. Speaker, on the order paper for today there appears in the name of the Minister of Manpower and Immigration (Mr. Andras) a bill entitled "An Act to Amend the Unemployment Insurance Act, 1971 (No. 1)", accompanied by a recommendation which gives an indication of what will be contained in the legislation. That recommendation provides, *inter alia*,:

that the amount authorized under Manpower and Immigration Vote L30a of Supplementary Estimates (A) 1972-73—

That is the one I referred to, Mr. Speaker,

—shall be deemed an advance under that section and not an appropriation described in paragraph 133(b) of that act.

In addition, the recommendation goes on to suggest that the measure will call for the removal of the $800 million ceiling in advances under section 137. It would therefore appear, Mr. Speaker, that I was correct in the suspicion I formed at that time and which prompted me to file the verbal caveat.

The recommendation is an indication of what will be in the legislation. I am not going to bother to read section 137 of the Unemployment Insurance Act which provides a statutory limitation of $800 million on moneys which may be lent by the Minister of Finance (Mr. Turner) pursuant to a certain procedure for the purpose of implementing the provisions of the act.

It would now appear from this legislative proposal standing in the name of the Minister of Manpower and Immigration that the legislative ceiling has been exceeded. It appears almost certain—that is the best way I can put it until there has been a chance for examination—that this was done by means of a Governor General's warrant and not by legislation. What is now being proposed is an attempt apparently to legalize by legislation what was illegal and improper. I suggest, therefore, that there was no right on the part of the government to have so appropriated moneys, that this could only have been done by an amendment to the act.

When one reads the statute it appears to be possible that the appropriation and the Governor General's warrant might—and I use the word "might" advisedly—have been made under section 133. But it could never be made legally under section 137. That is where the grave issue lies. This is not simply a technical issue, Mr. Speaker. The money has been spent, the money is gone, but that is not the point. The question is this: if the money was appropriated or purported to be appropriated and spent under section 133 of the Unemployment Insurance Act it is an outright grant and the burden falls upon the taxpayers of Canada. If, on the other hand, it is a loan made under section 137, the burden is assumed by the contributors, the employers and employees and will be reflected by an increase in their contributions. That is the very important issue of substance.

I recognize that I cannot make a legal argument and ask Your Honour to make a finding on it. This may have to be a judicial finding or it may be a finding the House may have to make later if the motion I intend to move is accepted.

I suggest, however, that under those conditions it was highly improper for this item in the supplementary estimates to be sent to the committee. The proper procedure was for the government to have admitted its fault, to have admitted its irregularity, to have admitted its misappropriation, and have come here with a full statement and proceeded to secure or at least ask the House for legislation. If the legislation were passed and the illegality cured, then and then only should this item be sent to the Miscellaneous Estimates Committee to be considered.

• (1110)

The chairman of the standing committee admitted yesterday—he let it slip out—that there is a firm date, February 8, when the minister intends to bring the budget down. It is essential that this matter be settled. If it is an outright grant, it must be taken into consideration in the casting of the national accounts. There is an obvious difference between a grant and loan. That is the situation. I was not

able to attend the committee proceedings this morning but I understand the issue was raised.

In these circumstances I wish to move a motion. I will read it so that Your Honour may determine whether I am entitled to put it. I would move:

That this House do recall from the Standing Committee on Miscellaneous Estimates the item in the Supplementary Estimate (A) for the fiscal year ending March 31st, 1973 listed under Manpower and Immigration as vote L30a in the sum of $454,000,000 and that the Auditor General be directed to examine the accounts of the unemployment insurance fund for 1972-73 and in particular Governor General's Warrants purporting to appropriate the said sum of $454,000,000 and to report his findings to the Standing Committee of Miscellaneous Estimates, and said committee to report back to this House on this matter no later than March 20th, 1973.

Mr. Speaker: The hon. member for Peace River has raised a very interesting point. He kindly gave me notice but his notice did not refer to a question of privilege. I have some doubts whether the matter should have been raised at this stage in view of the precedents on privilege, since the hon. member himself, either in his notice or in his presentation to the House, failed to refer to privilege.

He suggests that there is some impropriety or illegality in the procedure being proposed by the government. That may be so, but I do not think it is the responsibility of the Chair to rule on such questions. I respectfully suggest to the hon. member, and I am quite sure he will agree with me, that the motion which he proposes is a substantive motion. It is clearly that, and I fail to see how a substantive motion can be raised by the hon. member at this stage. There are provisions in the Standing Orders for motions of substance to be moved in certain circumstances by following certain procedures with notice. I suggest to the hon. member that perhaps he might look into this matter further and find some other way of having the matter debated in the House.

Mr. Erik Nielsen (Yukon): On a point of order, Mr. Speaker, in view of the very serious nature of the matter raised by the hon. member for Peace River (Mr. Baldwin) and in view of the validity of his observations, I wonder whether the House would be prone to give its consent to having that particular item in the supplementary estimates recalled from the committee and reconsidered by the government. If the hon. member for Peace River is found to be right in the eyes of the government, then it can be dealt with properly; if not, it can be returned to the committee.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, as to the point of order that has been raised by the hon. member, there is no foundation whatever to the allegation of any impropriety or illegality in the—

Mr. Speaker: Order, please. I suggest to the President of the Privy Council that if he wanted to discuss the matter raised by the hon. member for Peace River he should have presented earlier the arguments he is attempting to make now. According to my understanding, what we have before us now is, essentially, a motion under Standing Order 43 by the hon. member for Yukon suggesting that if there is unanimous consent the item could be recalled from the miscellaneous estimates committee. That is the only basis on which there can be discussion now. If the minister would direct his remarks to that point, it might be helpful.

Mr. MacEachen: Mr. Speaker, of course, I accept your ruling. I was not certain when the hon. member was making his submission whether it was on the basis of privilege. If we are to consider the hon. member's suggestion as a request for unanimous consent to withdraw the estimates—

Mr. Nielsen: Just one item.

Mr. MacEachen: —or any item from the committee, we cannot accept that because we have proceeded properly under the rules of the House.

Mr. Speaker: Order, please. This again is debate. The hon. member is asking that under the terms of Standing Order 43 the motion be put to the House. I have to inquire whether there is unanimous consent. The minister has indicated there is not unanimous consent. Presenting reports—

Mr. Rowland: On motions, Mr. Speaker—

Mr. Speaker: Order, please. Before we get to that item I will call presentation of reports. Motions.

ROUTINE PROCEEDINGS

THE CANADIAN ECONOMY

INCREASES IN COST OF LIVING AND UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, pursuant to Standing Order 43 I seek leave to move a motion in view of the urgent need for legislation to respond to the increases in the cost of living and in the high levels of unemployment. I propose to move with the unanimous consent of the House, seconded by the hon. member for Don Valley (Mr. Gillies):

That this House call on the government to present to the House as its first and immediate priority its legislative and regulatory program on the current economic, inflationary and unemployment crisis of the country, instead of those items now appearing on the order paper, in response to the increased costs in the food, clothing, housing and transport sectors of our economy and the record-breaking level of unemployment.

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Northumberland-Durham proposes this motion under the terms of Standing Order 43 which requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity.

FISHERIES

OPERATIONS OF FRESHWATER FISH MARKETING CORPORATION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Doug Rowland (Selkirk): Mr. Speaker, under the provisions of Standing Order 43 I wish to ask leave of the House to introduce a motion of urgent and pressing necessity. Yesterday the Freshwater Fish Marketing Corporation announced large layoffs of personnel in their Winnipeg and Selkirk plants. This action follows radical alterations to the marketing procedures pursued by the corporation, the dismissal or resignation of significant numbers of the corporation's most senior staff, allegations that the corporation is running a huge deficit and allegations that a part of the inventory of fish of the corporation cannot be accounted for. In light of the fact that the corporation is a public operation—

Mr. Speaker: Order, please. I suggest to the hon. member that under the perhaps unfortunate practice we have established in the House under Standing Order 43 the hon. member is limited, after a very brief indication of what the urgency is, to placing his proposed motion before the House. Under the terms of Standing Order 43 he cannot make a speech.

Mr. Rowland: Mr. Speaker, I just wanted to indicate the importance of the motion by saying that the corporation is the key to the well-being of the fishermen of the western provinces and the Northwest Territories. I therefore move:

That the Standing Committee on Fisheries and Forestry be immediately established and that the entire matter of the administration and operations of the Freshwater Fish Marketing Corporation be referred to it for investigation and report.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

EXPORT DEVELOPMENT ACT

INCREASES IN AUTHORIZED SHARE CAPITAL AND IN CEILING ON LOANS AND GUARANTEES BY CORPORATION

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce) moved for leave to introduce Bill C-3, to amend the Export Development Act.

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

FISHERIES DEVELOPMENT ACT

AUTHORIZATION OF PAYMENTS FOR CONSTRUCTION AND EQUIPMENT OF CERTAIN FACILITIES

Hon. Jack Davis (Minister of Fisheries) moved for leave to introduce Bill C-4, to amend the Fisheries Development Act.

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

• (1120)

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

COST OF LIVING INCREASE—REQUEST FOR EMERGENCY MEASURES TO DEAL WITH PROBLEM

Hon. Robert L. Stanfield (Leader of the Opposition): I have a question for the Prime Minister, Mr. Speaker, arising from the indication in the consumer price index today that Canada's cost of living continues to rise at a rate of more than 5 per cent a year. Has the Prime Minister instructed his ministers to prepare a series of interim emergency measures to halt or at least to reduce this erosion of Canada's purchasing power, particularly in light of the success of our neighbouring country below the border?

Right Hon. P. E. Trudeau (Prime Minister): If the Leader of the Opposition is thinking about price and wage controls, the government has already stated its position on that question, that we have contingency plans which we will bring into action if necessary but that we would give no advance notice if we were going to do so.

Mr. Stanfield: Is the government considering any emergency action with regard to the price of certain foods, coupled, perhaps, with a support program, in order to ensure that the drastic increase in food prices taking place now and which has been taking place for a number of months does not provoke a general inflationary psychology in the country? Does the government intend to take any interim emergency action to prevent such a situation from developing?

Mr. Trudeau: The Speech from the Throne and, indeed, the order paper, indicate that the government wants this question of the increase in food prices brought before parliament. A motion is on the order paper to enable this to be done.

Mr. Hees: That will take months and months.

Mr. Trudeau: No, it will not take months if the opposition has a clear position on it, which is doubtful.

Mr. Hees: We know the way you deal with all reports.

Mr. Stanfield: It is very clear the government is not prepared to face up to its responsibility. I again ask the Prime Minister whether in view of the serious increases in the prices of meat, fish and poultry, more than 14 per cent in the course of a year, and taking into account the figures published today showing the current tendency, the government is now prepared to act on an immediate supplementary cost of living payment to old age pensioners, the blind and others receiving such allowances?

Some hon. Members: Hear, hear!

Mr. Trudeau: I take it, Mr. Speaker, that a measure of that applause is directed to the position of the government as it was stated yesterday by the Minister of National Health and Welfare.

Some hon. Members: Hear, hear!

INCREASE IN FOOD PRICES—DEPARTMENTAL INVESTIGATION OF REASONS—PLANS TO DEAL WITH PROBLEM

Mr. David Lewis (York South): May I follow up this subject, Mr. Speaker, and direct my questions to begin with, at least, to the Minister of Consumer and Corporate Affairs. Has his department been watching these increases in food prices, has it made any investigation or inquiry into the reasons for these increases and whether they are justified or whether the supermarkets and others are merely getting what the traffic will bear? I would also ask the hon. gentleman whether his department is engaged in making any plans to deal with this very serious food price situation?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the department has been watching developments with respect to prices. The basic jurisdiction of the department is under the Combines Investigation Act and, as I have pointed out to the House, the practice under succeeding governments has been not to indicate the existence of any inquiry under it unless such an inquiry is terminated, unless the matter is referred to the Restrictive Trade Practices Commission or unless some court proceedings are undertaken. So far as plans are concerned, I would refer the hon. member to the answer given by the Prime Minister a few moments ago.

INCREASE IN FOOD PRICES—SUGGESTED FREEZE PENDING REPORT OF SPECIAL COMMITTEE

Mr. David Lewis (York South): Mr. Speaker, perhaps I could direct my next question to the Prime Minister. In view of the fact that any parliamentary committee or any other body investigating this matter is faced with a time period before any report is produced, let alone any action is taken, and in view of the very serious situation created by the increase in the price of foods, particularly for low income families, would the Prime Minister not seriously consider placing a freeze on the price of food and at the same time providing some support to the farmers who might be hurt by a freeze on the price of food—

[Mr. Hees.]

Mr. Speaker: Order, please. The hon. member will recognize that this is a rather long question. Questions should be stated as briefly as possible. Perhaps the minister or the Prime Minister might reply.

Mr. Lewis: I do not know whether the Prime Minister heard my last words—a freeze on the price of food pending the committee's deliberations and report.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it seems to me that the suggestion by the Leader of the New Democratic Party is not a very simple one. He wants to freeze prices on the one hand and subsidize farmers on the other. I would suggest that if his suggestion has merit it should be brought before the committee which has been instructed to recommend action and which can recommend action on an interim basis. It does not have to wait for a final report. If the suggestion has, indeed, any merit at all, I am sure this will be recognized immediately by all the hon. member's colleagues on the committee and the government would then be prepared to consider immediate action.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York South for a supplementary followed by a further supplementary question from the hon. member for Brome-Missisquoi.

INCREASE IN FOOD PRICES—SUGGESTED INCLUSION OF ACTION TO CONTROL ON AGENDA OF FINANCE MINISTERS' MEETING

Mr. David Lewis (York South): Mr. Speaker, may I ask the Minister of Finance a question in the same area based on my understanding that the Minister of Finance is meeting the provincial Ministers of Finance on the 18th of this month, I believe. Would the minister consider placing on the agenda of that meeting an item specifying the necessity of taking some action with regard to the control of food prices in this country, since it has been forecast that they will continue to go up, in order that the federal and provincial governments may collaborate in imposing necessary selective controls on food prices?

Hon. John. N. Turner (Minister of Finance): Mr. Speaker, there is an item on the agenda relating to the general economic situation which is wide enough for that subject to be discussed. I rather doubt that a concensus could be obtained from the provinces on that subject since most of the provincial governments have pronounced themselves against that particular proposition.

UNEMPLOYMENT AND INFLATION—SUGGESTED EARLY INTRODUCTION OF LEGISLATION TO DEAL WITH PROBLEMS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, because of the urgency accorded economic matters in the throne speech and because of the two announcements on inflation and unemployment this week, can the Prime Minister tell the House whether the government has drafted legislative measures to deal with unemployment and inflation so that the House can deal with these matters first thing next week—in fact, now?

Mr. Nowlan: Why wait for spring?

Mr. Grafftey: Mr. Speaker, may I put a supplementary question to the Prime Minister? Has at least one measure been decided upon and prepared for legislative action? If so, will it be introduced first thing next week according to the government's priorities? Will the Prime Minister, because of the urgency accorded economic measures in the throne speech, instruct his ministers to present this legislation to the House first thing next week so that we can get on with the job?

Some hon. Members: Hear, hear!

• (1130)

Right Hon. P. E. Trudeau (Prime Minister): The answer is yes, Mr. Speaker. The hon. member will see some measures on the order paper, and he will see the order of priority in which the government calls them. It would be interesting to have the Conservative party decide on its own priorities. It is difficult to know—

An hon. Member: We have ours now.

Mr. Trudeau: —from this morning's questions—

Mr. Nowlan: The first priority is to get rid of you.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I would hope we would not get into a debate.

INCREASE IN FOOD PRICES—REQUEST FOR ISSUING OF INFORMATION INDICATING PRICES RECEIVED BY FARMERS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the Prime Minister. Has the government given consideration to putting out a release, perhaps monthly, to indicate the increase in the cost of food as related to the price the producer receives in order to show that the producer is not at fault?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the bureau of statistics does put out a release on this subject. I do not know if there is any particular detail—

An hon. Member: We don't know about it.

Mr. Trudeau: On the contrary, Mr. Speaker, these releases are public. There was one made this morning and I am sure it is the basis of the questions of some of the hon. member's colleagues.

Mr. Korchinski: Mr. Speaker, does the Prime Minister feel that the information being issued to the public is adequate and put out in such a way that it tells the true story rather than putting the blame on the producer?

Mr. Speaker: Order, please. The hon. member is asking for an expression of opinion. The Chair will now recognize the hon. member for Prince Edward-Hastings on a supplementary question.

INFLATION AND UNEMPLOYMENT—EFFECTIVENESS OF MEASURES IN FORTHCOMING BUDGET TO DEAL WITH PROBLEMS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of Finance. Does the minister have reason to believe that the measures to be introduced in the budget he has now prepared for presentation to the House in the very near future will be more effective in dealing with inflation and unemployment caused by inflation than the budget he presented on May 8 last and, if so, would he take the first opportunity on motions to explain what the reason is? Come on!

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a supplementary question for the Prime Minister.

Mr. Speaker: Order, please. I apologize to the hon. member but the hon. member for Prince Edward-Hastings is rising on a point of order.

Mr. Hees: Mr. Speaker, the minister owes an answer to the House so the people of the country can be prepared for more increases in inflation and unemployment similar to those that resulted from the last budget if the new budget is not going to do a better job.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

INQUIRY INTO FOOD PRICES BY SPECIAL COMMITTEE—PLANS TO PROTECT LIVING STANDARD OF PERSONS ON LOW INCOMES IN THE INTERIM

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a supplementary question for the Prime Minister. In view of the fact that if the committee inquiry into prices is to do anything worth while it will take some time, has the government any plans in the meantime to protect the living standard of low-income individuals and families from further erosion by higher prices?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, some measures were announced by the government in the last budget, notably the increase in pensions by escalation. Further measures were announced yesterday by the Minister of National Health and Welfare.

Mr. Speaker: Order, please. We will return to these supplementary questions in a moment.

Mr. Hees: The Prime Minister is supposed to speak to the Speaker, not to the *Hansard* reporter.

Mr. Speaker: Order, please. For the moment I will recognize the hon. member for Champlain.

[*Translation*]

SHIPPING

COASTING TRADE—PRESENTATION OF BILL BASED ON DARLING REPORT

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of Transport.

Does he intend to introduce a piece of legislation in order to implement the recommendations made in the Darling report of 1970 concerning the coasting trade in Canada which was to be reserved to ships flying the Canadian flag?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I hope the cabinet will shortly spell out the Canadian government policy on this matter.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

INQUIRY AS TO DEFICIT WHEN GOVERNOR GENERAL'S WARRANTS USED

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. In light of the fact the Unemployment Insurance Act has a statutory limit of $800 million, can the minister advise the House whether or not he was running at a deficit in the months of September and October when he applied for the first Governor General's warrant?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I would want legal advice as to what the definition of deficit is with regard to that question before I could answer.

An hon. Member: You sure need it.

Mr. Andras: I am not trying to evade answering, I am simply trying to understand exactly the terminology the hon. member is using so I can respond.

Mr. Alexander: Mr. Speaker, perhaps I can help the minister. All I am trying to find out is whether in fact the government had spent the $800 million set out in the statute at the time the minister's department applied for a Governor General's warrant? That is a simple question.

Mr. Andras: Mr. Speaker, the $800 million ceiling was to apply to advances to the Unemployment Insurance Commission in order to fund it pending receipt of employer and employee contributions and pending the determination of the government's cost of unemployment insurance benefits in excess of 4 per cent. Those figures are not determinable in total until about April of the next year. The advances did in the end exceed the $800 million statutory ceiling and we sought Governor General's warrants for that purpose.

Mr. Baldwin: Illegally.

Mr. Alexander: I am glad the minister is now letting the secrets out of the bag. Will the minister advise now whether in fact the premiums set for employers and employees were sufficient to take up the cost of the program as of December 31?

[Mr. Speaker.]

Mr. Andras: Mr. Speaker, the fact of the matter is that employee-employer premiums for last year were in fact insufficient to fund the employee-employer charges to that portion of the fund, and I announced that information in December.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Alexander: I have one last supplementary question.

Mr. Speaker: The hon. member has asked three supplementary questions on the same subject. I will recognize him for a last supplementary and then recognize the hon. member for Yukon, but we will have to try to make some headway.

Mr. Alexander: Thank you very much, Mr. Speaker. Because of the importance of the matter I know the House would want me to elicit all the information possible.

Some hon. Members: Oh, oh!

Mr. Alexander: Will the minister answer this question: Does the amount that he has requested by way of Governor General's warrants cover all costs up to December 31 or is he now preparing further estimates in respect of further costs?

Mr. Stanfield: He needs legal advice before he answers that.

Mr. Andras: Mr. Speaker, I think I would like to examine that question—

Mr. Hees: I think you had better examine your whole department.

Mr. Andras: —extremely carefully and get expert advice and not attempt to offer information which may not be complete.

Mr. Alexander: Just let the record show that the fund is in terrible shape.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

REQUEST FOR TABLING OF GOVERNOR GENERAL'S WARRANTS PROVIDING ADDITIONAL FUNDS

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. Since the matter will perhaps be referred to the committee and since the warrants of which we have been speaking have not been tabled in the House—I realize the government has 15 days from the commencement of the session within which to do this—will the minister see to it that the warrants are tabled on Monday so members can have full information?

Hon. C. M. Drury (President of the Treasury Board): Yes, Mr. Speaker.

LEGALITY OF GOVERNOR GENERAL'S WARRANTS USED TO PROVIDE FUNDS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Minister of Justice whether he was requested to give and did he give a legal opinion as to the legality of these Governor General's warrants? If so, would he table that legal opinion?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, we were certainly involved in the analysis of that action, and I can assure the hon. member that the action was legal and proper.

Some hon. Members: Oh, oh!

Mr. Lang: It is not the practice, of course, to table legal opinions in the House.

* * *

COMMUNICATIONS

BELL CANADA RATE INCREASE APPLICATION—INQUIRY AS TO OPPOSITION BY GOVERNMENT—REQUEST FOR HEARINGS IN OTHER CENTRES THAN OTTAWA

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, I have a question for the Minister of Communications. In view of the fact the governments of the provinces of Ontario and Quebec are appearing before the Canadian Transport Commission to state their opposition to Bell Canada's application for rate increases, will the minister indicate whether the government of Canada is now prepared to do the same?

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, this matter was not looked into but I am prepared to consider it in the light of the question of the hon. member.

[*English*]

Mr. Speaker: Order, please. Perhaps we might allow the hon. member to ask a supplementary question and then I will recognize the hon. member for Don Valley.

Mr. Grier: Mr. Speaker, in view of the fact that at least at the present time the government does not intend to make such a statement, and because many individuals and groups, including municipalities, have indicated they would like to appear before the commission to state their opposition to this application but are unable to attend Ottawa hearings because of problems of cost and time, will the minister request the commission to hold hearings in centres other than the city of Ottawa?

[*Translation*]

Mr. Pelletier: Mr. Speaker, it is a matter we can look into, but I forgot to specify earlier that many representations are received by the department which not only passes them on to the commission but also insists that they be given careful attention.

* * *

• (1140)

[*English*]

BANK OF CANADA

INQUIRY AS TO RECOMMENDATION BY BOARD OF DIRECTORS CONCERNING NEXT GOVERNOR—REQUEST FOR PUBLISHING OF MINUTES

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Will the minister tell us whether or not the board of directors of the Bank of Canada has made a recommendation to the government as to whom the next governor should be and whether the government has accepted that recommendation?

Hon. John N. Turner (Minister of Finance): No, Mr. Speaker.

Mr. Gillies: When that decision is made, would the minister recommend to the governor that the minutes of the Bank of Canada be published on a delayed basis so we could have more information on how monetary policy is being made in this country?

Mr. Turner (Ottawa-Carleton): That is a useful recommendation. I do not know whether the hon. member is preaching for a call or not.

* * *

HOUSING

REQUEST FOR REDUCTION OF SALES TAX ON BUILDING MATERIALS TO ABATE INFLATION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I have a question for the Minister of Finance. In light of the increase in shelter costs of 1.2 points this month which, coupled with the past 12 months, means there has been about a 10 point increase, is the government considering reducing the 11 per cent sales tax on building materials to abate inflation in the housing sector?

Mr. Speaker: Order, please. The hon. member for York Simcoe has a supplementary.

REQUEST THAT TERMS OF REFERENCE OF SPECIAL COMMITTEE ON FOOD PRICES BE ENLARGED TO INCLUDE HOUSING

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I have a supplementary for the Secretary of State for Urban Affairs. In view of the continuing rise in the costs of housing and shelter generally in Canada, would the minister now agree to amend the motion before the House to appoint a committee to inquire into the trend in food prices so the committee may also inquire into the trend in shelter and housing costs as well?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, this motion is in the name of my colleague, the Minister of Consumer and Corporate Affairs, who would be responsible for any amendment thereto. I am sure the committee will have sufficient work in front of it in dealing with the question contained in the reference, but that certainly would be a matter for debate when the motion is considered by the House.

Mr. Stevens: Mr. Speaker, could I also have the same answer, if it is the same answer, from the Minister of Consumer and Corporate Affairs?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the hon. member's suggestion is one that can be considered in the course of the debate on the motion once it is called.

INCLUSION OF REMOVAL OF SALES TAX ON BUILDING MATERIALS ON AGENDA OF CONFERENCE WITH PROVINCES

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question for the Minister of State for Urban Affairs. Will the removal of the 11 per cent sales tax on building materials be a subject on the agenda of the conference the minister has been telling us about which is to be held in order to consult with the provinces?

Hon. Ron Basford (Minister of State for Urban Affairs): The agenda is certainly wide enough to include any such representation that any provincial delegate may wish to make. However, I would caution such delegate that the decision would be made by the Minister of Finance who has the responsibility for tax measures.

Mr. Nesbitt: Who is responsible for making up the agenda for this consultation?

Mr. Basford: I have proposed an agenda to the provincial ministers. Most have indicated that the agenda suggested by me is totally satisfactory and provides a foundation for a complete discussion of housing policy. A few ministers have made a few suggestions which I am happy to accept as to agenda items. When we agree on a final agenda it will be published.

* * *

POST OFFICE

INQUIRY AS TO ACCEPTANCE BY GOVERNMENT OF CONCILIATION BOARD REPORT ON DISPUTE WITH POSTAL WORKERS

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is directed to the President of the Treasury Board. Now that the postal unions have voted to accept the recommendations of the conciliation board report and have in fact gone back to the negotiating table, is the minister prepared to indicate whether or not the federal government is prepared to accept the conciliation board report?

[Mr. Stevens.]

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in accordance with longstanding practice I do not think the hon. member would wish the government, for its side, to disclose what the course of negotiations is or the position being taken. I can say, however, that the negotiations were resumed on Thursday in a constructive and helpful way and are progressing satisfactorily.

Mr. McGrath: I have a supplementary, Mr. Speaker. Is the minister aware of the considerable discontent that has been generated within the postal unions by the failure of the government to respond to the recommendations of the conciliation board report?

Mr. Drury: Mr. Speaker, I think perhaps the responsibility for communicating the general situation to the members of the postal union lies with the negotiating committee. The negotiating committee is, I think, fully aware of the government's position.

* * *

TRADE

STEPS TO FIND ALTERNATIVE MARKETS FOR DAIRY PRODUCTS FOLLOWING BRITISH ENTRY INTO EUROPEAN COMMON MARKET

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce or the Minister of Agriculture. In view of the statement by the chairman of the Milk Marketing Board of England and Wales that enlargement of the EEC will virtually eliminate the necessity for dairy imports, could the minister announce to the House at any early date what measures he proposes to take to find alternative markets for dairy products such as cheese, of which 85 per cent of our exports have gone to the United Kingdom?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, my officials have already been in contact with officials of the EEC. We have made representations to them with a view to reaching a satisfactory arrangement.

Mr. Speaker: I believe the hon. member for Dartmouth-Halifax East has a supplementary to a previous question.

* * *

PUBLIC SERVICE

INQUIRY AS TO INTENTION OF GOVERNMENT CONCERNING BRYDEN REPORT—REQUEST FOR RELEASE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, could I ask the appropriate minister to give us some indication concerning the government's intention in respect of the Bryden commission report. Can it be released and, if not, why?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, if I may answer that question, a similar question was put during the last parliament. The answer I gave at that time was that the Bryden committee report had been submitted to the government for its advice. It

was not intended upon the setting of the committee that the report would be made a public document. It was to be treated as advice as if it had been advice from servants of the government. I have noted the hon. member's representations today and earlier and I will be quite happy, when we come to the point where amendments are being proposed to the law, to consider whether it might be possible to make the Bryden report available. I am not in a position to make a commitment to my hon. friend that it will be made public, but I asssure him that the position will be considered.

Mr. Forrestall: Mr. Speaker, as the reply the other day was somewhat vague, can the minister give us some indication when we may expect these very necessary amendments to the act?

Mr. MacEachen: Mr. Speaker, my view at the moment is that we cannot expect these amendments in the early part of this session.

* * *

EXTERNAL AFFAIRS

NORAD AGREEMENT—POSITION OF NEGOTIATIONS—OPPORTUNITY FOR DEBATE BEFORE DECISION MADE

Mr. Doug Rowland (Selkirk): Mr. Speaker, my question is for the Secretary of State for External Affairs. In light of the fact that the NORAD agreement is due to expire shortly, can the minister indicate to the House where negotiations stand now, if they are under way, at what level they are being conducted and at what point he expects to become directly involved himself?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, there are no active negotiations going on at the present time so I am unable to state at what time I might be actively involved myself.

• (1150)

Mr. Rowland: Would the minister give his assurance that the House will have an opportunity to debate the question prior to any final agreement being reached between Canada and the United States?

Mr. Sharp: Mr. Speaker, I am sure there will be plenty of opportunities when the standing committee is struck to discuss this and other issues. Of course the government itself will take responsibility for agreements of this kind.

* * *

MANPOWER

ALLEGED DOWNGRADING OF STUDENT MANPOWER OFFICES ON CAMPUSES

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the tragic level of unemployment across Canada and the particular difficulty students have in obtaining employment, will the minister reverse the decision of his department, to take effect on February 1, which downgrades and effectively emasculates student manpower offices on hundreds of campuses across this country?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I am not aware of such downgrading. I shall look into it. The hon. member must have some evidence of it, but I do not have that evidence. I will look into it and report to him directly.

Mr. Nowlan: I thank the minister for his reply, Mr. Speaker. After he finds out what is going to take place with regard to these student manpower offices, will he make a statement on motions because this applies to campuses all across the country, and I know there are many students on these "campi" who are concerned?

Mr. Andras: Mr. Speaker, off the cuff it is my impression that we are in fact stepping up this service to the various students on all the different "campi", but I will make sure of this and get the information to the hon. members in one form or another.

* * *

AGRICULTURE

INQUIRY AS TO EXPANDED CREDIT PROGRAMS

Mr. Jack Murta (Lisgar): Mr. Speaker, I wish to direct a question to the Minister of Agriculture. In view of the serious financial problems faced by young people trying to enter and remain in farming, can the minister say whether Canadian farmers are likely to see any expanded agricultural credit programs over the next few weeks?

Hon. E. F. Whelan (Minister of Agriculture): Possibly, Mr. Speaker.

Mr. Murta: The minister says "possibly". I would like the minister to inform the House what form these agricultural programs will take and when we can expect them to be introduced, so that members of the House and also the Canadian people can have a look at them?

Mr. Whelan: Mr. Speaker, I have met with all my provincial counterparts and many farm organizations in Canada since accepting this portfolio, asking them for their input. As soon as I have all their submissions I will let the House know.

POSSIBLE REINTRODUCTION OF INCOME STABILIZATION PLAN

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, as a supplementary question I would like to ask the minister whether, when he indicated on his recent trip to western Canada that the grain receipts income plan would be implemented, he had the concurrence of the Minister of Justice who speaks for the Wheat Board?

Mr. Murta: Income stabilization plan.

Mr. Korchinski: Yes. Did the minister get the concurrence of the Minister of Justice before making the state-

ment that the stabilization plan, otherwise known as the grain receipts income plan, would be reintroduced?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if the hon. member wishes to listen to the tape recording of what I said he will find that I was slightly misquoted.

Mr. Korchinski: Then may I ask the Minister of Justice who reports for the Canadian Wheat Board whether, in view of the fact that he now has a crutch in the form of the NDP, which party was one of the stumbling blocks to that plan, he intends to reintroduce it even though there was no mention of it in the Speech from the Throne?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I am not sure how helpful that crutch will be at any given point in time. At present we are examining further suggestions from farm organizations in connection with stabilization. There is certainly a general reaction from farmers that they desire a stabilization program. It would be our intention to introduce one after these discussions are completed.

POSSIBILITY OF FINANCIAL ASSISTANCE TO SASKATCHEWAN LAND BANK PROGRAM

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my supplementary is a follow-up to the question asked by the hon. member for Lisgar and I direct it to the Minister of Agriculture. In view of the need for assistance faced by young people who start farming, and in view of the representations made to the minister by the government of Saskatchewan for financial assistance for its land bank program, can he say if any financial assistance for this program will be forthcoming?

Hon. E. F. Whelan (Minister of Agriculture): All I can say is that negotiations are still continuing with the province of Saskatchewan, with my provincial counterpart. I can say that we will make no different deal, no different agreement, no different arrangement with Saskatchewan than we have with any other province.

* * *

AIR TRANSPORT

NORTHERN CANADA—INQUIRY AS TO PROGRAM FOR INSTALLATION OF IMPROVED NAVIGATIONAL AIDS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a question to the Minister of Transport. In view of the increased frequency of lost aircraft in Canada's northern region and the growing amount of air traffic in that area, is his department actively considering a stepped-up program with respect to the installation of improved air navigational aids for traffic in that region?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, after talking with the hon. member previously I communicated with officials of the department, and I hope he and I will be able to discuss the matter further.

[Mr. Korchinski.]

Mr. Mazankowski: As a result of his discussions with his officials, Mr. Speaker, can the minister advise whether it is the intention of the department to establish specific air corridors into the northern region, hopefully with the installation of v.o.r. and distance measuring equipment along those routes?

Mr. Marchand (Langelier): Mr. Speaker, as soon as I have had further discussions on this I will communicate with the hon. member.

POLICY RESPECTING INSTALLATION OF CRASH POSITION INDICATORS IN AIRCRAFT

Mr. J. R. Ellis (Hastings): Mr. Speaker, I wish to direct a supplementary question to the Minister of Transport. Would he indicate to the House the proposed policy of his department with regard to the installation of crash position indicators in Canadian aircraft?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I will have to take notice of this question.

Mr. Ellis: Would the minister indicate whether his department is prepared to develop a Canadian standard for crash position indicators?

Mr. Marchand (Langelier): Mr. Speaker, I will answer this question as soon as I have discussed the matter with the departmental officials. It is a technical matter and I really do not know the answer.

SAFETY OF PLANE MOVEMENTS AT CALGARY AIRPORT—REQUEST FOR REVIEW OF CONSENT TO STOCKYARD CONSTRUCTION NEARBY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have sent notice of a question along the same lines regarding air safety. I want to ask the Minister of Transport a very serious question in connection with the safety of commercial airline planes landing and taking off at the Calgary International Airport. Before there is a serious commercial aircraft accident caused by large flights of birds attracted by a project known as a stockyard or agrimart, the construction of which was consented to by his department prior to his being appointed minister, would the minister review this situation?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think it is a very serious question. I communicated with departmental officials after the hon. member sent me notice of his question. I am told by the technical people in my department that this has been under study but they do not see any danger because they are going to take certain precautions in order that aircraft will not suffer from the presence of this stockyard.

Mr. Woolliams: Mr. Speaker, may I ask the minister if he had a chance to review the evidence presented to an admistrative board at the municipal level, where experts other than those in the Department of Transport stated quite emphatically that there was a serious chance that this stockyard might be the cause of an accident, and may I point out that recently we have had the evidence of a

serious crash near Miami airport allegedly caused by birds?

Mr. Marchand (Langelier): Mr. Speaker, this is something I brought to the attention of the department. All new evidence will have to be considered. In the meantime, those responsible for the construction of the stockyard will have to put up a bond of $50,000 in order to give us a guarantee that they will take steps to see that birds attracted to it will not cause any danger for aircraft.

* * *

ADMINISTRATION OF JUSTICE

INQUIRY AS TO REINTRODUCTION OF YOUNG OFFENDERS BILL

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the Solicitor General. Is it the intention of the Solicitor General to reintroduce the young offenders bill this session and, if so, will there be substantial changes in the philosophy and procedures it envisaged?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, as a result of the committee hearings in the last parliament my department is examining the young offenders bill in consultation with the Attorneys General of the different provinces. Once this consultation is completed we will announce our intention. Mr. Speaker, I wonder if I may answer a question that was put to me yesterday, since I am already on my feet.

Mr. Speaker: Perhaps I will recognize the minister at the end of the question period for that purpose.

Mr. Gilbert: In view of the fact that representatives of social agencies and government officials indicated at the committee hearings in the last session that there was an urgent need for diagnostic and related services for the treatment of young offenders, has the Solicitor General taken any steps to consult with provincial officials to try to remedy this situation?

• (1200)

Mr. Allmand: It is on that very point that we are progressing to discussions with the provinces, Mr. Speaker. These services are under the jurisdiction of the provinces and we want to do what we can with them to improve the situation.

* * *

VETERANS AFFAIRS

EFFECTS OF INCARCERATION ON PRISONERS OF WAR—POSSIBLE IMPLEMENTATION OF COMMITTEE RECOMMENDATIONS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. I draw to his attention the report of the Standing Committee on Veterans Affairs of last June in which recommendations were made with regard to studies on the effects of incarceration on European theatre prisoners of war and also the question of the relaxation of some requirements of the War Veterans Allowance Act with regard to prisoners of war in the European theatre. Could the minister tell the House what has been done in this connection?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in reply may I say this question is now under study by my department.

* * *

PUBLIC SERVICE

WITHDRAWAL OF FORCED EARLY RETIREMENT REGULATION

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Justice. Has the government withdrawn the regulation which allowed deputy department heads to retire public servants prior to the normal retirement age of 65?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I would have to take that question as notice and respond to the hon. member in due course.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a point of order based on the fact that the President of the Treasury Board publicly stated that this regulation had been withdrawn. I should like to ask the President of the Treasury Board if that is not so and, if it is, why does the Minister of Justice not know about it?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, it is correct that the regulation has been withdrawn, but I do not think that was the nature of the question directed to the Minister of Justice.

Mr. MacInnis (Cape Breton-East Richmond): On a point of order, Mr. Speaker, I am not going to stand here and have the President of the Treasury Board imply that the question I asked him was not the same question I asked the Minister of Justice. It is the same question. Supplementary to that first question, is there authority which would allow for the forced early retirement of employees under federal jurisdiction? Is there such a provision still contained in any regulation or any legislation?

Mr. Speaker: Order, please. I am not sure whether that is a point of order. The hon. member may be asking a supplementary—

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I indicated that it was a supplementary.

Mr. Speaker: Order, please. My impression was that the hon. member was asking a supplementary point of order. In any event, we might allow the minister to reply to the hon. member's supplementary question.

Mr. Drury: Mr. Speaker, there are provisions under which public servants can be retired prior to the customary retirement age of 65.

Mr. MacInnis (Cape Breton-East Richmond): A further supplementary—

Mr. Speaker: Order, please. We have reached the end of the question period, but I shall allow the hon. member to ask a further supplementary and then allow the Solicitor General to reply to a question asked yesterday by the hon. member for Gander-Twillingate.

POSITION OF GOVERNMENT ON FEDERAL COURT DECISION THAT FORCED RETIREMENT TANTAMOUNT TO DISMISSAL

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a further supplementary, Mr. Speaker, this time to the Minister of Justice. If there are such regulations left, why is it that the federal government did not appeal the decision of the Federal Court of Canada that the cabinet of Canada was acting beyond its jurisdiction and its statement that retirement before the normal age of 65 was tantamount to dismissal without cause? Why is it that the federal government, and now the President of the Treasury Board, tries to push down my throat and the throats of the people of this House—

Mr. Speaker: Order, please. The hon. Solicitor General.

* * *

AIRPORTS

SPECIAL SECURITY FORCE—PHASING OUT OF COMMISSIONAIRES

Hon. Warren Allmand (Solicitor General): Mr. Speaker, yesterday the hon. member for Gander-Twillingate and the hon. member for Prince Edward-Hastings asked certain questions about the new security forces at airports. The first training course for the new recruits in this force will commence in Regina on February 12, 1973 and will be completed on April 16, 1973. The people in that course will assume their duties immediately. New courses will be started after that and we hope to recruit 311 special constables in the year 1973-74 and 159 the following year. There are 180 commissionaires presently involved in work of this kind and they will be phased out over a three-year period. Some will be given other jobs in the service, some positions will be taken by attrition and others will be given a chance to apply for the job of special constable in the new force if they meet the standards.

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. The minister has given us all kinds of assurance that they will be enabled to move into the special security forces. Can he give us the assurance that none of these people, all of whom are veterans and many of them disabled veterans who are unable to get other employment, will not lose their jobs as a result of this move?

Mr. Allmand: Mr. Speaker, it is my impression that none of them will be forced to lose their jobs. They will either retire in the usual course of events or be given other jobs or an opportunity to apply for the special force if they meet the standards.

Mr. Speaker: Orders of the day. The hon. member for Saint John-Lancaster is rising on a point of order.

Mr. Bell: Oh, well, Mr. Speaker—

Mr. Speaker: The Chair was trying to be helpful. The hon. member might be allowed to ask his question quickly provided he can get a quick answer.

* * *

INCOME TAX

ALLEGED PRINTING ERRORS ON FORMS—DISTRIBUTION OF FORMS TO TAXPAYERS

Mr. Tom Bell (Saint John-Lancaster): Mr. Speaker, this matter is of interest to everybody and is directed to the Minister of National Revenue. Have a very large number of income tax return forms been withdrawn because of printing errors and can the minister assure the House that the returns for individual taxpayers will go out on time?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, the answer to the first question is no and the answer to the second question is yes.

Mr. Speaker: Orders of the day.

* * *

[*Translation*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed, from Thursday, January 11, consideration of the motion of Mr. J. J. Blais for an address to his Excellency the Governor General in reply to his speech at the opening of the session.

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I gladly fall into step with all those who congratulated you and I also want to congratulate the mover (Mr. Blais) and the seconder (Mr. Blaker) of the Address in reply to the Speech from the Throne.

A song-writer who probably does not share my political views has written a very well-known song entitled "My contry is not a country, it's winter". Parodying Gilles Vigneault, I could say: "My country is not one country, it's five countries". But for those five countries to survive they must be integrated in such a way that they will make up what we call our country, Canada. However, it should never be forgotten—and it should be less and less so—that we actually have here five countries or five states.

• (1210)

More than ever, Mr. Speaker, the individual regions are becoming aware of their problems and difficulties and are seeking solutions not only at the regional but also at the national level. These economic difficulties prevailing in the various regions are aggravated by other problems

with linguistic and cultural implications. Canada is therefore a country increasingly difficult to rule.

It is extremely easy, Mr. Speaker, to hurl one part of the country against another. People with the littlest bit of knowledge, in the government or in the opposition, can launch the people from one region against those of another. It has been done with regard to French-English relations. It can be done between the Western and the central provinces or between East and West. It can be done, as it has been said before, between British Columbia and the rest of the country with the best of reasons. Anyone may, on the spur of the moment, raise a serious grievance against the whole of the country.

Yesterday, I heard a member from British Columbia refer to some kind of potential separatism in British Columbia. It is quite possible, because if some day we all behave in such a way that British Columbia will feel completely isolated, there is no doubt that such a movement will emerge. I did not say that there would be—

An hon. Member: On a point of order, Mr. Speaker—

Mr. Speaker: Order. I apologize to the minister.

[*English*]

Mr. McKinnon: Mr. Speaker, I must object to any such interpretation being placed upon the words I used yesterday.

Some hon. Members: Oh, oh!

Mr. McKinnon: I stated quite clearly that British Columbia has not, to my knowledge, a single separatist. I was trying to make that clear yesterday.

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, there may be some interpretation problems, but I am not responsible for them. I did not say that there were separatists in British Columbia but that these people had problems and that if we did not recognize them, some day they would react just like citizens from another area, the Maritimes, for instance.

I heard it myself from Nova Scotians at the time I was a member of the Royal Commission on Bilingualism and Biculturalism; I have just read that some people in Prince Edward Island are thinking of separation. Obviously I am not saying that they are prepared to separate nor that they will. However it must be admitted that the Canadians we represent are particularly sensitive about relations between their region and the rest of the country.

So, if that type of prejudice is to be exploited, one need only say that without a doubt that eastern Canada is poorer than central Canada. It must therefore be expected that the representatives of eastern Canada demand energetically that historical and permanent injustices be remedied. There is nothing abnormal in that; provided it is done without stirring one area against the rest of the country, I believe that is normal.

In Ontario, for instance, some people say: We pay most of the bill. Some of us out west or in the east could stir the citizens against Ontario. That province does not give only. The department I headed distributed considerable money to certain regions; that of Industry, Trade and Commerce gave a lot of money to the province of Ontario. I will never go to the trouble of adding it up because the day we start thinking of our country merely in terms of accounting with regard to the various areas, that day it will be threatened with disintegration.

We are together, Mr. Speaker, because we believe we can all benefit from the situation, even if we have reasons to complain, even if there are frictions. We believe it is preferable to be together rather than separated because it means greater advantages. No nation exists through divine right.

Nations such as ours are the results of historical accidents. Who could explain how Canada that we know is made up of French- and English-speaking communities? It is not because of a universal plan but because historical events have brought us together this way. Why the Flemish and the Walloons in Belgium? It is not because of divine right; it is a result of formation of groups throughout history. Therefore, these people must get along together.

This country is built up the very same way. Every one is aware that regional interests are becoming ever more important. There are certain things that policitical parties must not do on the national level. The government must not be praised at all times, and what they do must not be misinterpreted. Partisanship must continue to exist and the opposition are bound to criticize the government and prepare to replace it eventually; such is the normal game of politics. If that normal game is held up on the pretence that there are problems in Canada, then democracy is not for us.

So one must be much more careful when taking positions so as to avoid breaking up the country by resting on things that will not be changed.

I have been told, you should not talk about it so nothing will be said. This may be the best way. Because of their temperament or their culture some say when a problem comes up: Sweep it under the rug. This is not my way of doing things. I came to Ottawa a little over seven years ago with some colleagues for the very simple reason that we believed in federalism and we saw in our province a rising movement trying to convince our compatriots that belonging to a country such as Canada not only was not worth it but actually made us poorer, that we were not represented and that we played no part in Ottawa, that we were a French-speaking entity in a large English-speaking world which, of course, continuously steered the country according to its interests. That is what people were saying not in their living rooms but publicly and that is what was being suggested by a political party which enjoys freedom of existence in that province and particularly in the Quebec National Assembly. There is a problem in Quebec that has not necessarily been created by the other provinces, but it is there and we have tried to solve it. Furthermore, we were convinced—and I still am—that several injustices people were complaining about were real.

It would be naïve to think that here in Ottawa, for example, French Canadians enjoy fair play in the civil service. The fault is not necessarily with the English-speaking people, but, frankly, there was no fair play, and if you want statistics, I shall provide them. Let us just

read the report of the commission on bilingualism and biculturalism—

Who is responsible? Mr. Speaker, I do not care to inquire into it. We were interested in correcting that situation step by step, and not by force just by saying: Now, gentlemen, we want to restore the balance. We wanted to proceed very gradually, in such a way that the French-speaking people in Ottawa, might feel at home.

Some hon. Members: Hear, hear!

Mr. Marchand (Langelier): The problem really existed. There was also the problem about Hull-Ottawa was developing very well. So much the better. I am the first to be proud of our beautiful capital city, which was erected for the main part with money coming from all the Canadian people, through the National Capital Commission. I am not jealous; I am happy to see that we possess a beautiful capital city. However, there was a problem: all the French-speaking Canadians were crowded in a neighbouring small town, across from Ottawa, by the name of Hull, and that town was not developing at all. One of our objectives was to try not to deprive Ottawa of its normal development, but to achieve in Hull things that would allow the French-speaking people also to be rather proud of their town.

Some hon. Members: Hear, hear!

• (1220)

Mr. Marchand (Langelier): I will not tell you about the harassment I was subjected to because I was responsible for the National Capital Commission.

I expected that. Of course when I was elected to the House of Commons I did not think everybody would welcome us with open arms. It is obvious that some people do not understand but I was nevertheless happy because, all in all, I believe that the English-speaking people in Ottawa understood fairly well the contribution we wanted to make and they supported us. Not only did they support us, but they were very sympathetic.

We met with fanaticism, there is no doubt about that and it will happen again for, you see, it is in the nature of things not to understand everybody's problems, I know that. Besides, the same is true of each of our areas. Before I went to the Maritimes my idea of those provinces was entirely different from the one I have now. Now I can understand the people from those provinces, I can understand why some seem to push their demands more loudly than others, they have more serious problems than others. There are some outside Quebec who do not understand what is going on there and I am coming now to a more ticklish subject.

I will tell you quite simply about what happened during the last election campaign. War was declared upon us yesterday because of a film. In fact, it is the hon. member for Saint-Hyacinthe (Mr. Wagner) who put the finger on us—it seems that he is now the one who answers for the Progressive Conservative party in the province of Quebec. He did it because we made a film featuring four French-Canadian ministers. Now, two or three days ago, I met the hon. member for Yukon (Mr. Nielsen) and told him I would send him the film with a letter and even the sound track.

An hon. Member: That was four days ago.

Mr. Marchand (Langelier): Yes, but anyway, the hon. member for Saint-Hyacinthe said at six o'clock last night that he had not received it. Only the hon. member for Yukon—there never was any question of my sending that film to the member for Saint-Hyacinthe as I had said I would send it to the Progressive Conservative party. Would the hon. member for Saint-Hyacinthe by himself be the Progressive Conservative party?

Mr. Wagner: No.

Mr. Marchand (Langelier): No? Well, anyway, we produced a film to show what? First—

[*English*]

Mr. Nielsen: Mr. Speaker, forgive me for interrupting on a question of privilege. I think it ought to be explained that the film was sent to me at my request, a request made in conversation with the minister. The hon. member for Saint-Hyacinthe (Mr. Wagner) did not know this until about 20 minutes ago.

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, at first we have been represented as those French-Canadian swindlers in Ottawa who were in quest of power. People have said that it was shown only in the province of Quebec and in French.

In the first place and for the information of former "Mr. Justice", this is not true. On October 3 last, between 10 and 10:15 in the evening, this film was shown on the entire French network, that is in Quebec, New Brunswick, Nova Scotia, Manitoba and Ontario. If it has been hidden, it must be far away.

Mr. Wagner: It was shown in French but not in English.

Mr. Marchand (Langelier): It was indeed shown in French but not in English. I gave the hon. member a copy of it and it is up to him to have it translated. However, I will tell you why it was not shown in English.

Mr. Wagner: We are listening.

Mr. Marchand (Langelier): The hon. member has delivered his speech, he should now let me deliver mine.

I will mention the problem we had to face during the last election in the province of Quebec: the new Progressive Conservative star surely did not frighten us. In fact, it did not bother us a bit. Neither did the Social Credit Party which was, in our opinion, limited to some regions as far as the election was concerned and they nearly achieved what they intended to. I extend to them my congratulations for their success in the election.

In all event, what was our problem? It was to answer objections from another party which did not take part in the fight and said to everyone: These people do not represent anything in Ottawa. They are just pawns in the hands of the English-speaking people, they do not accomplish anything.

Therefore we wanted the film to show that French members from Quebec in Ottawa were useful, that they did achieve something, that we had a role to play there. That is not all. I also stated in that film—and you will agree if you watch the film and read the transcript published in the *Toronto Star*—that of course we did not take the power from the other ministers. In fact, the hon. member for Ottawa-Carleton (Mr. Turner) and the hon. member for Eglinton (Mr. Sharp) were respectively Minister of Finance and Secretary of State for External Affairs, and they had as much power in their departments as we had in ours.

That was the purpose of the film. Not one time did we attack the Progressive Conservative party, the Social Credit party or the NDP. The purpose was to try to convince French Canadians that whenever we fight in Ottawa, we have a role to play and we can improve the situation.

Here is how it was interpreted by the *Toronto Star*: It was considered as a manoeuver of the "French Power" in Ottawa. Incidentally, a short article which is quite important and worthy of quoting for the very reason that its author is an intelligent man, the hon. Senator Eugene Forsey, stated, and I quote:

[*English*]

I notice that George Bain is raising the complaint that during the recent election campaign the government said a great deal in Quebec and little outside about Quebec power in Ottawa. Well, why not? In Quebec, the story was being constantly spread that Quebec had little or no power in Ottawa.

[*Translation*]

He understands the issue. He understands that it is through this issue that some people in Quebec are trying to demolish the country.

[*English*]

Mr. Bell: Senator Forsey is a Liberal.

Mr. Marchand (Langelier): It does not matter if he is a Liberal or not. The important thing is whether it is the truth or not.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I will not quote any longer this article which is stating very simple things. It says for instance that when the western ministers travel through western Canada, whether they are from the Conservatives or NDP, they certainly do not say during an election compaign, that they have no influence on the contrary, they say they have a lot of influence and that it is important that they be in Ottawa. They do the same as we do! But why is it a scandal when French-speaking people are involved?

This is what the right hon. Prime Minister (Mr. Trudeau) was referring to when he said that we, from Quebec, have to defend ourselves everyday as well as the rest of Canada by telling the French-speaking people that the English people are not that bad. We could remain silent as many people did here in Ottawa. Not only did they not say one word but they did not fight back. And if English Canadians are not prepared to defend certain basic positions in this country let them not rely on us as we shall not defend them even in Quebec.

Mr. Speaker, I have always accepted criticism as Minister of Regional Economic Expansion and I still do. Why not? Nothing in the constitution stipulates that the Minister of Regional Economic Expansion is a saint, that he never makes any mistakes because he is not infallible. But I cannot accept that during an election campaign, with the climate we all know, sensible people try to suggest that the Minister of Regional Economic Expansion is using his department and his moneys for election purposes in the province of Quebec and giving more money to Quebec than to the other provinces. This is without any justification Mr. Speaker, bordering on racism and no doubt condemnable.

Besides, it is peculiar, to put it mildly, because in many cases they are undeniably impartial people and I am convinced that some of them do not realize the consequences of their utterances in Quebec. They don't do it out of sheer malice.

For instance I heard the hon. member for Winnipeg North Centre (Mr. Knowles), whom I consider to be a man of utmost integrity and even a friend of Francophones. He said nothing obnoxious, except on election night when all he had to say about the changes in the cabinet was that Marchand, Goyer and Pelletier were being removed. Why, referring to a rearrangement involving some 15 ministers, single out three of them individually. As taken up by the English-speaking press, the interpretation was: the three French Canadians, of course. But why? And on top of that came a statement from the hon. Allan Blakeney, premier of Saskatchewan: Marchand uses his department in favour of his province.

Now, Anglophones, who already have a chip on their shoulder concerning bilingualism, want to make the most of the malaise, specially in Ontario, and they of course draw their own conclusions. They say: "It is quite evident that those fellows are trying to seize power". That is how things happen. I don't say there was a plot aiming at an anti-French-Canadian backlash.

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. The minister is attributing statements to me that I certainly did not make. He must be confusing me with someone else. Perhaps while I am on my feet I might ask the minister a question. Before his time runs out, will he tell us something about what he is going to do with the problems in the Department of Transport?

Some hon. Members: Hear, hear!

• (1230)

[*Translation*]

Mr. Marchand (Langelier): That is the situation, Mr. Speaker. Let's sweep the problem under the rug. I will not do it, Mr. Speaker. It is too serious for that.

[*English*]

Mr. Peters: All the members of the Cabinet cannot be ministers of social affairs. We must have something else in

the cabinet besides social affairs. It is an important problem, but do not overdo it.

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I merely say that—

[*English*]

Mr. Peters: So is every other major cabinet minister.

Some hon. Members: Shut up.

[*Translation*]

Mr. Speaker: Order, please. The minister has the floor.

Mr. Marchand (Langelier): I am merely trying to explain, Mr. Speaker, why we have been sensitive about that issue.

In any event, Mr. Speaker, I think I invested enough in Canadian politics—and it is quite difficult, in Quebec, to do what we are doing—not to accept that such a statement, which affects some people's reputation, be simply interrupted by someone who does not like it. We do not like it either, Mr. Speaker, to have to do this job and go and fight everyday. Just because the hon. member for St.-Hyacinthe makes a statement which is absolutely unfounded does not mean that we are going to keep quiet and say: Here is a French Canadian who knows his way around, but who simply confirms in their prejudice those people on the other side of this House who have never understood this problem. I had rather listen to another one than him. In any event, he decided to play this part, let him try, but he will perhaps be put up with the same fate as his predecessors, in a party which never had a French Canadian leader.

If the hon. member for Saint-Hyacinthe came here for the only purpose of destroying those who have been fighting for federalism in Quebec, I suggest that he may return to the bench for the third time.

Mr. Lambert (Edmonton West): Do you think you are the saviour of this country?

Mr. Marchand (Langelier): Now, wait a minute. Yesterday they had fun while the Prime Minister was under attack; now it is not funny anymore. Well, here is a little bit of a speech that is not funny at all.

Yesterday, Mr. Speaker, the hon. member for Saint-Hyacinthe attacked the Prime Minister; he even went as far back as the days of *Cité Libre*. He went pretty far to show how the Prime Minister had changed. How terrible. That seems true to me. In any case this is now the fourth or fifth time that these excerpts are quoted in this House. They were distributed at all political meetings. Everybody knows that. But he did now know, so he read his quotation.

At any rate, let us try and find out about the intellectual or ideological continuity of the hon. member for Saint-Hyacinthe. His background is a nice one, undoubtedly that of an upright man who was on the Bench. Premier Jean Lesage got him from the Bench to appoint him minister in the Liberal cabinet. He came to the liberal convention and was defeated by Mr. Robert Bourassa. He did not like it and he left the party. He was appointed to the bench by the Union Nationale under Mr. Jean-Jacques Bertrand. Political parties later held conventions. I do not know if the Creditistes held theirs first or if it was another party, but the name of the member for Saint-Hyacinthe was in the papers for at least a month. "Is he going to go, or is he not going to go"? He was keeping quiet. It would have been easy for him to give an answer; all he had to do was make a statement and everything would have been over. The leadership was up for grabs and he was interested. It is frightening to see in the first row so many people interested in leadership.

When the Union Nationale and the Créditistes held their conventions his name was in the papers for a month. One could read, "The next leader of . . ." He finally said no. Later, the whole thing started all over again with the federal election. Newspapermen phoned him to ask him, is it true that this time you are going to Ottawa? Not a word. And when the election was called he decided that the country had to be saved, that the problems were too serious.

If we had waited for another year he would have waited another year on the bench, and it is not more serious than that. If the problems were that serious he could have stayed in politics to fight. We sought refuge on the bench. That is his business but he has no business criticizing those who change their positions because he is the perfect model of a guy who never knew exactly what he wanted in life, except to be the leader of something.

Mr. Speaker, the opposition has nothing to worry about: whatever our position in this House, we will not swallow all the nonsense that may be uttered nor the injustices that may be done. We will give them tit for tat and when we can no longer do it, we will go elsewhere; it will mean that our place is not here anymore.

Besides, Mr. Speaker, if I were a member of the Progressive Conservative party I would ask myself serious questions. How is it that in the province of Quebec the Progressive Conservative party does not succeed as well as a very young party, almost without money, the Social Credit Party of Canada which gets three times as many votes? How can that be? How is it that there are not more Progressive Conservatives? When the hon. Leon Balcer left the party, he said: There is no place for French Canadians in that party. It is a thing they will remember. They will remember also Mr. Maurice Allard who said that there was no place for French Canadians. They will remember what the hon. member for Joliette (Mr. La Salle) said when he left that party. In any case, he told me about it and I hope he will say it: that there was no place for French Canadians in that party. I am not happy about that, Mr. Speaker. I do not like hearing that and I wish there was as much place for French Canadians in the Progesssive Conservative party as in all other parties.

However, I should like to comment the great statement from the hon. member for Saint-Hyacinthe: All parties are Canadian. They are Canadian but in what way? Who on the other side of the House is going to support seriously for instance our policy on bilingualism? That does not mean that all the regulations on it should be accepted. I know some people say there is discrimination. I agree but we are the first ones to correct them. I can say personally as a former trade unionist that there are English-speaking

people for whom I would fight to death if they were to be unfairly treated under some of our programs. However, I know ever since I came to Ottawa and even before, that all the obstacles to the legislation aimed at making this country a little more bearable for the French-speaking people came from the opposite side of this House. I would not say that of everybody and I will not in the case of the Leader of the Official Opposition (Mr. Stanfield) but I could say it of a group I could very well identify if I absolutely wanted the subject I was referring to earlier to snowball.

Mr. Lambert (Edmonton West): Give us names! Look within your own party!

Mr. Marchand (Langelier): This was the situation in connection with the Royal Commission on bilingualism and biculturalism. Some members of this party did not ask whether the problems were being settled but rather: "How much does it cost?" This was heard everyday. A member from the official opposition was worried about the cost of bilingualism and biculturalism instead of worrying about the future of the country and the welfare of all Canadians.

Mr. Speaker, we will not ask for any favour. We are not asking for any preferential treatment because we are French-speaking. However, we shall not tolerate one instant being treated differently because we are from Quebec, even by the leader of the Quebec wing, the hon. member for Saint-Hyacinthe supported by the hon. member for Brome-Missisquoi (Mr. Grafftey). We will not mind. That our policies be criticized is normal. We shall play the game and this will make for a healthy climate. We have no objection to this. However as regards gerrymandering and intriguing, they will have to do it alone but they will find the war tougher than expected.

If the atmosphere does not clear up, it will be quite simple. That is not the only thing one can do. I understand that parties have a role to play, I accept attacks, but I do not accept the kind of indictment attempted on us during the last election. I do not accept that pernicious and perfidious interpretation of the film, which had only one purpose. The film can be criticized by saying "They eat too much". That was one of the hon. member's criticisms: "They eat a lot". We were eating the same damned ham which is eaten here in the restaurant, Mr. Speaker. What Progressive Conservatives eat every day. That's all we were eating. "It is horrible to see them eating when some lack food", they commented. That is super politics, really super. And that is how they seek to achieve the unity of Canada. The film can be criticized. But I say Mr. Speaker, that if debates are to be normal, that kind of fighting should cease. We are going to do our part let them do theirs and there will be an opportunity to help Canada. Otherwise, if the battle is on another plane, we will fight and fight hard.

Mr. Speaker, I am ready to have a last try. We shall do our conscientious best and I hope that all together we will contribute to the unification of the country.

[*English*]

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, it is with pleasure that I rise to take part in this debate. My first words will be of congratulation to Your Honour upon your elevation to the high office of Speaker of this House. It is a position which I know will be filled with dignity, with honour and with fairness to members in all parties. I also wish to congratulate my hon. friend, the hon. member for Halifax-East Hants (Mr. McCleave) upon his appointment to the position of Deputy Speaker and Chairman of Committees of the Whole House. His appointment indicates recognition by the Prime Minister (Mr. Trudeau) of the hon. member's many years of service to this House, and I wish him well in his new office.

• (1240)

I join with others who have preceded me in congratulating the mover and seconder of the address for their contributions to this debate. In view of the time limit, I serve notice now that at the conclusion of my remarks I intend to move in English and in French an amendment to the motion presently before the House. The words of that amendment are as follows:

That the following be added to the Address:

"This House regrets that Your Excellency's advisers by their inertia, indifference and parliamentary incompetence, have chosen not to deal immediately with the problems affecting the Canadian people and particularly the aggravated situation resulting from the current simultaneous high rate of unemployment and rising living costs."

Those of us who were here in the previous parliament cannot help but notice the change in the seating arrangement and in the men who occupy these seats, especially on the government side of the House. We cannot help but notice as well that the air of uncertainty which seemed to hang over the Prime Minister and his colleagues following the events of October 30 pervades this chamber like a Fundy fog. I suppose this is due in part to the verbal whipping given the Prime Minister by the four western provincial Liberal leaders when they met in Regina on December 1, and the lack of discretion which was shown by the hon. member for York South (Mr. Lewis) following his organic discussions with the Minister of Justice (Mr. Lang). Obviously, following the election the Prime Minister and the Minister of Justice remembered the words of the late President Kennedy who said in his inaugural address: "Let us never negotiate out of fear but let us never fear to negotiate".

We have now seen the fruits of these negotiations in the votes that have been taken in the House. We may never know all the details of the deal which has been made between the Minister of Justice on behalf of the Liberal party and the hon. member for York South on behalf of the NDP, but obviously a scheme was arranged whereby the present minority Liberal party will be kept in office by the voting strength of the NDP. No matter how much the Leader of the NDP may bluster and apologize, he and his supporters have been exposed as fakes and charlatans when it comes to adhering to stated policy and principles. Their attitude today seems to be: if you do not like our principles, Mr. Prime Minister, we will change them. The election is over and the results are here for all to see in the House of minorities.

Many are the reasons given for this situation, but I was surprised and somewhat appalled by the statements made by the right hon. Prime Minister when he made the charge that members of the Conservative party do not stand for

Canadian unity. Today, the Minister of Transport (Mr. Marchand) stated somewhat the same views. Speaking as one who comes from Atlantic Canada, I only wish he had told us something of his plans to improve our transportation problems.

Some hon. Members: Hear, hear!

Mr. Crouse: The right hon. Prime Minister tried to whitewash his own idiotic economic policies when he spoke, his idiotic policies which he presented over a four and a half year period, by laying the blame for the near defeat of his government on everyone else but himself where it rightfully belongs. I do not, I cannot and I will not, accept the Prime Minister's views on this matter and neither do some members of the Liberal party who are sitting in this chamber today. The hon. member for Bruce (Mr. Whicher) has publicly aired his dissatisfaction with the leadership of his party and most of the defeated Liberal candidates in Alberta have been demanding a national party policy conference.

The present minority government is the fifth in the last 15 years, and Canada is beginning to resemble the troubled French fourth republic which was almost continually going to the polls. In fact, we have had seven federal elections in Canada since 1957, and I foresee another one before the end of this year. I say this because the Liberal ship of state is somewhat like Bluenose II, Mr. Speaker, with which you are familiar. It has a bit of dry rot here and there, both spars removed, some holes in the planking, some weakened internal supports, and the whole outfit is in need of a complete refit to remove the encrusted barnacles from its hull.

Some hon. Members: Hear, hear!

Mr. Muir: There is a smell of decay.

Mr. Crouse: As one of my colleagues said, it needs a new skipper.

The throne speech has produced a philosophy from this government that is quite unique and that is a far cry from what it enunciated in 1968. The philosophy, as I read the throne speech today, seems to be: the best for the west and the least for the east. Since we who come from the east are obviously number 2, I suppose we shall have to try harder.

The Prime Minister stated that he and his government proposed to correct their mistakes without in any way turning their backs on Liberal principles, and then he went on to give the House some examples. He spoke of the penal system and its abuses, of the government's immigration policy and its abuses, of changes which are necessary in the DREE program and in the unemployment insurance program. Afetr four and a half years in office, I say to the Prime minister and his colleagues that it is high time they recognized that there was an obvious need for the federal government to deal with bread and butter issues such as unemployment, housing, and rising living costs. There is an obvious need for the federal government to deal with rising educational costs, rising medicare costs, declining fisheries resources, our agricultural markets, just to name but a few.

The throne speech deals in broad generalities with some of these problems, and while it sounds very promising it does not deal in specifics or tell us how the necessary improvements are to be accomplished. I suppose this is due to the fact that for the wedding between the Liberal party and the NDP the Prime Minister needed something old and something new, something borrowed and something blue. So he took the old NDP with its new lack of principles, and he borrowed quite heavily from the big blue book of Conservative campaign proposals. However, that action puts the Prime Minister in the position of the little boy who copied his answers for the exam. He knows the answers but he still does not know how to work out the problems.

What worries me now is that the Prime Minister obviously believes he dealt with our major problems, since he said in his speech that there were few sins of omission and that in his opinion the reason he lost the majority of his party was due to the lack of communication between the government and the people. This is nothing more than arrogant nonsense for this government is full of informers, advisers, regional desks, bureaucrats and planners who should have been quite capable of getting the Prime Minister's and his colleagues' viewpoint across to the electorate. If they did not, I would like to know what function was fulfilled at a cost of $10 million annually by Information Canada which was established by this government. I suppose it has never occurred to the Prime Minister or to the Minister of Transport, in light of his speech today, that the Canadian electorate understood only too well the information they were receiving from Ottawa, and since they had had enough of manipulation, meaningless slogans, fancy theories, instant election icings and all the other candy and nonsense that goes with image making they followed the only course open to them which was to attempt through the ballot box to rid this country of this heartless, arrogant and irresponsible Liberal government.

They almost succeeded and time alone will tell whether this whipped, sullen and frustrated administration will be any better or be any more responsive to the needs of the Canadians than was the previous one. Quite frankly, I have my doubts. I am concerned when I read in the Speech from the Throne that the government plans to submit proposals for a new national communications policy. This is a proposal which we on our side shall have to examine very carefully. In my opinion, the history of communication is in many ways the history of civilization. Much of man's progress can be measured by the state of his communications, and all of us are today much better informed, for example, about conditions on the moon as a result of improvements in our system of communication.

• (1250)

Some years ago Thomas Jefferson declared; "If a nation expects to be ignorant and free—It expects what never was, and never will be". He went on to say that "Where the press is free and every man able to read, all is safe". But, the written word and mass education did not bring an earthly paradise, for man can respond to the demagogue as well as to the philosopher and the capacity to read does not always guarantee that man will choose good over evil. In today's civilization there are only a few parts of the world where people are physically imprisoned

and controlled by their governments. However, though the physical subjection of people is rare, we see today the struggles and tensions developing over control, not of man's body but his mind. This struggle is being waged with ever greater and more subtle intensity. I say this because every day we hear the expressions "brainwashing", "subconscious persuasion" or "imagine making". These are the tools of the ad men who use them to sell us new products, new ideas or tired, frustrated, old politicians.

Now, salesmanship is not new, for down through the years we have had traders and conmen. But what is new is that today we are in an electronic age where there are tremendous opportunities for manipulation of the media. In my opinion, the present situation puts a tremendous responsibility on what is still called the free democratic press of this country. We said during the campaign as Conservatives that in the event we formed the government we would abolish Information Canada and this wasteful extravagance. Quite frankly it is bad enough at times to receive inadequate news coverage, but in my opinion there is a far greater danger, and that is manipulated news by the government in power. Government diluted and directed information in this electronic age could so assail freedom of thought and opinion as to fatally undermine what is left of our free institutions.

I believe the salvation of our country and the solution to our problems lies where it always has, in the strength of the individual mind and character. It is the message which is the thing of value and, in my opinion, the men in the press gallery have a tremendous responsibility in this session to see that the message of the twenty-ninth parliament is clearly conveyed and portrayed to the Canadian people. That is the point I want to stress most clearly at this time.

In the time allotted to me it is not possible to deal with all the proposals put forth in the throne speech. In the wording of the speech, the government is fully committed to two prominent goals, namely national unity and equality of opportunity for all Canadians. These are high sounding ideals, and in my area of Canada one of the items contributing to disunity in this country and inequality of opportunity is the transportation policies of the federal government, and our problems in this area have intensified in recent years. We have had nine freight increases in two years.

Studies of this problem have been made, solutions have been proposed and, almost without exception, these have been deferred, watered down, shelved or ignored. As a result our agricultural industry, our fishing industry and all forms of our manufacturing industries operate at a tremendous disadvantage when compared to industries located in other parts of Canada. Unfortunately, recent policy statements by this government will only serve to compound our problems. Here I refer to the announcement to build four new icebreakers to break the ice on the St. Lawrence seaway in order to extend the shipping season on the Great Lakes. Obviously, this government is oblivious to the changes which have been brought about in the shipping industry, and apparently it plans to write off the total capital cost with interest amounting to some $700 million on the St. Lawrence seaway. I say this because the seaway cannot pay its way, and its operation to date has not justified its tremendous cost to the people of Canada. At the present time the trend toward larger ocean going ships, the establishment of seaside container shipping facilities and the introduction of rail developments that shorten the running time from ocean ports to inland centres, plus the shallow depth of the seaway, make the waterway obsolete even in the summertime. I suppose by raising this criticism it will be pointed out to me that I am anti-Quebec. This effects not only Quebec but Ontario as well. What I am saying is that we should not pursue and continue the waste of money on this obsolete facility.

Today the maritime provinces, especially Nova Scotia and New Brunswick, have the only natural deep-water ports north of Norfolk, Virginia. With 500,000 deadweight ton tankers now on the drawingboards, the shipping industry seems almost certain to come back into its own in Atlantic Canada. In my opinion, it would make sense to retain the seaway as a seasonal water route for the inland coastal trade and grain movements, while using our tax dollars to upgrade facilities in Nova Scotia which can be used on a year round basis, and are closer to overseas trading centres. I believe quite frankly, Mr. Speaker, that any dollars spent on expanding year round shipping on the seaway are dollars robbed from Atlantic Canada. I say this because we are told all our transportation services in Atlantic Canada must be kept on a paying basis. I ask this government, why are we in Atlantic Canada singled out? Why does this rule of thumb not apply to other parts of Canada?

Our natural business axis in Atlantic Canada is north and south, not east and west, but our natural growth has been hampered by unfair and unjust freight rate charges and by tariff changes which favoured central Canadian manufacturers to the detriment of industrialists in Atlantic Canada. Some 100 million inhabitants of the eastern United States seaboard are within easy shipping access from ports in Nova Scotia. These markets present new and even greater opportunities for our fishing industry, and there is a great potential in this area for expanding our agricultural economy through the increased sale of our agricultural products, especially quality pork products. Nova Scotian farmers have a good base of breeding stock, they have vast experienc in management and in feeding, and producers have proven that they can compete in quality pork products with anyone on this continent.

In my opinion, this industry could be expanded, but our agricultural industry, our Christmas tree shippers, our fishing industry and our industrialists are penalized and held back by an antiquated transportation policy. We need a change in present policy, and in my opinion the emphasis must be shifted from railway profits to development of the Atlantic region.

Mr. Speaker, may I call it one o'clock?

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Crouse: Mr. Speaker, when the House rose at noon, I was addressing myself to the problem of transportation in Atlantic Canada. I would point out to you, Sir, that the industries of Atlantic Canada are not one inch closer to the markets of central Canada today than they were in 1867. What we need is not just freight rate subsidization. I believe the railways in Canada should be used as an instrument of national development rather than operating on a rate system designed to recover the cost of their operation in each area. In other words this is the first step, in my view, toward economically unifying Canada, which is a problem which seems to be of great concern to the Prime Minister and the Minister of Transport (Mr. Marchand). By the government's own admission, the DREE program has failed. It is stated in the throne speech that it must be decentralized.

I submit there would be little or no problem in relocating industry in Canada when rail rates and the economic disparities they cause are equalized or brought into closer balance. An efficient transportation system may not guarantee economic expansion, but the lack of such a system is having a detrimental effect upon the growth of Atlantic Canada. The throne speech indicates that the government assigns the highest priority to an economic policy that will reduce unemployment, contain inflation and strengthen the economy generally. While no mention is made about restoring the shipbuilding industry in Canada, I believe this is one area that is worthy of consideration by the government. More than two years have passed since the report of the inquiry on the coasting trade of Canada was submitted to the Minister of Transport.

The Darling report recommends that Canadian coastal waters be reserved to Canadian flag vessels which is a practice common in every modern maritime nation. It recommends that the development of Canadian resources on our continental shelf and in the Arctic be combined with provisions requiring the use of Canadian shipping. Since this report was published, there has been extensive exploration without any commitment to use Canadian shipping or Canadian workers. In view of our present high level of unemployment which is expected to increase, I ask this government if it is concerned with developing our human resources, as well as our natural resources, why has it not taken action to provide more aid to the Canadian shipbuilding industry? The $2 billion, for example, spent on unemployment would have built a lot of ships. That is the point I want to make. Practically every maritime nation in the world has strong policies to keep a deepwater merchant marine under its registry. In some cases it is done by direct subsidy, and in others it is a preferential tax exemption.

In 1947, this country had 155 ocean-going vessels under Canadian registry. Since then our fleet has dropped to almost nil, with the operators claiming they were taxed out of business. Some may say the cost of building up a modest Canadian merchant marine would be excessive. But we must ask ourselves how many millions of dollars we are paying annually to foreign countries by chartering their ships to carry our cargo. If these hundreds of millions of dollars had been spent for Canadian vessels, they would inevitably have found their way back into the economy of our country instead of being completely lost.

At the same time such a course would have given thousands of Canadians in all walks of life, new jobs, new opportunities and new hopes for the future which are not now available. It is hard to realize that Japan for example, which built a very small percentage of the world's ships in 1950, is today building over 50 per cent of world tonnage. Today, we are providing a small subsidy toward the cost of building domestic service ships and those built to foreign order, but I believe this program ends in March so action is needed immediately if our shipyards are to be reactivated, and if employment is to be provided for the workers in those yards.

There is no other trading nation in the world that puts its overseas trade at the mercy of foreign carriers, and I believe we should immediately consider a subsidy program which would cover at least a ten year period so that the Canadian flag could once again sail the sea lanes, providing new opportunities for our people.

Finally, the Speech from the Throne promises further measures to control foreign ownership of Canadian owned business. In my opinion, speaking as one who comes from Nova Scotia, this is a very important matter in our province since it deals with the preservation of our inheritance and our birthright. However, I believe any debate over ownership and control of Canadian industry should also deal with the thorny problem of ownership and control of unions operating in Canada. Whatever one may think about the role of foreign capital in Canada, we cannot continue to ignore our foreign dominated unions which represent a factor more closely related to people than to capital. After all, people in my view are far more important than money, and I cannot help but wonder why capital and not people is receiving all the attention when this matter comes under discussion. We are told by interested and concerned people that foreign investment prohibits Canadians from developing an independent economic, cultural and political identity of their own. These people appear to have a point worth considering, but unions keep reminding us that they, too, play important economic, cultural and political roles in our society.

• (1410)

Since some 62 per cent of unionized Canadian workers are members of unions with headquarters in the United States, it would be interesting to know what the Canadian Labour Congress would think about a government controlled screening process for unions that want to operate in Canada. It would be also interesting to know how Canadian union members would proceed to acquire full control of unions presently operating in Canada. I, personally, think this would be quite difficult, and it is insufficient to say that Canadian union members can break away from their American dominated unions if they so desire. First of all, responsible union leadership would have to be found in this country. Another consideration would be the Canadian welfare, pension and strike funds in the United States. The federal government would have to move to assist Canadian union members in securing an equitable portion of these assets, or some adequate compensation.

To the best of my knowledge, Canada is the only industrialized nation in the world without a broad trade union movement of its own. I realize that the workers in Quebec

have their own unions, and there is also a growing tendency for public servants at all three levels of government in Canada to form unions. But the fact remains that the vast portion of the primary and secondary industries in Canada are organized by arms of U.S. unions. I, for one, believe that legislation to redress this imbalance has been needed for a long time.

I say this because other countries seem to be doing very well on the labour front without American based unions. When it comes to hard decisions, Japanese or German workers make the decisions for their respective unions, and American workers always act in their own best interests. It is not surprising that American workers inspired United States laws which restrict imports from other countries, including Canada, at the cost of jobs for many of their Canadian counterparts. If we had a national Canadian union movement it would not solve all our problems, any more than Canadian ownership of all our own industries would solve all our economic problems, but I do believe that a truly Canadian trade union movement is a matter of great importance, and should receive equal consideration when the question of foreign ownership is under study.

For all the reasons I have given, Mr. Speaker, I move, seconded by the hon. member for Saint John-Lancaster (Mr. Bell), the following amendment to the motion:

That the following be added to the Address:

"This House regrets that your Excellency's advisors by their inertia, indifference and parliamentary incompetence have chosen not to deal immediately with the problems affecting the Canadian people, and particularly the aggravated situation resulting from the current simultaneous high rate of unemployment and rising living costs."

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, it is with very great pleasure that I take part in this debate which at least up to now has been quite interesting.

I should like first of all to congratulate the member for Stormont-Dundas on his re-election as Speaker of this House, as well as the Chairman, the Deputy Chairman and the Assistant Deputy Chairman of the committees of the whole (Messrs. McCleave, Laniel and Boulanger) who were elected to their present office.

Mr. Speaker, I had the opportunity to hear several speeches which were generally rather interesting. As for myself, I am returning to the House with a second mandate which seems to me quite clear, but I must not forget to congratulate, like several previous speakers, the mover and seconder of the Address in reply to the Speech from the Throne (Messrs. Blais and Blaker).

I do not wish to dwell at length on the last election campaign. On the contrary, I think that there are many matters to be discussed, considering the hopes to which the Speech from the Throne have given rise among all the Canadian people.

I would like to offer my sincere thanks to those people of my constituency who put their trust in me and who, in an overwhelming majority voted for the man first of all. I think they have understood the old saying that parliament or any other institution is as good as the men who make it up. I think that it is on this principle that, as members of this House, we must work in common. Like so many others I could, of course, remind you of several anecdotes about the last election campaign, but I do not feel this is the best place to do it. I would rather be tempted to look, on the whole, at the last election which took place in the country.

Evidently, it is easy for members of the opposition to say the party in power has lost the confidence of the people. I think it is important to underline that the ones who shout loudest about the deterioration of the party in power could at least admit that opposition parties did not get the confidence which all parties were looking for either.

As an independent member, I usually feel much at ease to discuss these problems.

• (1420)

Last night, during the vote on the amendment, I found out that no party had obtained the confidence of the majority. This is what had raised a doubt in my mind as to the value of the amendment proposed by the Progressive Conservative party, which could not allow me to favour its passing, since I was already aware of the fact that the objective that we must reach is that of the interest of the Canadian people.

The reasons of the election result of October 30 are numerous. Many people have thought that this could depend on an economic factor, others gave other reasons. I think that, in general, the government itself who, for four years, did not succeed in giving us this economic stability, has been one of the major factors of the decrease of its majority. But we should perhaps rejoice and yet entertain reservations as to what this government can achieve in the days or months to come.

The Speech from the Throne, as I said before, gave rise to some hope among the population. Can we entertain doubts? One can always have misgivings about an electoral program, about a speech like the one that was delivered. Should we already dally on taking the government to task for not having implemented some of the proposals put forward in the Speech from the Throne? We could also criticize the government for the present state of affairs.

For instance, why did the government wait until after October 30 to announce capital injections of the order of $500 million, where we must admit that they are quite justified? A year ago already, we experienced the same problems. There again, it is never too late to make amends and I believe that we, as legislators, must nevertheless welcome the decision. In his own constituency, each hon. member should inform the organizations concerned of those amounts being made available to the provinces and municipalities in order to achieve some projects still at the planning stage.

Mr. Speaker, many people are concerned about the consequences of a minority government, but considering the announcement made of the availability of $500 million and the excellent suggestions contained in the Speech from the Throne, we should rather discard worries and believe that a minority government may be beneficial to the population, since the various political parties will no doubt try to do more and better with the prospect of a forthcoming general election. The fact remains that

Canadians will benefit from a government that will surely feel hard-pressed by the opposition, and I trust that the opposition in turn will endeavour to force the government to come up with some long overdue legislation.

Such is the state of mind in which we must work in this House.

I was listening to the leader of the Progressive Conservative party (Mr. Stanfield) speak of restoring the confidence of the Canadians. Is it possible? Only to the extent where we act as administrators, and not by applying ourselves to embarrassing the government and forgetting our prime responsibility as Members of Parliament. He also added that the government should assume its responsibilities. No statement could surpass this one, I feel; and I share the opinions of the leader of the Progressive Conservative party when he speaks in that fashion. Exactly what is the responsibility of a Member of Parliament? Does it depend on the fact that he is part of a group? Is it because he is of the opposition that he should oppose the government rightly or wrongly? Should he not instead, as elected member, behave as an administrator who respects the commitments made during the election campaign?

Personally, Mr. Speaker, since as far back as in 1968 I have felt that it was my duty to serve the interests of society way before those of my party.

No doubt that the system under its present form is causing us difficulties.

I have resisted the temptation to become too easily part of that system and of course I had to choose a course which will not be an easy one. But the people trusted me any way because I think I have met their expectations by telling parliament of my constituency's needs and by supporting unceasingly legislation which I felt would benefit society, and that, to my mind, is the responsibility of a Member of Parliament.

There is no doubt that all political parties are fascinated by power. It is easy to say to the government: You did not get the trust of the majority, so you must give up the reins of power. But it is too easily forgotten that those calling for such a move failed also to gain a majority. The new parliament is inviting us, I think, to discuss mutual problems and to support measures which seem to be the most favourable.

I think that the composition of this new parliament enables the opposition members to get together and force the government to do something, should it refuse to do it.

True, there is also a Speech from the Throne which offers, only on paper of course, a lot of things. I think that the role of each member is to bring the government to implement this program as soon as possible. In my opinion, such are the responsibilities of each hon. member. Unhappily, by habit or ambition, they will try to bring down the government and forget the major interests of our people.

During the last election campaign, my motto was: "Man first", and I believe that this motto was relevant.

In my view, every hon. member should think first of the interests of the people before those of a political party, without being concerned about whether the government will be led by the grits or the tories. I do not think that the Canadian people want their members to bring about a new election, but they certainly want the government to pass legislation that will benefit the country.

In the Speech from the Throne, many measures are mentioned and nothing can stop the opposition parties from forcing the government to improve present legislation and to introduce new legislation.

In my opinion, this is the real responsibility of each hon. member as well as of each political party. In fact, it would be dangerous if the only aim of a political party was to bring down the government. What the population needs is a Parliament working to safeguard the interests of the community.

Mr. Speaker, I was very happy to hear the new Minister of Regional Economic Expansion (Mr. Jamieson) state that it was not up to us to determine the priorities of the provinces and that he was making it his business to ensure that there would be major consultations with the provinces. This was in fact reflected in the Speech from the Throne and it is something quite new for the Speech from the Throne to give such importance to the provinces in the establishment of new legislation or new arrangements, fiscal or otherwise.

I am personally pleased to see that the government has decided to consult the provinces more than it ever did. This is good for the provinces and it gives an opportunity to establish a more decentralized federalism, which our federal governments have been looking forward to for a very long time. The Speech from the Throne meets the aspirations of a good number of provinces. I think we should believe as members of Parliament in the decentralization of power and in consultation with the provinces.

• (1430)

Much has been said about the outcome of the election, but the general agreement is, I think, that the major problem still is of an economic nature with all Canadians being affected. In spite of its financial incentives and other measures, the government has not even succeeded in checking unemployment, the rate of which has doubled between June 1968 and October 1972.

The measures taken were therefore inadequate. Now this economic problem troubles each and every Canadian. However, I would like to remind you that the province of Quebec, which I have always defended in this House, besides this economic problem is faced with a constitutional one.

An hon. Member: A Conservative problem!

Mr. La Salle: It is important, I think, that this federal government, as well as all the members, realize that the handing over of certain powers to Quebec is a must, and furthermore that the province wants it badly.

The major problem in Canada is the economic situation: but the second one especially where Quebec is concerned, is no doubt the recovery of some powers by the provinces, taking into account the special situation in which the people of Quebec find themselves. I feel that political parties ought to realize this situation if they want to curry favour with the province of Quebec. The problems of Quebec will not be solved merely by providing economic

stability. Moreover, there is in the mind of the people of Quebec a basic wish of recovering certain powers which are absolutely essential to their own emancipation.

I am always eager to defend, in this house, the interests of Quebec, aware that it is my responsibility and that, with my friends, the liberals, we can manage to build a country in which a viable federalism is possible.

I should like, at this point, to quote a few excerpts from the Speech from the Throne which says many things, but I feel it is always dangerous to limit oneself to reading or listening to grand articles. It has been said: A man is judged not by what he says but by what he does. The people have judged the government and a whole group of members of parliament. Those who might be tempted to interfere with the proper functioning of the house will be judged in turn.

Mr. Speaker, I found the speech of the Minister of National Health and Welfare (Mr. Lalonde) very interesting. His open-mindedness with regard to certain social measures was obvious. He also indicated that the government would introduce measures favourable to the old, measures which I have been requesting for quite some time, one of which notably is the payment of old age security pensions at age 60.

Perhaps can we still hope that in the near future the minister will announce that persons of 60 years of age can receive that pension.

I feel it is my duty to remind the government that it has done much in this respect but, having in mind the present economic situation, it could have achieved more.

In my opinion, we would gain by lowering to 60 the eligibility for old age pensions. I think this would be one method of considerably decreasing unemployment, expecially when nearly 400,000 people aged between 60 and 65 belong to the labour force. We have tried for a few years to increase unemployment benefits. A rotten generation which is getting $100 a week is creating unemployed people who more often as not become revolutionaries. Why not spend this money somewhere else and give a rest to those aged 60 years who deserve it? Granting $100 a week to a couple instead of one person as it is the case with the social welfare and unemployment insurance, this goal could be realized.

I ask the minister to give serious consideration to this suggestion and to have the eligible age for pension established at 60. This would lead to extraordinary results in the creation of a better social environment. It would be more profitable to create happiness for a 60-year-old person by paying an adequate pension instead of compelling a young person to go and get his pittance at the social welfare office or to draw unemployment insurance benefits. In fact, the employer who would see his workers getting younger would not be unhappy either. His older employees, 60 years old or over, would understand and recognize that their government would have done something proper. In my opinion, it is the government's first responsibility to restore that social climate which is missing here. This is a way to do it and because of the evidence I often hear in my constituency I know that many 60 year olds would be happy to take well deserved holidays. There are more machines and fewer workers. All these reasons militate for reduction of the eligibility age at 60 for a pension. This would greatly reduce unemployment. I hope that the minister will once more consider my intervention on behalf of these persons who have been waiting for a long time for more income security.

They also mentioned benefits that would be granted to the blind, and considering the extra needs these people may have I really hope that the Minister of National Health and Welfare will act in the fairest way possible as regards this group of people.

Mr. Speaker, I wish to speak as well of the importance of the economic situation in my constituency. I know that in 1973 the minister of Regional Economic Expansion will change the boundaries of "special areas" and designated areas. My riding has had the advantage of being recognized as an average designated area. This is not the best designation. I know in my riding several people who complain about the establisment of new industries. Of course, supplementary benefits were bestowed on other regions, and I am very glad of it, but I wish to bring these reasons to the minister's attention, because I hope that he will consider the region that I represent, that of Joliette, when in 1973 he will appraise the needs of my region, and that he will take into account the wishes of all of the people who live in this riding. I shall certainly have the opportunity of making representations to his department, and I hope that I will be carefully listened to.

I was pleased as well, Mr. Speaker, to see our government taking an interest in amateur sports. Of course here again a lot has been said about it but very little has been done. And today, it seems that grants to amateur sports will be doubled. I wish to remind the minister once more that until the government spend adequate amounts to provide municipalities with basic tools to enable young people to organize, it will be ridiculous or stupid to speak of improved physical fitness for our youth. We need basic tools; therefore we need money. I mentioned last year a tripartite formula under which financing could be shared by municipalities, the Federal government and Provincial governments. I still believe this would be the best way to enable municipalities to obtain adequate arenas and public swimming pools, etc. But so long as money will be spent on writing fine writs which will remain on shelves, I don't think we shall improve the fitness of our young Canadians.

• (1440)

We shall have a unique opportunity of action at the occasion of the Montreal Olympics of 1976. What is the federal government financial assistance in this connection? No assistance has been announced to date. I request from the government that they grant the Olympic organization the financial assistance they are entitled to.

Mr. Cyr: Was it required?

Mr. La Salle: I cannot say whether that assistance was already required but I believe that rather secret negotiations have taken place. Anyway, I think parliament should admit the importance of those games. All Canadians willing to participate will be able to do so and not only Montrealers. Consequently, it would be disastrous if Montrealers were the only ones to support those games. I

suppose that the Montreal members will find it their duty to meet my invitation and will request from the government the financial assistance required by those games since it has not yet been required by anybody here.

With a view to stimulating the competitive spirit of all young Canadians willing to participate in those games, I think it would be only fair if the whole country were to support the cost. I am all the more free to speak that I am not myself from Montreal and that the authorities of this city have made laudable efforts for this important project to succeed. And if these games took place in Toronto, I would say exactly the same thing.

Now, Mr. Speaker, I should like once more to urge the minister responsible for housing not to forget that serious matter that was often discussed and which seems to have been neglected up to now, the removal of the 11 per cent sales tax on building materials. I think the matter has been in the air for three years now and many seem to have made an about-turn. The government has remained silent on the subject. Political parties, taking into account the composition of this parliament, would have a unique occasion to force the government to have that tax removed and the beneficial effects it might have are well known. The suggestion was made on many occasions and I repeat my request one more time.

I could not conclude my remarks without touching upon agriculture, an industry that holds an enviable place in my constituency. I was very pleased to hear some mention in the Speech from the Throne, for the first time, I believe, of amendments to Canada's feed grain policy in order to allow eastern producers to obtain that grain for the same price as western producers. My hope is that this year the amendments to the feed grain policy will retain the attention of all hon. members—both from eastern and from western Canada—because our policy should have a national scope if we want to show better justice toward the producers.

I recommend to the Minister of Agriculture (Mr. Whelan) to lend an ear to the request of the dairy producers and to agree to a grant increase of 50 cents, since the production costs increase from year to year. In my view, the request of Canadian dairy producers is thoroughly justified and I intend to support that representation.

In my opinion, we forget something about farmers. I know that in my constituency there is an organization of young farmers who complain because they cannot take advantage of the management courses sponsored by the Department of Manpower and Immigration. A very substantial assistance could be offered to those young producers who would probably no longer have to ask for grants after a certain number of years, being more qualified and better businessmen. Those management courses are quite important for those young farmers and I hope that the Minister of Manpower and Immigration (Mr. Andras) will remember that recommendation which I make on behalf of the young farmers of my constituency. I imagine that the same concern is felt in other parts of the country.

What about the buying back of small farms? I know that recently the Minister met his counterpart from Quebec; I also know that negotiations are still underway and that agreements have not yet been reached but I would invite the Minister of Agriculture to consider seriously the arguments submitted by his counterpart from Quebec in respect of the priorities chosen by that province.

I have heard ministers say how important the priorities of the provinces are to them and on that basis I must be more confident than ever that the hon. Minister of Agriculture will consider carefully the priorities established by Quebec so that the latter can benefit by the buying-back-of-small-farms program and so that no farmer will be penalized by an agreement that is late coming.

In conclusion, Mr. Speaker, I wish the new members a lot of success in this house and I invite them to participate actively in its business. I caution them against a certain form of disappointment, as I experienced in 1968. It is important to keep in mind first the interests of society if one really wants to assume his responsibilities. This is an invitation I extend to several members and by meeting the needs of society we will allow the government, any government, to act and act quickly. Our responsibility is to force the government to act as quickly as possible but only in the interest of those who have long been waiting for help.

[*English*]

Mr. Jim Fleming (York West): Thank you, Mr. Speaker, for recognizing me and thus giving me a chance for the first time in this chamber to speak on behalf of my constituents in Toronto-York West. I should like to refer to my constituency in the few minutes allotted to me under our rules. Although I am a new member of this House, I would like also to talk about what I consider the life and mental health of the twenty-ninth parliament to be. I want to make reference as well to the Speech from the Throne which is very important to my people. I hope to spend a moment or two discussing some personal interests of mine as a result of my 10 or 12 years in broadcasting. In addition, I want to make some reference, as have other members, to the death penalty and redistribution to both of which references are made in the throne speech.

Before I comment any further on these matters, I want to offer my congratulations to the mover and seconded who set a precedent and some measure of competence, especially for their colleagues on this side of the House, which it will be difficult for all of us freshmen in this House to equal. No matter what party we represent, we all listened to them with pride. I think they have challenged us to do as well as we continue in our debates in this parliament.

I take some exception to remarks made by my colleague, the hon. member for Nipissing (Mr. Blais). He referred to the fact that some years ago a commission was appointed, and there were many commissions appointed by this House, to consider the Canada-United States border. Coming from North Bay, he expressed regret that at that time North Bay was not made the main border point. I would obviously have had to object if that had happened. I would not want history to be different because Toronto and my constituency, of which I am very proud, would not be part of Canada. As someone who considers himself to be a moderate economic nationalist, I

want to say that we now have enough problems without trying to buy back the golden horseshoe.

[*Translation*]

Mr. Speaker, before saying anything more, I should like to tell my French-Canadian friends that I very sincerely regret not being able to speak their mother tongue more fluently. If some day, one of my children has ever the honour of sitting in this chamber, I hope he, as well as all his colleagues, can discuss the future of our great nation in either one of the official languages and do so with pride.

Approaching with optimism the beginning of a long and fruitful twenty-ninth parliament, I hope I can express myself correctly in both official languages before it is ended.

I must add that one of my brothers teaches French and spends long hours correcting my English.

[*English*]

You can see the problem I have, Mr. Speaker, when I speak of family; we are a family. It is terribly important, especially under the present conditions of this parliament, that this not be forgotten. We are a great conglomerate of many peoples, especially the two founding groups in this country. We have many personalities. I have a view on some of the internal problems between our founding peoples. My view is optimistic. I believe that both sides are learning at last and meeting each other, no matter from what remote part of Canada we may come. We are starting to compare our different cultures and qualities. There are a few dissenters and they should never be encouraged. I think there are a few who are not capable of realizing the great strength and diversity that this kind of background gives to our nation. The personal maturing power, and I mean this most sincerely, of first, tolerance, and then respect, love and the full enjoyment together of this great nation makes this country greater.

Some hon. Members: Hear, hear!

Mr. Fleming: I am convinced that our troubles, our fears and at times the spotty regressiveness, in fact, shows that we are getting there and the sooner the better.

As is traditional in this particular debate, and with Your Honour's indulgence, I want to speak of my constituency. It is enormous in size by population, 140,000. It consists of all races and nationalities. I understand that it is traditional in a maiden speech to discuss the history of one's constituency. I regret that Samuel de Champlain unfortunately travelled approximately 60 miles north-northeast and did not cross through my territory. The Pennsylvania Dutch eventually found their way to my birthplace of Kitchener. William Lyon Mackenzie was busy a little closer on Yonge Street having a few drinks in the tavern with the boys. Unfortunately we had some trouble finding easy access—or the people who lived in York West in that era had some trouble—because they had no means of proper transportation, or proper access. Many years have passed since then, and only in our quarter of metropolitan Toronto do we remain without rapid transit or a transportation system adequate to move us to that part of town should any crisis arise and should the establishment have to be fought. No, sir, we have no great historical monuments in York West except, perhaps, for the town of Weston, a small community now engulfed by suburbia but where you can still go on a Sunday afternoon and hear a band concert, where you can still go into a milk store when you are new in the community, as I was a month or two ago, having lately moved into my constituency, and be told, as my wife was told: "You are new around here; it's good to see you". It is this small town spirit which many of us who come to large cities so much miss.

• (1450)

I wish to refer, also, to the question of redistribution when I refer to the area of Weston. While the Commission, I am sure, and the gentlemen on it are doing their very best to organize and readjust so that there may be proper and fair representation for all parts of our great country, I feel that particularly in the division of my area serious damage has been done to the community of Weston, and I plan to present a brief to them on that subject. They have now decided that the leader of the New Democratic Party will pick up—I am sure we could not call it gerrymandering—will pick up an arm about a quarter of a mile wide and five miles long; he would pick up one half of the community of Weston from the CN rail tracks running northwest to the Humber River. This will divide the community. I do not believe there are that many votes involved, and trust some consideration can be given to drawing the southern boundary of the new riding of York-Lawrence straight across so as to include those people again as part of Weston, all of Weston being a full westerly third of that new riding of York-Lawrence.

I also hope, because I believe we must never forget conditions in the communities which began to build up and create the massive urban areas of today, that it would be appropriate for the riding not to be called York-Lawrence, because it is in a portion of York and that particular main thoroughfare goes through it, Lawrence, but to call it Weston-York-Lawrence. I plan to find another occasion on which to talk further on this subject.

Talking about the history of the riding and its make-up, almost 40 per cent of my constituency will now, with redistribution, become Etobicoke North, another new riding in metropolitan Toronto. Although I hate to see this kind of division it will make it much more manageable and allow the people in all sections—because I am divided three ways and then a little,—a chance to have closer communication. With 140,000 people you just cannot get to everyone, learn their problems, draw the correct conclusions and then express them in this chamber. I might say the same for the new riding of York West which will now take route 401 as the southern boundary, with the Humber River on the west, and allow that to be a much more homogenous riding, thereby allowing the member for that riding, in time, to cope more adequately with a smaller population and their problems.

York West and its constituents have tolerated a great deal in the name of technological development and advancement for our men and women. We have Highway 401 cutting our riding in half, to serve the greatest good of the greatest number; we have highway 400 plunging down from the north so that our people can escape to a healthier environment on weekends. We have the Humber River, once sweet and beautiful, running through our riding, now polluted and stagnant. We have many of those ago-

nies of suburban sprawl. We find an old home where a family has lived for 50 or 60 years now having as a neighbour a 200-unit high-rise apartment. We have firms like Canadian Gypsum, if I can mention a company by name, which now claims to make an effort, at least, to clean up the pollution but which for many years brought suffering to the people of Weston in the absence of action at all levels of government, though at last something is being done. But this is the kind of agony which suburban community must suffer in the name of the greatest good, and so that all people can move back and forth and so that we can advance.

I believe there is a new mood, however. I think it was displayed in my own metropolitan area during our municipal elections last December—one which says it is not necessary to totally sacrifice a few for the greatest good of the greatest number; that solutions must be possible without unmerciful punishment of the few and that in the future the path of progress must always be smoothed by making sure that the environment remains acceptable for all and a pleasure.

The hon. member for Meadow Lake (Mr. Nesdoly) said yesterday that he believed his constituency to be a microcosm. I guess we all, with our commitments to our own people, think our constituencies are a microcosm of what Canada is. I present the same argument. The English language and culture have been adopted by the majority in my constituency, but the English people are, in fact, a minority. They are a good and proud people and I have that same background. I share with them much of the history that we respect together. The second largest group is the Italian people, and I have come to know them as a warm, generous and gracious people. I think we must do more to help them recognize our system and our traditions, to help them communicate better so we can all live happily with our traditions in one united country. I am also proud that the third largest group in my riding is French-Canadian. They represent only 5 per cent, but I pledge to this House that I will work on getting to know both our languages. I hope that by the time the next campaign comes—and please don't rush me—I can speak to them in their own language.

Our Community is made up of all races, Mr. Speaker, something of a rainbow as I think of it—it is black and yellow and red and brown and white. I like to think that we are here and that many young people can come here just now when they are looking for that pot of gold beyond the rainbow. They are not just looking for monetary gain. They are looking for that feeling of pride, of security and safety, of being able to put down roots in the knowledge that one's children will be well educated and that in the final years of one's life one will be able to live with one's friends and neighbours about you. I believe that is why people come to Canada. As their member of parliament I am committed to seeing that their hopes are realized.

I would like to turn now, briefly, to the elderly. In my opinion, the record of the government with regard to senior citizen housing has in recent years been very good. Starts made on senior citizens housing have increased over the years and there have been more senior citizens' dwellings started since 1968 than in all the years since confederation. Nevertheless, there still remains much to be done. It was for this reason I was most pleased to hear the minister say the other day that there will be further action, and real action, taken to assist our senior citizens.

In my riding there is a large amount of Ontario housing, the funds for which, as I understand it, come in large measure from federal funds. Despite this it appears that the federal government does not have much to say as to the manner in which these dwellings are constructed. In my opinion, too often have ghettos been created in which people's pride has been denied them. I hope that in situations where we are contributing substantially to facilities to look after people who need care, we shall try to influence provincial and municipal governments to make sure that such people are made to feel part of the community. It is also important that we show concern about those who live in the buildings, concern that they should be proud of their ability to work, proud of earning their living, proud of, and satisfied with, the work they are doing.

I look forward, as I am sure we all do in this House, to the unravelling of the rest of the plans of the government and the debate over the issues we are all here to confront. I have mentioned the elderly, and the hardship they encounter in trying to live on fixed incomes; I have mentioned those who are unable to work, and their right to live with pride and to lead a meaningful life and to be encouraged to that end. The subject of inflation, as will certainly appear from the figures published this morning, is one of increasing seriousness. We cannot excuse ourselves on the ground that other people have failed to find a solution. I hope that in this parliament we will find new approaches and do what others have not managed to do.

On the issue of unemployment, let me say I look forward to the budget; I know it is coming down soon. And despite the fact that we have the fastest growing labour market in the western world, despite the fact that a great number of jobs have been found, as long as there is a problem, we must do better, and I look forward to our doing so.Let me say again, that we owe a commitment not just to the sick and the disabled or to the elderly; we owe it to all our people, health and happiness for those working and paying taxes as well.

• (1500)

I look forward to a more active role in modern transportation by the federal government. Also, when we talk about modern transportation I should like to make reference to rail services. It is my belief that within our urban areas communications are improving tremendously and we are becoming more and more innovative. However, in improving communications we must not forget the need for communications in our rural areas and perhaps the re-establishment of many rail lines the passenger services of which have been put out of use.

With regard to housing, I should like to make a brief comment on the fact that Central Mortgage and Housing Corporation has indeed had a commendable record over the past few years. In 1966 there were 134,474 housing starts, and five years later, in 1971, 233,653. This represents a tremendous increase which, translated into dollars, is from $1.6 billion to $4.6 billion. Nevertheless, much more must be done. I was encouraged when the Minister

of State for Urban Affairs (Mr. Basford) said that further action would be taken in this area, and I look forward to hearing about that action from him particularly because of the need for improved benefits and the availability of lower interest loans to people in my constituency.

Having spoken on all the issues with reference to proposals which I find encouraging in the throne speech, there are a couple of personal interests to which I should like to refer briefly. I was employed as a broadcaster for almost 12 years until I had the privilege of becoming a member of the House last October 30. Over that period of time, although I have not fared badly at the hands of any employer, I have become aware of the fact that, incredibly enough, many people who, for the satisfaction of having their voice heard over the air or to bolster their ego, find themselves working a seven-day week, 16-hour day. Under the federal Labour Code this should not be permitted, but these provisions have not been applied to them as they should. At the appropriate time I will raise that matter.

I also have a real interest in the question of the death penalty and its abolition. I have been an abolitionist for a number of years and have been involved in the work of the Canadian Society for the Abolition of the Death Penalty. However, I also have a very real respect for the need of our people to feel secure on the streets, safe from harm. For that reason I intend at a later appropriate time, together with my colleague, the hon. member for Saint-Denis (Mr. Prud'homme), to move an amendment to the legislation proposed by the government, which will call for the total abolition of capital punishment but will also call for a 25-year mandatory incarceration—and I am sure rehabilitationists in this House will rail at this—before any consideration is given to parole.

I think that our first priority at this time—after saying it is wrong, immoral and not a deterrent to take life in our society, and thus justify those who take it illegally—is to show our people that we believe in their security and we will remove their fear. However, I hope that in the not too distant future the House will consider statistics from across the world and from our own country and will perhaps be able to argue with the Canadian public and decide amongst ourselves whether that length of time, in fact and in experience when you become fully aware of all the involvements, is an unreasonable period. Rehabilitationists will argue that it is. However, right now we must allay the fears of our people, and I do not believe anybody wants to be party to putting a rope around a person's neck and taking a human life.

We have exciting days ahead and there is a very special responsibility upon us. Perhaps I do not have the right to say this when I am so new in the chamber, but we all are here to represent our constituencies, with full responsibility to do a job for our people and ultimately for Canada. I hope that we do act responsibly.

Finally, I should like to add my congratulations to those of other hon. members, Mr. Speaker, and I hope, as a freshman member in this arena of democracy, that I can learn from your example. My personal actions will not always be as unbiased or perhaps as unemotional, but I hope that I will be able to earn in this House, by my behaviour, even a small measure of the respect Your Honour has garnered.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in rising to speak as the representative for York-Simcoe I do so with great humility. My riding covers an area that has sent many distinguished representatives to this House. I refer, for example, to the Right Hon. Sir William Mulock, the Hon. Sir Allen Aylesworth, to a man who became a legend in his own time, Herb Lennox. I would also remind those who now choose to form the government that the Right Hon. William Lyon Mackenzie King represented a portion of my riding for a brief time in the 1920s, although he had difficulty holding the seat.

Some hon. Members: Oh, oh!

Mr. Stevens: From 1925 until 1963, the more northern portion of the riding which is in Simcoe County was represented by the Hon. W. Earl Rowe, former Lieutenant Governor of the province of Ontario. To follow in the steps of such gentlemen is indeed a great honour. It is not only a great honour, it is a great challenge.

It has been said that the proper functioning of the House and of any parliamentary system is heavily dependent upon the Speaker of that House. Having read *Hansard* and having witnessed the operation of this chamber in the last week, I assure you, Mr. Speaker, that in my opinion the House has made a wise choice in choosing you once again its Speaker. In selecting the hon. member for Halifax-East Hants (Mr. McCleave) as Deputy Speaker, I feel that an equally good choice has been made. I would also like to comment on certain other officials of the House. I refer of course to our able Clerk, Mr. Alistair Fraser, and to his deputy, Mr. Gordon Dubroy, whose facility to remember the names of members of the House is truly phenomenal.

Some hon. Members: Hear, hear!

Mr. Stevens: Both men have been most courteous and helpful to me during these "orientation" days. With such gentleman to guide us and oversee our deliberations, this House will indeed perform smoothly.

I would be remiss if I did not indicate my pleasure at being able to sit in this parliament with so many colleagues form the Progressive Conservative party, in particular our leader, the hon. member for Halifax (Mr. Stanfield), to whom we have had the opportunity to listen, the right hon. member for Prince Albert (Mr. Diefenbaker), and the hon. member for Saint-Hyacinthe (Mr. Wagner). I believe I speak for my colleagues and for virtually the whole House when I say that their addresses were notable and of statesmanlike quality.

May I also add my congratulations to the mover and seconder of the address in reply to the Speech from the Throne, and to members from all parties who have spoken for the first time in the House during this debate. The quality of their addresses was high and I only hope my remarks will approach theirs in eloquence and substance.

It may be helpful to the House if I described the riding which I have the honour to represent. It is a riding which contains some 100,000 people. It stretches for approxi-

mately 60 miles from a point north of Toronto to the outskirts of Barrie. Speaking generally, one may say that it lies on either side of Highway 400 going north from Toronto. It includes such urban areas as Stouffville, Aurora, Newmarket, Bradford and Tottenham. It has some of the most beautiful rural countryside in Ontario.

A little over two years ago a major portion of the riding was reconstituted municipally into the region of York. On average it is not a poor riding, nor is it a wealthy riding. In many ways it is an average constituency, reflecting an interesting cross-section of Ontario urban and rural life. Many people both live and work in the riding. There are many more, however, who work in other areas, particularly Toronto, who must commute to and from their place of work.

• (1510)

In the past four years the Trudeau Liberal government has failed in the Toronto-centred region to listen to the people. On behalf of those people, let me tell the government once again, we do not need a second airport at Pickering. We do need, however, federal assistance to facilitate urban transportation, and we desperately need federal action to help lower our housing costs, in particular our building land costs and mortgage interest costs.

Not only does the present government fail to listen to our problems but they appear, at least in the urban affairs field, to act in the most erratic way. They either do studies on studies or they act completely without research. Let me be specific. With no reference to municipal officials in my area, or even to the former Member of Parliament who was then Parliamentary Secretary to the Minister of Transport (Mr. Marchand), the Pickering airport site and proposal was suddenly announced one morning. It now appears that there was inadequate thought and study before the decision was made. But rather than hoist the whole proposal, the Trudeau government has been trying to cover their tracks by clever public relations.

After starting expropriation proceedings at the request of the former Minister of Transport, the Minister of Public Works (Mr. Dubé) ordered a hearing, not on the question of need but, rather, in what way a second airport should be developed. It is proposed that when the expropriation is confirmed there will be a new study into southern Ontario transportation needs, which may or may not confirm that there is need for a second Toronto airport and that the most ideal site for it is Pickering. If the government were honest they would inform this House that the selection of the second airport at Pickering was a political decision. We now find that, having made that decision, they place themselves in a ridiculous position when they try to justify the earlier decision.

For example, while they were reviewing alternative sites for the airport they stated that they did not wish to put the airport in another location that had been mentioned because the noise area of the airport—which I remind hon. members is now proposed to be substantially in my riding—would, in the case of the other proposed site, be over a swamp and they felt that swamp life might be disturbed by the noise from the aircraft. They appear to be more concerned with swamp life than with human life.

The Trudeau government's other approach of studying studies is shown in connection with the institution of commuter rail service in my area and Toronto generally. There have been ten studies to date, including the last one, the Soberman study. For ten years Liberal representatives from my region stated that a commuter train service would be instituted on a permanent basis. As the past election drew near, pressure obviously grew to commence the service. We were informed in June of last year by the then minister of transport that he felt there was in fact a need for commuter train service into our area and that he had authorized the institution of an experimental train—not a permanent one, an experimental one—and he would subsidize the running of that train to the extent of $100,000. Then there was silence. Subsequently, after the election was called, we were advised the train would be starting November 1, two days after the election, but that it would run for approximately five weeks, not indefinitely as was first indicated.

This information was received by the residents of my riding for what it was, a wanton attempt by the present government to buy votes. It was not made clear at the time, however, that the $100,000 referred to by the then minister of transport was simply a numbers game. What he really proposed was that his department would underwrite the losses of the Crown-owned CNR in running the train, but that the extent of the losses would be determined and set by the CNR themselves. How nice a situation—out of one pocket and into another within the same department!

When I asked officials of the CNR how they determined the daily running loss for the train, one official was very explicit; he said, "Well, it is to be run for 28 days. We were to be underwritten to the extent of $100,000, so we simply divided the 28 days into $100,000. That worked out to about $3,600 per day, so that was the charge". It mattered little to the Department of Transport that a private group was able to rent a similar train to run between the same points for $1,800 a day. In any event, the train ran. It was well utilized. The Minister of Transport was asked to extend the service, but I suppose, the election being over, he felt: what is the point? They completed their double bookkeeping and ended the service. As a result, Aurora, which was the terminal point for the first railway in western Canada to run from Toronto—that was in the 1850s—found itself in the 1970s, 120 years later, without passenger train service.

I have dwelt on these two immediate problems in my riding because I feel that parliament should be aware of such specific ineptitudes of the present government, but I have also referred to these two matters because I feel that in Canada today one of the great weaknesses of the present government has been their lack of action on the urgent needs of our urban areas generally.

I assure you, Mr. Speaker, that the present government's ineptitude, their lack of planning, their politicking, has not been restricted to my riding alone. It is typical of how this Trudeau Liberal government has ruled the nation for over four years. Their deficiences in handling Canada's inflationary trends, the unemployment crisis, and the maladministration of the unemployment insurance fund, have already been referred to by some of my

colleagues. At a later date I hope to speak further on these matters and on the staggering personal income tax load that the Trudeau Liberal government has inflicted on Canadians. This is a load which, when we as individuals have finished paying our 1973 taxes, will mean that Canadians, in the aggregate, in the last five years that Trudeau has ruled this country will have paid more in personal income taxes than was paid in the previous 100 years by all Canadian individuals.

Today, however, I would like to go further in exploring the present government's activity with respect to urban affairs. This is an area where perhaps the Trudeau government is poorly fitted to serve, in that it is a field where people do not understand political orientations. They demand and expect results. The average person believes that he is entitled to adequate transportation to and from work. He believes he is entitled to a reasonably priced home in the type of community where he and his family will benefit from suitable educational, recreational and sociological facilities. In obtaining these objectives he is not interested in becoming bogged down in political foreplay. The legal red tape of federal, provincial and municipal jurisdictions in this area does not concern or affect the average man. He knows only what he sees. He respects concrete proof of government action rather than intangible, abstract promises. To date, however, the Liberal government has given us a large ration of such promises. It has shown little leadership in this field, and I am indeed fearful that the recent jockeying of cabinet posts, with two ministers new to their portfolios attempting to cope with the questions of urban affairs and urban transportation, does not augur well for the future urban dweller in our country.

• (1520)

This is a field of great challenge. It is a field where the federal government could take a lead and do dramatic things which would be well received in this country. The Department of Urban Affairs was formed in 1971 with great expectations. The cost of housing in Canada had become prohibitive. Between 1961 and 1971, lot values increased by 139 per cent in Toronto; in Ottawa they increased by 147 per cent, in Hamilton by 177 per cent, and in the metropolitan Toronto development fringe they shot up by 194 per cent.

No other area on this continent has suffered such an increase in land values. Translated into human terms, which the Minister of Finance (Mr. Turner) says is all that he is concerned with, we find that the average new NHA bungalow in the Toronto area sold for $17,368 in 1961 and could be carried with a minimum annual income of $5,284. Today, however, the average new, detached house in the fringe area of metropolitan Toronto sells for $42,146 and requires an annual income of $16,623 to carry it. The Minister of Finance may not like to deal with statistics, but I assure him these rising shelter costs constitute a human tragedy in our country. The Ministry of State for Urban Affairs has not improved the matter to date. Based on this morning's Statistics Canada figures, we find shelter costs have risen by 6.3 per cent since December, 1971, and they rose by .7 per cent in December alone.

The throne speech itself, and the speech yesterday of the Minister of State for Urban Affairs were much better in form and presentation than in substance. The Minister of State for Urban Affairs is most eloquent when he deals with planning, with conferences and with matters which generally speaking are not wholly within his jurisdiction. But on matters more clearly within his jurisdiction, or those in the jurisdiction of the Minister of Transport, we find that both ministers and the throne speech are much less specific concerning what action is planned to improve urban conditions in this country

Therefore, let me be specific for the benefit of these two ministers and the government. The one-quarter to one-half billion dollars the government plans to spend on the second Toronto airport would be better spent improving urban transportation in the Toronto-centred region. To be more specific, one-quarter of a billion dollars would be the amount of money, roughly, required to cover the entire capital cost of bringing in sufficient commuter train equipment to service 200,000 commuters per day in the Toronto area. I would suggest this would be a much more worthwhile expenditure for the people who live in the Toronto area than the proposed Toronto airport expenditure.

I would also emphasize that if either of the two ministers to whom I have referred had to cope with traffic on the Don Valley expressway and sit for an hour or an hour and a half bumper-to-bumper with little to see other than the little used CNR trackage beside this expressway, there is no doubt that their priorities would change very quickly. There would be better co-operation in respect of the urban matters to which I have referred.

I suggest that the government should in due course appoint a standing committee on urban affairs and housing in order that these matters could be looked into in much greater depth. I would also suggest that innovative ideas should be brought in and an attempt made to try to break the traffic congestion which exists in so many of our urban areas. In this respect I would suggest they at least consider such things as self-drive taxis. This new, slightly unorthodox transit system was recently installed in Montpelier, southern France. The self-drive taxi is an extremely simple proposal to end traffic congestion in downtown areas. The motorist pays a joining fee of approximately $75; with this retainer fee he is entitled to use a fleet of computerized, self-drive cars.

The basic idea is that the motorist drives his car into the centre of town on a high-speed highway, such as Ottawa's Queensway. At each central exit is a parking lot, where he leaves his own car and drives to work in the self-drive taxi which he can later leave at any one of certain specified parking places. He goes home in the same manner. The great advantage to the motorist is the fact that, although the initial principle of self-drive cars is similar to that of a taxi, once the retainer fee is paid the service is cheaper than that of a taxi. The organizers estimate that one self-drive taxi replaces 15 or 20 cars, thus eliminating the major cause of downtown traffic congestion. I mention this simply as an example of the type of innovative measures the Department of Urban Affairs could take in an attempt to relieve traffic congestion in our urban areas.

To this end, I propose to introduce a private member's bill dealing with the establishment of a national urban transportation authority. We believe, and I certainly do,

that such an authority is worth consideration by the government in that it would attempt, in all urban areas, to bring together under one authority the administration and operation of airports, harbours and railway facilities. In this way, I feel many of the problems which have been experienced in the Toronto region could be avoided and there would be a much more constructive approach to the needs of urban areas if such regional authorities were in existence.

In conclusion, I would emphasize that while we have great economic problems in this country—and I sincerely hope this House will deal with them at the earliest opportunity—we also have great urban problems. To this end, I would urge my colleagues and friends to the left, who so far have supported this government, to reconsider their position—

Mr. Peters: They are thinking about it.

Mr. Stevens: —because I can assure them that if they had walked the streets of my riding as I did during the past election campaign, they would have been impressed by the fact that voters in at least two out of three homes indicated they had no doubt about the way they intended to vote; they intended to vote against the Trudeau Liberal government. Their only indecision was whether to vote Conservative or NDP.

• (1530)

In my opinion, Mr. Speaker, for the NDP now to lend support to the government is breaking trust with many voters who voted NDP in their earnest desire that the Trudeau government be removed from power. I noticed during certain of the NDP "justification" speeches with respect to the present axis between the Trudeau government and themselves that they indicated the Conservatives and Liberals are somehow alike. As a new member of this caucus, I would ask them to reconsider that belief. One day when I was in the chamber they referred to a previous government formed by the party to which I have the honour to belong, and indicated that in their opinion it was not unlike the present government. I would ask them to come up to the 1970s. For example, only 23 per cent of the present members of this caucus were in the caucus to which they referred. On the other hand, over 70 per cent of the members of the caucus across the floor from us were in the caucus of the government that was soundly defeated in the recent election. Ours is a new caucus. Give us a chance and we will produce results.

Some hon. Members: Hear, hear!

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like, very briefly but most warmly, to underline the congratulations that have been extended to Your Honour on your election to the chair once again. It is good to have you presiding over the proceedings of this House.

Sir, from my point of view the most significant and most useful statement that has yet come to us in this session from the government side of the House was one that was uttered yesterday by the Minister of National Health and Welfare (Mr. Lalonde). It is recorded on page 202 of *Hansard* for January 11. It reads as follows:

[Mr. Stevens.]

However I can assure hon. members that a substantial old age pension increase will be announced soon, and I hasten to add that it will not be a mere token increase.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, during this past week or so it has been extremely difficult to get precise statements out of the ministers opposite. It was a refreshing departure from that rule of non-disclosure for the Minister of National Health and Welfare to make it clear that there will soon be a measure to provide for a substantial increase in the old age pension.

I also want to commend the new minister on the speech that he made yesterday. I listened to it with interest, and I was pleased to note that he spent practically his entire time dealing with matters which come within the purview of his department. And I was also pleased that, whereas in the last four years we were told time and time again that proposals that we were making could not be considered, yesterday there seemed to be a willingness to listen, indeed a willingness to consider improvements in the whole field of social security.

This morning when I learned that the Minister of Transport (Mr. Marchand) was going to take part in this debate, I was naïve enough to hope that he would follow the pattern set by his colleague and that he would tell us of his plans for coping with the problems that come within the responsibility of the Department of Transport. They are many. Hon. members will not be surprised if I mention one in particular, namely, the problem of Canadian National pensions. I had hoped that the Minister of Transport would have something to say about this issue which is of wide concern across Canada today; but no, he chose to spend his entire time on matters completely removed from his own department; indeed, he spent his entire time on a speech which I suggest was a disaster for the party to which he belongs.

However, Sir, I return to the Minister of National Health and Welfare whose speech of yesterday I warmly welcome, and in particular I am glad to sense a willingness on the part of that minister, as revealed in his speech, to consider the problems in the field of social security that need to be dealt with just as soon as possible. With respect to the announced increase in old age pensions, I was pleased that although he said about certain other measures that they would have to wait until after certain federal-provincial conferences, or until after certain studies had been completed, that delay did not apply to the old age pension increase and that this is to be brought forward very soon.

It is because this attitude of greater receptiveness to ideas with regard to social security has been displayed by the Minister of National Health and Welfare that I think it is appropriate to set out in front of him, and in front of other ministers, a range of pension and other problems that are crying for solution. To a very large extent they are calling for solution because in the last four years the government thought they could be pushed under the rug, or pushed off till some date distant in the future.

First of all with respect to old age pensions, and in particular the Old Age Security Act, I want to say to the minister that we will hold him to that promise to make an

increase that is substantial and not just a token. Our view—we stated this very clearly in the last parliament and we stated it very clearly in the course of the election campaign—is that the basic pension, the universal pension paid under the Old Age Security Act, should now be increased to $150 a month.

If the government wishes to retain its principle of a supplementary amount on top of that basic pension, we will go along with it, but we insist that there must be a substantial increase in the basic amount of the pension itself. We want it to be $150. We might give consideration to some figure between the present $82.88 and $150, but let the minister not try to fob us off with nothing being added to the basic pension and with simply trying to add an increase to the supplement.

A substantial increase, in our terms, means an increase in the basic monthly pension. And we want that increase to be substantial. And we want it now. As a matter of fact, we want a great deal more than members of the Conservative party were prepared to commit themselves to during the course of the election campaign. When the Leader of the Opposition (Mr. Stanfield) was in Vancouver he was asked, as were other party leaders, by representatives of various pension organizations out there if he would support a basic pension across the board of $150 a month. He said he was prepared to give an increase but he was not prepared to commit his party to an increase up to $150 a month, nor has he done so even yet. Until my friends in the Progressive Conservative party are prepared to state what figure they are prepared to give, I suggest they cease perpetrating their gimmicks that only mislead the pensioners of this country.

• (1540)

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I say to the Minister of National Health and Welfare that a priority equal to the need to increase substantially the basic amount of the pension, is the need to lower the eligible age. If the government is not prepared in these few weeks or in this session to adopt completely the program that we have announced, namely, making pensions under both the Old Age Security Act and the Canada Pension Plan available At age 60 to all those who are not in the labour market, at least they should make a start on such a program. A few years ago the government found a way of lowering the pension age from 70 to 65 without doing it all at once. That is something it could do now. The old age security pension and retirement benefits under the Canada Pension Plan could be made available this year at age 64, next year at age 63 and so on until we get down to age 60.

Another move in that direction is to provide that the old age pension is payable to the spouse where the breadwinner is on pension, even if that spouse has not yet attained the age set out in the Old Age Security Act. I noticed yesterday that the Minister of National Health and Welfare referred to the problems of spouses not on pension and to the problems of persons just under the pension age. He did not make a commitment in that area as he did with respect to the amount of the proposed increase, but he referred to the subject and that gives me hope, to know that he is thinking about it. I say to the minister that this is one of the things that must be achieved before this parliament winds up.

Mr. Speaker, when we say that this parliament was sent here to do a job, when we say that we want to see this parliament work, we insist that one of the areas in which it must produce the goods is with respect to the lowering of the eligible age. We would like to see it brought down to age 60 right away under both the Old Age Security Act and the Canada Pension Plan, but at least the legislation must be put on the statute books to get that process started. We place that suggestion before the Minister of National Health and Welfare and before the government as a whole.

Another improvement that needs to be made in the Old Age Security Act concerns the escalation of pensions, which now takes place on an annual basis. Several years ago when Miss Judy LaMarsh, the then minister, first announced the proposal to increase the old age security pension on a basis related to the cost of living index, I complained right away. She tried to throw back at me that this was something we had been requesting for years. I pointed out that this was not the case; we had been asking for pensions to be related to the standard of living, the gross national product, to the wage index, not just to the cost of living index.

We are discovering that even though the government has removed the 2 per cent ceiling on the annual increase, the escalation according to the percentage rise in the cost of living index always leaves the old age pensioners behind. They are going to receive an increase in April, 1973, based on the percentage rise of the consumer price index in 1972 over what it was in 1971. They are behind, and every year as this happens they get further behind. One solution would be a quarterly or monthly escalation, although I do not believe that would really be a satisfactory solution. I think it would cause more complications than it is worth. The real solution is to relate the increase in the old age security pension to the gross national product, to the wage index or any such index that measures the rise in the standard of living, and not just the rise in the cost of living.

So, Mr. Speaker, I say to the Minister of National Health and Welfare that I welcome his attitude most warmly. It came as a pleasant surprise to me. I had thought that the minister was one of the Trudeau backroom boys and that when he got here on the front bench he would be as restrictive and niggardly as the Trudeau government has been in the last few years. For some reason or other there has been a change over there, Mr. Speaker. They are willing to look at things they would not look at last year at all.

When the minister is looking at the Old Age Security Act, I would ask him to look at all the features I have placed before him this afternoon. They are important to the people of Canada, for they do not want this parliament to wind up or get dissolved without action being taken on these important aspects of this important subject—Canada's Old Age Security Act.

By the same token, Mr. Speaker, I call upon the Minister of National Health and Welfare to bring before this parliament improvements in the Canada Pension Plan. Again, I

feel that I can make this plea with some feeling of hope because the minister indicated yesterday that discussions are going on with the provinces about ways in which to improve the Canada Pension Plan. The Quebec government has already put the spurs to the federal government by making improvement in the Quebec plan with the result that its benefits are now better than those under the Canada Pension Plan.

I know that federal-provincial discussions are involved and this sort of thing can take time, but such discussion should not take too much time. I submit that one thing that can be done right away is to remove the 2 per cent ceiling from the annual escalation of pensions under the Canada Pension Plan. It should at least be put on a basis equal to that which now applies in the case of old age security, both the basic pension and the supplement. As I say, Mr. Speaker, many improvements can be made to the Canada Pension Plan and the government will have our co-operation in trying to get these improvements through. But right away let us have the removal of the 2 per cent ceiling on the annual escalation of all the benefits under that plan.

I turn now to another area, that of the pensions of retired public servants, including retired armed forces personnel, retired RCMP personnel and the many other categories that come under that general heading of retired public servants. That legislation also needs to be improved, and one of the first improvements that ought to be made—in fact I was hoping that the President of the Treasury Board (Mr. Drury) would have announced it before now—is to remove the 2 per cent ceiling on the annual escalation.

In the last session of the last parliament the President of the Treasury Board assured me that this would be given consideration. I believe there have been discussions between the government and the staff associations, but nothing seems to have come of those discussions. Time is going on and nothing is being done. Mr. Speaker, it is utterly ridiculous for some pensions to be subject to escalation, at least to the extent that the cost of living goes up, but that other pensions, like those received by retired public servants, are limited to an annual escalation rate of 2 per cent.

May I remind the minister that there are improvements that need to be made with respect to the provisions for early retirement and that something should be done to remove the discrimination against retired members of the RCMP and armed forces personnel. They have to wait until age 60 to get their annual escalation even though, under the most recent legislation, it is possible for certain retired public servants who are under age 60 to get the annual escalation.

The formula respecting the Public Service Superannuation Act also needs to be improved. I think that we as members of this House should not be content with provisions in acts such as those which apply to retired public servants that provide for their widows a pension of only 50 per cent of what the pension of the public servant himself would have been, when in the case of Members of Parliament the pension for the widow is 60 per cent. In my view, the pension for the widow of the public servant should be a lot higher, for the first year or two anyway.

[Mr. Knowles (Winnipeg North Centre).]

But there is no defence for providing a 60 per cent pension for our own widows and only 50 per cent for widows of retired public servants.

Mr. Speaker, I am glad to have the ear and the attention of the President of the Treasury Board. I know he is concerned about these matters, but I ask him to adopt the same attitude as his new colleague, the Minister of National Health and Welfare. He should admit that the pensions we are asking for are justified because, somehow or other, there has been a change in this parliament; somehow or other there is no longer in this House a situation in which an arrogant government with an overpowering majority can just say no. We have a government that is interested, as it has to be, in the views across the aisle. I can tell the minister that the views in this part of the House across the aisle are very strong with respect to these pension matters, and we feel that they should be improved right across the board.

• (1550)

I turn now to another facet of the pension question. Just as I was sorry that the Minister of Transport did not deal with matters coming under his purview this morning, so I am sorry that he is not here this afternoon. Whether his presence would make any difference, I do not know. I know, however, that the minister should face the seriousness of the situation regarding pensions affecting employees of Canadian National Railways.

Mr. Benjamin: And of the CPR.

Mr. Knowles (Winnipeg North Centre): If he does not know it now, he had better face up to the fact that there is a good deal of ferment among Canadian National personnel, both active and retired, about their pension plan. This ferment is evident in a number of areas. However, first, if I may, I wish to speak about those who are retired. There is real concern that the escalation of pensions for those who have retired has not been put on a permanent basis. Pensions have been escalated twice on an ad hoc basis for retired railway workers. In the case of retired public servants, the escalation is now a permanent arrangement. Canadian National pensioners and employees feel that the escalation of Canadian National Pensions after retirement should be put on a permanent basis. They also feel that there should not be a 2 per cent limit to that escalation, the limit imposed in the two ad hoc escalations that have thus far taken place. I think many things need to be done to bring the Canadian National pension arrangements into conformity with what the employees and pensioners feel they are entitled to.

There are some things that ought to be done without delay. The first thing that could be done next week would be to provide for the escalation of CNR pensions to be put on an annual basis and for that escalation to be based at least on actual increases in the cost of living rather than on any 2 per cent ceiling. Every time you hear me making reference to escalating pensions on a basis at least equal to the rise in the cost of living, you will hear me use those words "at least". So far as I am concerned, even that is not good enough, because the result, as I have already said, is that pensioners are always forced to lag behind.

Even at best, even if there were no time lag, all that you do by raising pensions in accordance with the increase in the cost of living is to enable pensioners to continue to exist on the same standard of living that they had at the beginning. In other words, you enable them to continue enjoying their poverty. In the meantime the standard of living of society as a whole has gone up, one of the reasons for that being that these same pensioners helped to bring society to the point it has reached. Because they have played their part they should share, in my view, in the rising standard of living. Therefore all pension escalation should be related to the rising standard of living. Certainly there are two indices that are better than the cost of living index; one is the wage index, the other the rise in the gross national product.

In addition to insisting that we do something for retired CNR pensioners, notably, that we put the escalation on a permanent and more satisfactory basis, we feel that something must be done about the pension plan itself with respect to those still working. The rates used in calculating pensions for those in parliament are out of this world, and I could talk about that—but why stir up hon. members this afternoon? I say that in light of the fact that federal civil servants obtain pension credits equivalent to 2 per cent per year of service and Air Canada employees, as well, get pension credits equivalent to 2 per cent for each year of service, so that an employee after 30 years of service is paid a pension of 60 per cent of the average he earned over a certain given number of years, this formula should also apply to CNR pensions.

At present, however, under the Canadian National scheme the highest figure that applies is 1¼ per cent. Even that does not apply to all present employees in Canadian National Railways. Those who have been there for a number of years still are given a credit of only 1 per cent or 1¼ per cent per year for their earlier years of service. The cry of many Canadian National employees in this country from coast to coast—the government is stone deaf if it has not heard this cry—is for Canadian National pensions to be determined on the basis of 2 per cent per year of service.

The government can give us the usual excuse by saying that the railway company is a Crown corporation and that the government does not interfere with such corporations. We know all the talk to that effect. But we know, too, that when on occasion we have refused to pass a certain bill providing money for the Canadian National, somehow something has happened. Therefore, we say that this government has the responsibility to see to it that this group of people who work for the government in just the same way as those who work for Air Canada work for the government, since Air Canada is a government-owned air line, and in the same way as federal public servants work for the government, is provided with decent pensions, with a pension plan that is similar to that provided to those other groups I have mentioned.

We should also make provision for a number of other changes. I am thinking of the provision for widows. Why is it that we have included 60 per cent in our own Members of Parliament's retirement plan but let 50 per cent widows' pensions be the rule in the case of public servants generally and employees of the Canadian National Railways?

During the past few months meetings have been held in various parts of the country at which certain management persons from the Canadian National Railways have tried to tell those employees that their pension is wonderful. They have even been told that the average pension of a retired CNR employee is higher than the average pension of a retired public servant. You know, that means nothing until you compare the salaries or wages they have been paid over the years, the length of service, and so on. The result has been not to convince those employees that they have the best plan in the country; the result has been to increase the ferment. The men and women who work for the CNR want justice in their pensions. They want the discrimination against them ended, and we insist that there must be action on this without delay.

A moment ago when I started to refer to Canadian National pensions one of my colleagues who used to work for the Canadian Pacific Railway made an interjection. I do not know if it was picked up by *Hansard*. I waved him down because it was my intention, once I had finished talking about Canadian National, to speak about CPR pensions as well. It is time for the government to start talking turkey with respect to this matter. Do not give us the line that the CPR, because it is a private company, is one we cannot touch. They are in a public business; its employees are serving the public of Canada. They are taking the same sort of raps under the aegis of their employer as are the employees of Canadian National.

It is time for the government to tell the CPR that it must at least match the provisions with regard to pensions that are available to employees of Canadian National Railways. The increase, in some cases 12 cents, 15 cents or 50 cents a month which the CPR paid a few years ago, was an utter disgrace for any company, public or private. This government has talking power with the CPR. So we in this parliament want action on behalf of Canadian Pacific Railway pensioners just as much as we want it on behalf of Canadian National pensioners.

I see my time is running out, Mr. Speaker. Most speeches include a sentence like that. The member hopes that he may persuade Mr. Speaker to be patient. I ask you to be patient for only a minute or two longer.

I am pleased to see the Minister of Veterans Affairs (Mr. MacDonald) in his place this afternoon. I welcome him to this House and I congratulate him on his appointment to his important portfolio. I am one of the members of the House who had the great privilege in the previous parliament of serving on the Standing Committee of Veterans Affairs. Even though we may feel that there is still much to be done, I think it can be said that we did a pretty good job. It is a wonderful committee, in terms of its non-partisanship and its desire to achieve things, and I think we did a pretty good job. Yes, we did pretty well, Mr. Speaker, but there is still some unfinished business. The occupant of the chair at the present time is fully aware that this is so. Notably, there is the question of doing something about the basic rate of disability pensions paid under the Pension Act.

• (1600)

I thank the minister for the answer he gave me the other day, namely, that the report of the special committee that studied the basic rate will be referred to the Standing Committee on Veterans Affairs as soon as it is established. I hope this is something that will be dealt with before anything happens to this parliament. This is a piece of unfinished business that must not again go unfinished. The basic rate must be put on a basis consistent with what the plan was when the Pension Act was first set up many decades ago. It was set up on a basis that would be fair to the veterans of this country.

But, Mr. Speaker, I make a special plea to the new Minister of Veterans Affairs to take it as his responsibility in this parliament to see that something gets done by way of substantially improving the War Veterans Allowance Act. Most of the improvements we made in the last parliament with respect to veterans were improvements in the Pension Act and in one or two other pieces of legislation related thereto.

It is also true that we made some increases in the allowances paid under the War Veterans Allowance Act, but the basic approach of that act, that piece of welfare legislation, is that it has a means test which gives the veteran very little advantage over the civilian. This still stands. In fact, during the past four years the slight advantage that was there for the veteran has been narrowed. That is wrong. I do not think the people of Canada like it. If we were still a little closer to the time of the last war, I think there would be very strong opposition to it. I call upon this minister to ensure that improvements are made in the War Veterans Allowance Act, particularly in terms of raising the ceiling on the means test in that act.

I see that Your Honour is about to rise. I shall sit down without having to be told to do so. I simply want to thank the House for listening to me this afternoon. I thank the government for having so many ministers here. I plead with all of them to appreciate the seriousness of the whole pension situation, and to give their active attention to all aspects of the pension problem. I plead with the government, with other Liberal members and with all opposition members not to allow anything to happen to this parliament until we have solved many of the pension problems our people now face. In particular, let nothing happen to this parliament until we have achieved a substantial increase in the old age security pension and a lowering of the eligible age under both the Old Age Security Act and the Canada Pension Plan.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, on the opening of this twenty-ninth Parliament, I think it is proper to offer to you, in my own name and for those Gaspé people you were visiting during your holidays of 1969, our congratulations on the occasion of your re-election as Speaker of the House. The task of the Speaker is not an easy one. However, your talents, experience and knowledge of parliamentary procedure narrowed the choice of a Speaker and I understand why you were unanimously elected. I ask you to believe that we are very proud that you are still with us.

[Mr. Knowles (Winnipeg North Centre).]

On the subject of the House Speaker, may I be permitted to remind you of 1926, when the Right Hon. Arthur Meighen, then Prime Minister and leader of the Conservative party, was heading the government. He then proposed to have a Liberal as Speaker. He was Sir Rodolphe Lemieux, the member for Gaspé. I wish to underline this fact since it was the first time since Confederation.

On the other hand, for the second time in the history of the House, we have elected a member of the opposition as Deputy Speaker and Chairman of Committees of the Whole. The first one was Mr. Georges H. Boivin who was the member for Shefford, in 1918. The election of the hon. member for Halifax-East Hants (Mr. McCleave) is a very happy choice.

I also wish to congratulate the mover and seconder of the Address in reply to the Speech from the Throne (Mr. Blais and Mr. Blaker). They certainly showed a remarkable ability in doing the task that the right hon. Prime Minister assigned to them.

In the speech which the Governor General pronounced on January 4, there is one excerpt which the Gaspé people will certainly appreciate. I quote:

—the Government will meet with the provincial governments in the five regions of the country, to examine the impact of freight rates on economic development and consumer prices. The railways have agreed to participate in these meetings.

I am grateful to the government for its concern, shared by the provinces, about the impact that freight rates can have on the economic development of some areas removed from the large centres of production and consumption.

In the past, the government has recognized that the very expensive services offered by the transportation industry constitute a real obstacle to the development of several parts of the country. Indeed, studies show that high transportation rates are a real problem because they do not allow for the shipment of goods from producer to consumer at a reasonable price. In order to correct this situation, subsidies are already paid to this industry for some classes of goods and in some areas of the country. As an example, I shall only mention the special subsidies paid for the movement of goods in the Atlantic area, which benefit the Gaspé peninsula.

• (1610)

An area like the Gaspé peninsula should be serviced by several means of transportation. We should therefore not limit ourseves to railroads: highways, air lines and boat services may also be used. By accepting those operations and in agreement with the provinces, we must find better solutions to that communications problem. Indeed, it must be recognized that without government assistance, transportation in the Gaspé peninsula is not very profitable.

In our area, there is not enough goods being moved at present, to provide services at a reasonable cost, the largest item being imported consumer goods.

Rates are one factor that affects transportation. They determine exactly what "economic" distance separates the producing area of a given item from its destination and provide for greater advantages for those areas that export the same items.

In compliance with the Canada-Quebec agreement for the development of the lower St. Lawrence area, Gaspé and Îles-de-la-Madeleine, signed in September 1971, funds amounting to $113,500,000, including a federal contribution of $61,300,000, will be provided for the implementation of an integrated transportation system to facilitate both regional and external exchanges. I can say, Mr. Speaker, that this is a major breakthrough for eastern Quebec.

The contribution of the federal and provincial governments to the improvement of the road network around the peninsula will enable us to kill two birds with one stone; not only it will expediate the transportation of goods by road but also accommodate 800,000 visitors after 1977 in the Forillon national park and the other tourism centres.

Mr. Speaker, while remaining in the field of transportation I wish to thank the Liberal government which, since 1963, showed a marked interest in the improvement of airports and landing strips in Gaspé and the lower St. Lawrence area. Much remains to be done and the future of air transportation in Gaspé will largely depend on government action. It is the responsibility of the department as well as of the Canadian Transport Commission, in co-operation with the province and the municipalities, not only to control the optimum use of grants in the building of airports and to rationalize permit deliveries but also to maintain travellers' safety and guarantee that carrier operations are economical.

Thus air transportation will be able to play its role which is to facilitate travels to people at a reasonable price while permitting a larger number of customers to enjoy the advantages of freight transportation, affording air mail transportation which is not done currently.

Moreover, air traffic can contribute to regional development by offering new outlets to certain products and by facilitating the exploitation of various parts of this region by air transportation and mainly by developing the tourism industry as mentioned in the Speech from the Throne.

The Gaspé Peninsula must constantly face not just the transportation problem, but also a broadcast problem. In fact, in some areas, television reception is far from being satisfactory.

I would therefore like to point out how important it is for the CBC to extend its television services so as to reach the people of the Gaspé Peninsula.

I congratulate the CBC for accepting to extend its services by increasing the number of its stations, and this has been done in Matane in the Gaspé Peninsula. However, it should consider as soon as possible establishing relays that would put at the disposal of the whole population of that region, especially in the difficult areas, an appropriate service. I refer particularly to the mountainous areas of northern Gaspé.

Under the provisions of the Broadcasting Act, the Canadian Broadcasting Company, as a national broadcasting agency, is responsible for providing all Canadians, in both official languages, with adequate television services, and I congratulate the Canadian Radio Television Commission on their having considered the Gaspé peninsula as a pilot area in the development of their program.

Undoubtedly, the CBC, in their master-plan, will exercise the vigilance required to remedy anomalies existing in some areas of the Gaspé peninsula and like the CRTC, the agency will recognize the Gaspé peninsula as a priority area.

The CBC seems to be experiencing financial difficulties it its efforts to fully implement its five-year plan. As mentioned in its 1971-1972 report, its budget is $27 million short. It is suitable, I feel, to suggest that CBC for a few years, should reduce the funds earmarked for programming in order to increase those covering capital investments and infrastructure in every area of Canada where television services are needed.

Mr. Speaker, the Speech from the Throne also specifies and I quote:

> In another area of social policy, the field of housing and urban development, the Government proposes the following action, in co-operation with the Provinces:
>
> —assistance in the provision of low-cost housing and other accommodation for senior citizens
> —home-ownership assistance to low and moderate income families
> —a land assembly program to assist in the creation of new communities and to check urban sprawl

The last paragraph should certainly be especially emphasized as it expresses a very bold attitude. Indeed, one can read in Chapter II of the report by Mr. J. W. MacNeill entitled "Environmental Management" and submitted to the government in 1971 the following excerpt on certain aspects of environmental management, and I quote:

> Throughout the world, value structures and institutions are being challenged as seldom before. A major challenge to both stems from the growing, global crisis of the environment. During the middle decades of the twentieth century mankind has become increasingly aware that life on planet Earth is seriously threatened. Man's exploitation of his natural environment to nurture his economic machine is resulting in unsustainable pressures on that environment. His utilization of artificial environments—the cities, office complexes, factories and homes in which he spends most of his time—is resulting in increasing stresses on him. Population growth, urbanization and industrialization are being propelled by an exploding and unregulated technology, The costs of this process in economic, social, ecological, esthetic and psychic terms are becoming increasingly intolerable.

In Chapter VIII, Mr. MacNeill goes on to say on Canadian Urban Growth, and I quote:

> The salient features of national population trends have been outlined. From this it is evident that Canada is already predominantly urban and will become increasingly more urban. By the year 2000, over 90 per cent of our population will inhabit less than two per cent of our land mass. Moreover, these Canadians will be concentrated into fewer and larger regions. In Part Three we take a more detailed look at the projected pace and polaziration of Canadian urban growth, the possible future dimensions of some urban environmental problems and their significance for the role of government in urban environmental management.

• (1620)

Mr. Speaker, in Table 5 of the book entitled "Environmental Management" are listed the largest urban regions where 90 per cent of Canada's people will reside: Mont-

real, Toronto, Vancouver, Ottawa-Hull, Edmonton, Hamilton, Quebec City, Calgary and Winnipeg. In order to check urban growth in these areas and in others just as big that are developing, governments should promote the creation of new cities where man's health will not be constantly endangered.

As concerns the building of homes for older citizens, I should like to bring to your attention a few considerations.

In fact, it can be seen that the provincial governments affect much larger credits to the construction of such homes in urban centres than in rural communities. From such a situation, it is clear that the older people called upon to live in these homes will end their lives in centres where pollution reigns supreme, not to mention all the other problems of urban life which they will have to face. No doubt there would be some advantage in building those homes in the countryside, near lakes, beaches, rivers or mountains.

If the governments responsible for the construction of centres for older people provided a more generous contribution, it would no doubt be possible, without getting too far from the hospital services older people require, to build those homes in tourist resorts; in so doing, we would ensure to the people concerned a more favourable environment, while offering them healthier recreation activities. In such places, the retired people could practice light sports, according to their physical condition, even do some gardening, things they could not do in larger centres.

At the present time, the government has to rely on programs such as New Horizons to keep busy the older people living in urban centres, whereas if they were properly settled in places far from the cities, they could work, find recreation and stroll in peaceful and beautiful surroundings, all things essential to the relaxation of the mind.

Mr. Speaker, I should now like to address myself to another subject. On December 27, Canada suffered the loss of a great Canadian. We were all saddened by the death of the Right Hon. Lester B. Pearson.

At the opening of the twenty-ninth parliament, both Houses rightfully paid tribute to this former prime minister.

In the House of Commons, the right hon. Prime Minister stated the following:

> In this place he was the initiator and guide of many measures that have contributed to the strength and purpose of Canada—our flag, some of our most outstanding social legislation, the recognition in various ways of the diversity of Canada and of the historic rights of its peoples.

The hon. Leader of the Opposition (Mr. Stanfield) spoke in these terms:

> To him, Canada was a country to love and to build. He worked sincerely and at great length for the cause of unity in this country.

And the leader of the New Democratic Party (Mr. Lewis) stated this:

> Also, as the Prime Minister (Mr. Trudeau) indicated, it was during his regime that we witnessed the debate on—and it was not always a happy debate—the acceptance of a distinctive Canadian flag.

I shall now quote the leader of the Social Credit party of Canada (Mr. Caouette) who said:

> Mr. Pearson worked for national unity in Canada. He never said anything in the west against the east or in the east against the west. He always tried to convince the Canadian people, whether they spoke French, Ukrainian, Italian, English or any other language, that their first duty was to be genuine Canadians.

Mr. Speaker, I knew Mr. Pearson personally, and everyone will agree that he knew how to listen to individual members and give them suitable advice. I remember that in November 1965, when I was defeated in the general election in Gaspé, the Prime Minister called me in his office and talked with me for almost 30 minutes. Needless to say that because of his warmth and his desire to help his colleagues, I have always considered him thereafter as a real father. If I remained in politics, it is as a result of his sound advice.

The Prime Minister who gave to the Canadian people a distinctive flag is no longer with us. All political parties paid a tribute to him, and rightly so for having given a flag to our country.

On February 15, 1965, by royal proclamation, the flag bearing a maple leaf was declared the national flag of Canada. That was eight years ago, and throughout Canada as in friendly countries, this flag is respected. As a matter of fact in 1965, six months after its proclamation, I was a member of the first Canadian parliamentary delegation to enter the Soviet Union. I can assure the house that when we got off the plane at Moscow airport and saw the Canadian flag waving above the air terminal, our hearts burst with excitement. Wherever we went, the Canadian flag was hoisted and we were proud of that gesture on the part of the Soviet authorities. The same thing happened when we visited the other countries of Eastern Europe.

The Department of Public Works spent thousands of dollars for setting up spotlights on Parliament Hill buildings so that Canadians as well as foreigners may see the Canadian flag by night as well as by day.

Mr. Speaker, it is highly regrettable to see that after eight years, Canada's national flag is still without a place of honour in the Senate and the House of Commons.

During the last parliament, the hon. member for Cochrane (Mr. Stewart) introduced, on three occasions, a bill calling for the display of the Canadian flag in both Houses of Parliament, but this bill was never passed. Moreover, several hon. members spoke about it, but the House never took any decision in this regard. I myself spoke to the House leader and to several ministers, but this matter has always been outstanding.

On February 2, 1972, I wrote a letter to the Speaker of the House, expressing our desire to see our flag displayed in the House of Commons and in all committee rooms. The Chairman answered as follows:

> Dear colleague,
>
> I received your letter of Febraury 2 and I read it with much interest.
>
> As you point out, many of our colleagues suggested that the Canadian flag be displayed not only in the House of Commons but in our committee rooms. This is an excellent suggestion; personally, I am prepared to accept it without reservations. However, such a decision should be taken by the House itself, . . .

... This matter could be dealt with by the Committee on Procedure. I hope that consideration of this matter will be undertaken very soon. Sincerely yours, Lucien Lamoureux.

Mr. Speaker, I suggest, that the Committee on Procedure and Organization introduce as soon as possible in this House a resolution to provide that the Canadian flag be displayed in the House of Commons, where and as determined by the Speaker. Such resolution will be passed without any debate and we shall always be pleased, after it being passed, to quote with pride:

[*English*]

Pledge of allegiance to the Canadian flag.

To my flag and to the country it represents, I pledge respect and loyalty.

Wave with pride from sea to sea and within your folds, keep us ever united.

Be for all a symbol of love, freedom and justice.

God keep our flag.

God protect our Canada.

[*Translation*]

Mr. Speaker, in all the legislative assemblies I have visited and that surely you have visited also, the flag of this country occupied a place of honour. Like several of my colleagues I hope that before the 8th anniversary of the proclamation of the Canadian flag the committee on procedure and organization will have introduced a resolution to that effect.

Since the members of that committee will be appointed very soon and so they will keep in mind my suggestion I would like on behalf of my voters in the constituency of Gaspé and on my personal behalf to unfold for the first time in this House the national flag of Canada with the hope that on February 15 next, the members of this House will approve unanimously the resolution to the effect that our flag be placed permanently in this House and in committee rooms.

Mr. Speaker: Order. The hon. member knows that it is irregular to unfold even the Canadian flag at this time.

[*English*]

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, as I rise on this first occasion to address the House in the throne speech debate I want to add my congratulations to those which have been heaped upon Your Honour by hon. members on all sides of the House. This is a double pleasure for me because, as you know, Sir, your constituency of Stormont-Dundas borders mine, and the distinguished townships of Matilda and Mountain which are in my constituency look to your city of Cornwall as their capital. I am naturally pleased, as well, to see the hon. member for Halifax-East Hants (Mr. McCleave) appointed Deputy Speaker. I have known him only a short time, but his reputation preceded him because other members of the House have told me of his wisdom, of his moderation and reason. I am satisfied that during the life of this parliament that will become apparent to all of us.

• (1630)

I do not have to address you, Sir on the subject of the beauties of Grenville-Carleton, the worth of its people and the variety of problems that face them, because as a distinguished member of the bar of Ontario, particularly eastern Ontario, for many years, all these matters will be familiar to you.

I am perhaps unique in this House in that I have very many distinguished hon. members as constituents of mine. I met today at lunch, for instance, the hon. member for Algoma (Mr. Foster), who tells me he lives there. I notice things are rather quiet in the constituency, so I imagine he is behaving himself. The minister of urban affairs is a constituent of mine; he lives along the Rideau River. On behalf of all those who live along the Rideau River in my constituency I would remind him that as the river goes by his door he has a great job of work in cleaning up that mess in order that it can be enjoyed by him and all others. The hon. member for Kamloops-Cariboo (Mr. Marchand) and the hon. member for Ottawa Centre (Mr. Poulin) are constituents of mine. I am pleased to say that on the street on which I live in Parkwood Hills there lives the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Winnipeg North (Mr. Orlikow). In fact, on many occasions prior to entering this House I have pushed the car of the hon. member for Winnipeg North Centre out of the snow. When I hear of that organic understanding, I wonder if my action was wise.

I want to say that I thoroughly enjoyed the performance, and I must call it that, which took place in the House on Tuesday night by the Minister of Regional Economic Expansion (Mr. Jamieson). I must confess I did not learn very much about economic expansion in this country, but I enjoyed his speech because it was laced with wit and wisdom. If any hon. member is prepared to move a motion that he be granted an Oscar for that performance, I am prepared to second the motion. For all of the good fun, there was one significant statement that lingered with me when I left the chamber. That was his statement about the right and, indeed, the duty of a member of this House to speak for the people he represents and for his constituency. So, Mr. Speaker, I should like to speak about these matters for a few moments.

In the southern part of my riding along the St. Lawrence there is an industrial belt, the prosperity of which depends to a great extent on the actions that are to be taken in this House by the government in fields of taxation, economic expansion and the national economy generally. In between that area there is a large urban area to the north; there is an agricultural community that suffers all the problems of marketing and diminishing income that plague the agricultural community everywhere in Canada. In addition to that, it was beset this year by weather problems of an adverse nature and it did, I am sorry to say, suffer from the inadequacies of remedies that this government and the present minister's predecessor were prepared to recommend to assist the farmers who were in need.

Throughout the whole area there are small businessmen in small towns who are waging their own war of attrition against shopping centres, chain stores and other huge operations, and only time will tell how they can fight that battle and whether or not it will be won.

In terms of influence, whether in Prescott, Nepean or along the Rideau River which I mentioned, the overriding influence on the lives of the majority of people in my

riding is that of the federal government, which happens to be the largest employer. Whatever this government or any other government decides to do or not to do has a direct bearing on the quality of life of most of the people in the constituency.

In the throne speech the government has indicated that we will be asked to consider amendments to the Public Service Staff Relations Act and the Public Service Employment Act. I want to say to you, Mr. Speaker, and to the President of the Treasury Board, who is in the House, that I welcome that news. However the government may protest to the contrary, I am sorry to say it is a commonly held opinion that the government's record in this field is not without blemish. I join the staff associations in welcoming this intention of action that is long overdue. I hope when these amendments are presented to the House they will adequately deal with all the subjects these associations have laid before government on many occasions.

Without going into any detail at this time, I hope there is an expansion of those matters which can be the subject of negotiation and arbitration between employees and employer. I hope there will be reconsideration of the whole process of arbitration to ensure that it is expeditious, just and trusted. I hope this expansion will lead employees all over Canada to turn their backs upon the strike weapon and look to trusted tribunals for a way out of disputes between employers and employees.

I trust that the legislation will contain reconsideration of the whole field of managerial exclusions to ensure that they are reasonable and that to the greatest extent public servants in Canada will have access to their staff associations. I hope the areas of negotiation will be broadened to include matters in respect of pension plans, life and health insurance plans, rules on promotion, lay-off, transfer and probation. All these things are important to the people of Grenville-Carleton and to their families and, following the advice of the Minister of Regional Economic Expansion, I intend to speak on them at the appropriate time.

I am bound to say that with all other public service matters, the vast majority of the people of Grenville-Carleton are concerned about the policy of bilingualism as it applies to the public service. The Minister of Finance (Mr. Turner) took pains in the opening of his speech on Tuesday night to remind us that institutional bilingualism is not to be confused with individual bilingualism. I was delighted to hear the hon. member for Ottawa-Carleton vindicate me in the position I have taken with regard to the implementation of the Official Languages Act at every meeting throughout this past campaign.

I am pleased that the minister's remarks in respect of fair, humane and a new, flexible approach to the implementation of bilingualism in the public service are to be honoured. I was pleased to note that the Minister of Finance supported my view that the program should contain safeguards, and it does not contain them now, that would ensure that no career public servant of either language group would suffer penalty or hardship in our earnest efforts to implement a most difficult program.

I want to remind you and the members of the government, Mr. Speaker, that when a voice is raised against thoughtless and heavy-handed methods of implementation—and that is what we have in this country—that ought not to be twisted in the mind of any member of the cabinet into an implication that the voice is raised against the principles of the Official Languages Act. I ask the government not to confuse an attempt at a dialogue with destructive criticism.

Every public servant I met during the campaign—and I met thousands—supported the principles of the Official Languages Act. I met very few, however, who appreciated the attitude of the government in the matter of implementation—let that be clear. I heard about it, and I wager that the Minister of Finance heard about it. I wager that the President of the Treasury Board heard about it, and I wager that the Minister of Finance's ears are still burning over what he heard during that campaign. There was almost universal distrust, when there ought not to have been. There was anger, when the government could have fostered understanding. The Prime Minister (Mr. Trudeau), I am sorry to say, did nothing to allay that anger when he came into my riding at the invitation of my opponent and said, "If you don't like it, get out of the public service".

Mr. Speaker, I also heard another line, familiar to me, that came out of the speech of the Minister of Finance last Tuesday. He said:

• (1640)

I have little patience with those who insist they are in favour of bilingualism in principle but then proceed to engage in destructive criticism of almost anything beyond token efforts to put this into practice.

That is familiar, because the Prime Minister came into my riding and said he had no patience with those who merely paid lip service to the principle of the act. I ask the government not to confuse a request for reason, moderation and simple justice with lip service. I ask them to ensure that in whatever they do to cure any inequities for one group of Canadians, they do not begin to inflict inequities on another group. I say that because it is also within the true intent and spirit of the Official Languages Act. The act was meant to give equality of status to both our official languages. I am interested in ensuring that there is also equality for the people who work in those official languages in the public service of Canada.

I put the matter this way, Mr. Speaker, as simply as I can: public servants want to be hired and promoted on their own merit; public servants want a legal guarantee that the Pearson pledge will be honoured; public servants do not want favours, they want fair play.

Some hon. Members: Hear, hear!

Mr. Baker: These are the basic principles that ought to be embodied in anything we are asked to confirm in this parliament.

The Minister of Finance also said that no party has a monopoly on national unity. I want all hon. members of the House to understand that I agree with him, but I also want to remind him and the House that national unity is a two-way street, and I suggest that he remind the Prime Minister.

The whole question of language training is important to Canada and I am glad to have the opportunity to speak on it in the throne speech debate. In the short time available to me, I want to say that I hope the government will reconsider the whole program of grants to the provinces for second language training. There is no doubt that the place to start language training is with the young, and there is equally no doubt that this will be much more effective than taking an older man or an older woman and attempting to teach them a second language. But the shot ought not to be scattered and perhaps we should consider, at least at the outset, the concentration of those funds within the bilingual districts of Canada, as a real beginning. There ought to be adequate research to identify real and realizeable targets, the measurement of the effectiveness of language training programs and the lowering of teacher-student ratios.

In this whole field, the stressing of impossible deadlines ought to be thrust aside and we ought to move in such a way that in a generation from now—I do not say 100 years from now, although the Prime Minister always talks about 100 years from now—those who are children now will be able to communicate with each other in both our official languages.

The whole question of the national capital of Canada is one with respect to which there was no reference in the throne speech. I regret that, because I believe it is of singular importance to the country, not only from the point of view of those things that I have been discussing but also from the point of view of people who live in the national capital area. There can be no doubt that there is no body of the federal government that has a more profound effect upon the life and growth of the Ottawa area.

I believe that the time has come to review the operations of the National Capital Commission in the development of this area and with respect to its relationship with other governments in the area. I hasten to point out that I do not intend us to embark on any grand inquisition of the National Capital Commission—far from it. But it is a fact that there has been no large-scale review of it since 1956.

In recent years the role of the NCC has changed. At one time its predecessor was the builder of highways, the maintainer of roads, and also the maintainer of flower gardens. Today the NCC has moved from that primitive stage to be a major force in the life of this area. In that same period of time the local municipal institutions have also changed; there are now large and powerful regional municipalities on both sides of the Ottawa River.

The NCC plans and arranges for the provision of large parkways and other works that affect the whole thrust of the planning and development of the area. It owns or administers government installations and buildings that affect the revenue picture of the local municipalities. It owns the largest tract of open land, the green belt, through and around the city of Ottawa and the townships of Nepean and Gloucester.

It has made commitments in sewer and sewage treatment installations, and in other matters, and thereby influences development both in the public and private sectors. It owns vast areas of parkland. In short, its influence on the Ottawa area, on the city of Ottawa, the townships of Nepean and Gloucester and the cities of Vanier, Hull and the Gatineau region, is immense. I believe the time has now come, in view of the changing operations of the commission, to examine thoroughly its structure and operations.

Perhaps now we ought to explore whether there should be representatives of the local or regional governments on the National Capital Commission. This is something that was tried at one time and abandoned. Perhaps it ought to be re-examined again in these new circumstances. Perhaps we ought to see if there are any consultative processes that will permit a closer relationship between the NCC as the municipal arm of the federal government and the local municipalities in this area.

What is the future of the green belt in the next 20 years and how will it affect development, if at all? Is there a green belt agricultural policy? Can we make it into a model agricultural area for the whole of Canada? How will it affect the development of single and multiple family dwellings, of commercial and industrial development and all the problems of servicing such development? Is there any way in which the multicultural nature of the country can be focused and emphasized in the national capital area? It is not now. It would be very healthy if it were emphasized.

What is the real role of the NCC in the development of a transportation system for the national capital area, which so far as my township alone is concerned has grown from a population of 2,000 to 70,000 in a period of 22 years? Ought the National Capital Commission to be represented on a national capital transportation commission to serve both sides of the river? I am sure there are many answers to these questions and, indeed, many more questions.

A review by a joint committee of this House and the Senate such as was undertaken previously, or by a committee of this House alone, would provide real answers, with an opportunity for public input, and input from the members of this House, from planning organizations, from farm organizations, from ratepayers' and community associations, from the municipalities generally and, indeed, from the government itself with respect to its role. I am satisfied that the commission and its staff would welcome such an inquiry and I urge the government to consider this matter among its priorities.

It is Friday evening, Mr. Speaker, and I have occupied the time of the House enough. I want to thank you, Sir, and through you my colleagues, for the attention given to this my maiden speech.

Some hon. Members: Hear, hear!

Mr. Maurice Foster (Algoma): Mr. Speaker, I wish to congratulate you on your re-election as Speaker of the House of Commons. As it is just a few minutes to five o'clock, I wonder if the House would be disposed to call it five o'clock and allow me to retain my position in the debate. If that were done, I would be happy to call it five o'clock.

Mr. Speaker: The suggestion has been made that we now call it five o'clock. Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It being five o'clock, this House stands adjourned until Monday morning next at eleven o'clock.

At 4.51 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, January 15, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

AIRPORTS

VANCOUVER INTERNATIONAL—PROPOSED NEW RUNWAY—ENVIRONMENTAL STUDY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I rise to ask the unanimous consent of the House to move the following motion, under Standing Order 43, of urgent and pressing necessity, namely, the failure, as yet, of the government to make public any environmental impact study for consideration at the expropriation hearings commencing Wednesday, January 17, 1973, relating to the proposed new runway at the Vancouver International Airport. I move, seconded by the hon. member for Fraser East (Mr. Patterson):

That this House direct the Ministry of Transport to immediately file with the hearing officer any and all environmental impact studies relating to the effects of the proposed new runway at Vancouver International Airport and to make the same available to the objectors who are appearing at the said hearing commencing Wednesday, January 17, 1973.

Mr. Speaker: Hon. members have heard the motion presented to the House. Under the terms of Standing Order 43 it requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

ENVIRONMENTAL AFFAIRS

EFFECT OF COURT JUDGMENT ON RIGHT OF PROVINCES TO LEGISLATE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, pursuant to Standing Order 43 I seek leave to move a motion in view of a decision of a county court judge in Ontario which challenges the right of a provincial government to legislate aspects of environmental control. I propose to move, with the unanimous consent of the House, seconded by the hon. member for Vancouver South (Mr. Fraser):

That this house requests the Attorney General of Canada to make a formal reference on this matter to the Supreme Court of Canada under the appropriate provision of the Supreme Court Act.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Fundy-Royal. It requires the unanimous consent of the House under the terms of Standing Order 43.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

* * *

BUSINESS OF THE HOUSE

PROCEDURE RESPECTING INTRODUCTION OF PUBLIC BILLS ON ORDER PAPER

Mr. Speaker: May I refer to the practice which has arisen in recent years with regard to the introduction and first reading of public bills. On today's order paper there are listed some 120 bills for introduction by private members. It was not practical or possible for the Chair to review the provisions of each of those bills. May I therefore suggest to the House that we adopt the procedure which was agreed upon in recent sessions, namely, that we proceed to the introduction and first reading of those bills so that each may be scrutinized between now and its being called for second reading in order to allow the Chair to consider whether there is any defect in the bills in respect of the practices and usages of the House.

I suggest that by unanimous consent all the public bills listed in the names of private members for introduction on today's order paper be deemed to have been introduced, given first reading and ordered to be printed, and to stand for second reading at the next sitting of the House, subject of course to a subsequent examination as to the regularity of each bill. Is the procedure to which I have referred agreed to by the House?

Some hon. Members: Agreed.

* * *

PUBLIC BILLS

FIRST READINGS

Bill C-5, to amend the Pension Benefits Standards Act (Information to Employees)—Mr. Rose.

Bill C-6, to amend the National Housing Act (municipal water and soil pollution projects)—Mr. Alexander.

Public Bills

Bill C-7, to amend the Statistics Act (area statistics)—Mr. MacDonald (Egmont).

Bill C-8, to amend the Income Tax Act (section 239)—Mr. Lambert (Edmonton West).

Bill C-9, to better assure the public's rights to freedom of access to public documents and information about government administration (administrative disclosure)—Mr. Mather.

Bill C-10, to amend the British North America Act, 1867 (abolition of the Senate)—Mr. Knowles (Winnipeg North Centre).

Bill C-11, to amend the Railway Act—Mr. Thomas (Moncton).

Bill C-12, to amend the British North America Acts, 1867 to 1965 (Yukon and Northwest Territories Senate Representation)—Mr. Nielsen.

Bill C-13, respecting National Youth Appreciation Week—Mr. Reynolds.

Bill C-14, to amend the Bank of Canada Act—Mr. Caouette (Témiscamingue).

Bill C-15, concerning the Exportation of the Growth and Produce of Canada—Mr. Peters.

Bill C-16, to amend the Indian Act—Mr. Foster.

Bill C-17, to amend the Canada Elections Act (permanent voters list)—Mr. Buchanan.

Bill C-18, to provide for the establishment of the Alaska-Yukon Highway Authority (Alaska Highway)—Mr. Oberle.

Bill C-19, to amend the Financial Administration Act (Public Accounts)—Mr. Hales.

Bill C-20, to change the name of the Crown Assets Disposal Corporation—Mr. Cullen.

Bill C-21, to amend the Harbour Commissions Act (Nanaimo Harbour Commission)—Mr. Douglas.

Bill C-22, to amend the Broadcasting Act (advertising on children's programs)—Mr. McGrath.

Bill C-23, to amend the Fisheries Act—Mr. Barnett.

Bill C-24, to amend the Supreme Court Act (judicial office)—Mr. Fairweather.

Bill C-25, to amend the National Energy Board Act—Mr. Andre.

Bill C-26, to establish the National Urban Transportation Authority—Mr. Stevens.

Bill C-27, to amend the Criminal Records Act—Mr. Rynard.

Bill C-28, to Regulate Election Expenses—Miss MacDonald (Kingston and The Islands).

Bill C-29, to amend the Criminal Code (control of motor vehicle)—Mr. Nesbitt.

Bill C-30, to amend the Senate and House of Commons Act—Mr. Stewart (Cochrane).

Bill C-31, respecting the Electoral Boundaries Readjustment Act—Mr. Blaker.

[Mr. Speaker.]

Bill C-32, to amend the Electoral Boundaries Readjustment Act (notice of representation at hearings)—Mr. Howie.

Bill C-33, to provide for the constitution of a Federal Transport Commission of Inquiry (impartial investigation of transport accidents)—Mr. Forrestall.

Bill C-34, Act to amend the Criminal Code (abortion)—Mrs. MacInnis (Vancouver-Kingsway).

Bill C-35, to amend the Motor Vehicle Safety Act (seat belts)—Mr. Mather.

Bill C-36, to establish an Administrative Review Board—Mr. Rose.

Bill C-37, to establish a Universal Emergency Telephone Number—Mr. Mather.

Bill C-38, respecting the disclosure of financial interests by Senators, Members of the House of Commons and certain other persons—Mr. Knowles (Winnipeg North Centre).

Bill C-39, to amend the Harbour Commissions Act—Mr. Reynolds.

Bill C-40, to provide for a national plebiscite on the removal of the abortion provisions from the Criminal Code of Canada—Mr. Reynolds.

Bill C-41, to provide the Protection of News Sources (Press Privilege)—Mr. Peters.

Bill C-42, to restrain the use of tobacco—Mr. Mather.

Bill C-43, to amend the Canada Elections Act (prisoners enfranchised)—Mr. MacDonald (Egmont).

Bill C-44, to amend the Canada Labour (Standards) Code (Severance Pay)—Mr. Peters.

Bill C-45, respecting rate fares for disabled persons on federal modes of transport (free or reduced rates)—Mr. Nesbitt.

Bill C-46, to amend the Criminal Code (cruelty to animals)—Mr. Mather.

Bill C-47, to amend the Criminal Code (Harassing telephone communications)—Mr. Mather.

Bill C-48, respecting boating safety—Mr. Mather.

Bill C-49, respecting disclosure of credit rating records—Mr. McGrath.

Bill C-50, respecting the presence of the National Flag of Canada in both Houses of Parliament—Mr. Stewart (Cochrane).

Bill C-51, to amend the Electoral Boundaries Readjustment Act—Mr. Lambert (Edmonton West).

Bill C-52, to amend the British North America Acts, 1867 to 1965, with respect to the quorum of the House of Commons—Mr. Knowles (Winnipeg North Centre).

Bill C-53, to provide for the establishment of the Alaska-Yukon Highway Authority (Alaska Highway)—Mr. Reynolds.

Bill C-54, respecting the continental shelf—Mr. McGrath.

Bill C-55, to amend the Canada Elections Act (permanent voters list)—Mr. Fleming.

Bill C-56, to amend the Canada Elections Act (proxy voting)—Mr. Horner (Crowfoot).

Bill C-57, to amend the Small Loans Act—Mr. Rowland.

Bill C-58, respecting the right of the public to information concerning the public business—Mr. Baldwin.

Bill C-59, to amend the Criminal Code (young offenders)—Mr. Woolliams.

Bill C-60, to amend the Canada Elections Act (publication of the result of opinion polls).—Mr. Coates.

Bill C-61, to amend the British North America Acts, 1867 to 1965 (duration of House of Commons)—Mr. Caouette (Témiscamingue).

Bill C-62, to designate Major's Hill Park—Mr. Stewart (Cochrane).

Bill C-63, to amend the Broadcasting Act—Mr. Mather.

Bill C-64, to amend the Canada Labour Code (age or sex discrimination)—Mr. Forrestall.

Bill C-65, to amend the Department of the Environment Act (Fisheries)—Mr. McGrath.

Bill C-66, to amend the National Transportation Act (rail passenger service)—Mr. Whicher.

Bill C-67, to establish the Office of Ombudsman—Mr. Reid.

Bill C-68, to amend the Department of Regional Economic Expansion Act—Mr. MacDonald (Egmont).

Bill C-69, to amend the Criminal Code regarding disturbances in the House of Commons (disturbance in Parliament)—Mr. Stewart (Cochrane).

Bill C-70, to amend the Inquiries Act (publication of reports)—Mr. Alexander.

Bill C-71, to amend the Veterans' Land Act—Mr. MacDonald (Egmont).

Bill C-72, respecting employment with the Government of Canada not covered by the Public Service Employment Act—Mr. Orlikow.

Bill C-73, to amend the Copyright Act—Mr. Rose.

Bill C-74, to amend the Canada Corporations Act (not agents of Her Majesty)—Mr. Fortin.

Bill C-75, to amend the Canadian Citizenship Act—Mr. Andre.

Bill C-76, to amend the Canada Labour Code (increased minimum hourly wage)—Mr. Knowles (Winnipeg North Centre).

Bill C-77, to amend the Department of Consumer and Corporate Affairs Act—Mr. Mather.

Bill C-78, to amend the Canada Evidence Act (incriminating statements)—Mr. Orlikow.

Bill C-79, to amend the Canada Labour Code (provision for ten general holidays with pay)—Mr. Knowles (Winnipeg North Centre).

Bill C-80, to amend the Criminal Code (obliteration of motor vehicle serial numbers)—Mr. Mather.

Bill C-81, respecting the protection of records of Canadian business concerns—Mr. Mather.

Public Bills

Bill C-82, to amend the Canadian Citizenship Act (time off without loss of pay for appearance in Citizenship Court)—Mr. Knowles (Winnipeg North Centre).

Bill C-83, respecting the labelling of hazardous household products—Mr. Mather.

Bill C-84, to amend the Food and Drugs Act—Mr. Mather.

Bill C-85, respecting the designation of the Speaker of the House of Commons as the Member for the Electoral District of Parliament Hill—Mr. Knowles (Winnipeg North Centre).

Bill C-86, to amend the Canada Elections Act (Publication of Straw Poll Results)—Mr. Peters.

Bill C-87, to amend the Criminal Code (preventive detention)—Mr. Orlikow.

Bill C-88, respecting the protection of endangered species—Mr. Watson.

Bill C-89, respecting the control of lobbying—Mr. Mather.

Bill C-90, to amend the Old Age Security Act—Mr. Reynolds.

Bill C-91, to amend the Immigration Act (mental retardation)—Mr. Mather.

Bill C-92, to establish a Newfoundland Crossing Authority—Mr. Marshall.

Bill C-93, to establish the Office of Parliamentary Commissioner—Mr. Reynolds.

Bill C-94, respecting the international airport at Ottawa—Mr. Isabelle.

Bill C-95, respecting Sir John A. Macdonald Day—Mr. Macquarrie.

Bill C-96, to amend the Financial Administration Act (Parliamentary Commissioner for Administration)—Mr. Reynolds.

Bill C-97, to amend the Divorce Act—Mr. Fairweather.

Bill C-98, to amend the Public Service Staff Relations Act (arbitration awards)—Mr. Reilly.

Bill C-99, respecting excavations in Indian and Inuit burial grounds—Mr. Harney.

Bill C-100, respecting packaged perishable food—Mr. Mather.

Bill C-101, to amend the Harbour Commissions Act (Commission membership)—Mr. Rose.

Bill C-102, respecting noise in factories—Mr. Mather.

Bill C-103, to amend the Canadian Citizenship Act (Freedom of Conscience)—Mr. Peters.

Bill C-104, to amend the British North America Acts, 1867 to 1965 (duration of House of Commons)—Mr. Rowland.

Bill C-105, to establish an Atlantic Transportation Council—Mr. Nowlan.

Bill C-106, to amend the British North America Acts, 1867 to 1965 (duration of House of Commons)—Mrs. MacInnis (Vancouver-Kingsway).

Public Bills

Bill C-107, to amend the British North America Act, 1867 (National Capital of Canada)—Mr. Isabelle.

Bill C-108, to amend the Canada Labour Code (three weeks annual vacation after three years)—Mr. Knowles (Winnipeg North Centre).

Bill C-109, to amend the Textile Labelling Act (prohibitions and labels)—Mrs. MacInnis (Vancouver-Kingsway).

Bill C-110, to establish the National Noise Control Code—Mr. Grier.

Bill C-111, to amend the Public Service Employment Act (age discrimination)—Mr. Forrestall.

Bill C-112, to amend the British North America Acts, 1867 to 1973, (Duration of the House of Commons)—Mr. Peters.

Bill C-113, to amend the Public Service Staff Relations Act—Mr. Orlikow.

Bill C-114, to amend the Criminal Code (tire safety)—Mr. Mather.

Bill C-115, to amend the Canada Pension Plan—Mr. Rowland.

Bill C-116, to amend the Department of Justice Act (annual report)—Mr. Fortin.

Bill C-117, to provide for a national plebiscite on the abolition of Capital Punishment—Mr. Reynolds.

Bill C-118, to amend the Broadcasting Act (equal time to opposition parties)—Mr. Orlikow.

Bill C-119, to amend the Electoral Boundaries Readjustment Act (rules)—Mr. Reid.

Bill C-120, to amend the Criminal Code (wire tapping, etc.)—Mr. Orlikow.

Bill C-121, to amend the Canada Elections Act (form of ballot)—Mr. Rowland.

Bill C-122, to provide for the protection of news sources (press privilege)—Mr. Fairweather.

Bill C-123, to amend the Regional Development Incentives Act—Mr. MacDonald (Egmont).

* * *

UNEMPLOYMENT INSURANCE

TABLING OF GOVERNOR GENERAL'S WARRANTS

Hon. C. M. Drury (President of the Privy Council): Mr. Speaker, may I ask the unanimous consent of the House to revert to motions in order to table the Governor General's warrants as requested last Friday by the hon. member for Yukon (Mr. Nielsen).

Some hon. Members: Agreed.

[Mr. Speaker.]

ORAL QUESTION PERIOD

FINANCE

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—REQUEST FOR PUBLISHING OF AGENDA—PRIORITY ITEMS—CO-ORDINATION OF CAPITAL BORROWING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance when he will be publishing or making public the agenda for the proposed meeting between himself and the provincial treasurers or ministers of finance. Would he also indicate to the House today what are his own priority items that he will propose to the meeting for discussion?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I would be prepared to publish that agenda when I am satisfied that the provinces are willing to have that done and have agreed to the various items on the agenda. Speaking in terms of my own priorities for discussion, I would want a thorough canvassing of the economic situation of the country, of the fiscal position of the federal government as we see it, and of the provincial governments as they anticipate those positions to be during the course of the calendar year and next fiscal year. There will be an opportunity for the chairman of the Economic Council of Canada to appear and discuss the ninth annual review, with the 15 indicators that he sets as informal targets for the country. There will be an assessment of the winter works program announced by the federal government, with particular emphasis on capital projects. I could outline the whole matter, but my priorities are the economic and fiscal situation of the country.

Mr. Stanfield: I assume the minister will be discussing also the matter of co-ordination of borrowing abroad during the coming year. I ask the minister whether he proposes to go further than that and whether he will be canvassing the possibility of establishing guidelines or some actual terms of agreement or understanding with regard to the co-ordination or phasing of large capital projects over the next four or five-year period? I am speaking of such projects as James Bay and others that might involve large demands upon foreign markets and might have an important effect on the fluctuation in our dollar.

• (1110)

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I understand the import of the hon. member's question. As a matter of fact, at the meetings I held with the provincial finance ministers during the month of June I impressed upon them the need to orchestrate and properly co-ordinate capital requirements across the country, coupled with an effort to persuade the provinces to seek their financial requirements within the Canadian capital market where possible. At that time I was able to obtain from the provincial governments an agreement to constitute a centralized information centre so that the federal government and the provinces will know at one central point the requirements of the provincial governments, preferably here and, if necessary, abroad. Maturing that information centre into a co-ordination centre is some-

thing I have not been able to achieve, but it might be well worth raising the matter again this Thursday and Friday.

Mr. Stanfield: Does the minister propose to go beyond the current year in terms of information and has he taken any steps yet or does he propose to take any steps at the upcoming meeting to establish an information centre, let alone a co-ordination centre, with regard to a longer phase period such as four or five years involving large upcoming capital projects?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, a rather thorough analysis is now being conducted within the Department of Finance and the Department of Energy, Mines and Resources as to capital requirements, particularly for energy resources, during the next decade and thereafter. I am not sure whether at this stage I would want to bring that into its co-ordinated phase with the provinces.

MEETING OF FEDERAL AND PROVINCIAL FINANCE MINISTERS—DISCUSSION OF MEANS TO RELIEVE TAX BURDEN ON RURAL RESIDENTS

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I wish to direct a supplementary question to the Minister of Finance. Will the minister be seeking jointly with the provincial ministers of finance means of relieving the tax burden on rural people? I ask this in light of the fact that the number of people employed in agriculture dropped by 31,000 in the recent 12-month period.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, that is certainly a relevant consideration. I would think the terms of reference of the meeting are wide enough for that to be brought up.

Mr. Speaker: The hon. member for York South on a supplementary.

Mr. Lewis: No, Mr. Speaker. My question is not supplementary.

Mr. Speaker: Perhaps we might have a few supplementaries and then recognize the hon. member for York South.

MEETING OF FEDERAL AND PROVINCIAL FINANCE MINISTERS—INQUIRY AS TO PROPOSALS RESPECTING ESTATE AND CAPITAL GAINS TAXES

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my supplementary question is to the Minister of Finance. Can the minister indicate whether he will be making any specific proposals at the impending federal provincial conference with regard to estate tax and capital gains taxes on farm lands and small businesses in order to promote some equity and consistency in these important matters?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I do not think I can be as specific as the hon. member would like.

[*Translation*]

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—POSSIBLE REDUCTION OF PERSONAL INCOME TAX IN RESPONSE TO QUEBEC REPRESENTATIONS

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a supplementary question to the Minister of Finance.

In the course of this federal provincial conference, does he intend to give a precise answer to the request that the Premier of Quebec has made to the federal government to set up a coordinated program of tax reductions so as to avoid an increase in personal income tax and in borrowing from external sources?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, of course I shall answer the letters from the Quebec Premier and the proposals from Quebec Finance Minister Raymond Garneau. Their argument is almost the same as that put forward by representatives of the Ontario government on the whole question of distribution of taxation sources. At any rate, this item will be formally put on the agenda.

Mr. Wagner: Mr. Speaker, I should like to put another supplementary to the Minister of Finance.

Does he feel that there should not be any increase in personal income tax this year?

* * *

[*English*]

COMMUNICATIONS

BELL CANADA RATE INCREASE APPLICATION—INQUIRY AS TO OPPOSITION BY GOVERNMENT

Mr. David Lewis (York South): Mr. Speaker, my question is for the Minister of Communications. Last Friday my colleague, the hon. member for Toronto-Lakeshore, inquired of him whether the federal government was going to join the Ontario and Quebec governments in opposing the applications of Bell Canada for further increases in their rates. In view of the hon. member's question, may I ask the minister whether he has done so, and whether the federal government is now prepared to make representations to the Canadian Transport Commission against the Bell application for increases?

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, the answer to the first part of the question is yes and to the second part, no.

[*English*]

Mr. Lewis: I have a very short supplementary question, Mr. Speaker.

[*Translation*]

—yes and no in the same answer, that is good.

[*English*]

May I ask the minister to tell the House whether the government has considered the matter of these gouging increases sought by Bell Canada, and is his decision not to

make representations to the CTC the result of his agreeing with the Bell applications?

[*Translation*]

Mr. Pelletier (Hochelaga): Mr. Speaker, since my answer was so brief, I realize the hon. member has not understood it. He asked me: Is the matter under consideration? I answered: yes. Then, he asked: Has the consideration of this matter been completed and what decision has been arrived at? To this last question the answer is no.

Mr. Lewis: I accept these answers, Mr. Speaker.

[*English*]

May I ask the minister whether he could, for the moment, cease being semantic and inform the House whether he is seriously considering making representations to the CTC on this important matter, or whether he is merely answering "yes", that he is considering, in order to have an answer to a question that may be uncomfortable?

[*Translation*]

Mr. Pelletier (Hochelaga): I never give such answers, Mr. Speaker, because I never find a question uncomfortable; only answers can be so.

[*English*]

Mr. Speaker: I believe there are a few supplementaries that hon. members wish to ask the Minister of Finance relating to the first matter raised.

* * *

FINANCE

INQUIRY AS TO DIFFERENT APPROACH TO MONETARY AND FISCAL POLICY IN LIGHT OF PORTER COMMISSION FINDINGS

Hon. Alvin Hamilton (Qu'appelle-Moose Mountain): Thank you, Mr. Speaker. My question to the Minister of Finance is this. In view of the negative findings of the Porter Royal Commission in connection with advice submitted to ministers of finance by the financial advisers of the government, and in view of the consistent record of the government since that royal commission report was made, may I ask whether it is the intention of the government to adopt a completely different approach to monetary and fiscal policy in line with that negative report? I am referring specifically to the theory of potential budgeting as opposed to the restrictive budgeting which has been followed during the last 25 years.

Hon. John N. Turner (Minister of Finance): The hon. gentleman and I could engage in a debate at some time about the theory of the Porter Commission and full employment budgeting.

TARGET FOR RATE OF INFLATION

Mr. James Gillies (Don Valley): Mr. Speaker, my question is also to the Minister of Finance. Bearing in mind the close relationship between United States and Canadian economic policies, and the announcement last week by the United States government that they were going to aim at a 2½ per cent rate of inflation on a year to year basis in 1973, could the minister tell the House what rate of inflation is being aimed at in our policy making?

Mr. Speaker: Order, please. I doubt that the question as asked by the hon. member is in order.

* * *

ENVIRONMENTAL AFFAIRS

EFFECT OF COURT JUDGMENT ON RIGHT OF PROVINCES TO LEGISLATE—REQUEST FOR REFERENCE TO SUPREME COURT OF CANADA

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Minister of Justice arising from my earlier intervention under Standing Order 43. Will the minister consider the implications of a decision by an Ontario county court judge, which challenges the constitutionally of environment legislation in Ontario and, of course, will have effects in other provinces, and will he consider making an immediate reference to the Supreme Court of Canada in order that the matter may be settled and the public concern alleviated?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, it will certainly be my intention to consider the impact of this decision and to consult with my colleague, the Minister of the Environment, and with the provincial ministers. I also agree that if a vacuum were seen to exist in this extremely important field, such action as a reference might be desirable, although in the ordinary course the better practice would be to allow the case to proceed to the court of appeal. As I say, if a vacuum existed a different course of conduct might be required.

* * *

• (1120)

FINANCE

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—INQUIRY AS TO OUTLINING OF FEDERAL CONTINGENCY PLAN FOR WAGE AND PRICE CONTROLS

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, I have a supplementary question for the Minister of Finance. Can he tell the House whether he will be outlining to the finance ministers' meeting later this week the contingency plan on wage and price controls that the Prime Minister referred to last Friday?

Hon. John N. Turner (Minister of Finance): No, Mr. Speaker.

[*Translation*]

BANKRUPTCY ACT

PRESENTATION OF AMENDING

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the hon. Minister of Consumer and Corporate Affairs.

In view of the promise made to us in the House many years ago—I raised the matter on many occasions—of a thorough reform of the Bankruptcy Act, could the hon. minister tell us whether a really thorough reform will be carried out, and not merely "reformettes" such as we have had so far?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, we are working on such a reform in the Department of Consumer and Corporate Affairs and the government will decide when we can introduce this new bill in the House.

[*English*]

Mr. Baldwin: We have been waiting three years.

* * *

OLD AGE SECURITY

INQUIRY AS TO INTRODUCTION OF LEGISLATION TO INCREASE BENEFITS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare based on his speech last Thursday which I am still carefully analysing. Can he say whether the proposed "non-token" increase in the old age pension will be brought forward in the House before the dominion-provincial conference of welfare ministers, and can he indicate what "non-token" really means?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr.Speaker, the increase referred to will be put before the House long before the federal-provincial conference scheduled for April.

[*English*]

Mr. Macquarrie: Mr. Speaker, can the minister indicate whether the legislation is now ready and when he intends to put it on the order paper?

[*Translation*]

Mr. Lalonde: This legislation will soon be brought before the House, Mr. Speaker. I think that pensioners and older people will be very happy with the results.

* * *

[*English*]

VETERANS AFFAIRS

INQUIRY AS TO LEGISLATION TO INCREASE ALLOWANCES AND DISABILITY PENSIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a supplementary question for the Minister of Veterans Affairs. In view of the fact the increase in the cost of living has an effect on the fixed incomes of veterans receiving war veterans allowances and disability pensions, and in view of the fact there was no mention in the throne speech in respect of veterans, will the minister advise the House and the country what plans he has for legislation on behalf of this segment of our society?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, I can inform the hon. member that when we deal with the other legislative item in respect of pensions it will be related as well to veterans legislation and their pensions will be increased accordingly.

WAR VETERANS ALLOWANCES—REQUEST THAT ANY INCREASE NOT BE CHARGED AGAINST SOCIAL ASSISTANCE PAYMENTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have a supplementary question I should like to direct to the Minister of National Health and Welfare. In view of the fact some veterans with fixed incomes and large families have had to resort to social assistance to supplement their incomes, would the minister bring forth for consideration at the federal-provincial conference the suggestion that increases in war veterans allowances should not be charged against social assistance payments?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the whole question of social benefits will be reviewed. We are considering a complete review of the whole social security system with the provinces and I am sure the problem raised by the hon. member will be discussed at those conferences.

[*English*]

Mr. Speaker: Order, please. I will recognize the hon. member for Calgary North for one or more supplementary questions and then the hon. member for Saskatoon-Biggar.

* * *

BUSINESS OF THE HOUSE

REQUEST THAT PRIORITY BE GIVEN TO ECONOMIC MEASURES OVER CAPITAL PUNISHMENT DEBATE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in light of the answers given by various ministers in respect of pension remedies to assist people at a time of high cost of living, continually increasing from day to day, would the Prime Minister consider setting aside the debate on capital punishment as a priority and take up the economic measures so important to the livelihood of Canadians?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I may have missed the meaning of the hon. member's request, but I will look at his question. For my own part, I would find it difficult to answer the question without

knowing whether he wants to have the capital punishment debate first or the economic debate.

Mr. Woolliams: Mr. Speaker, I am sorry that the Prime Minister did not understand my question. I know he was working on something and I do not object to that, but I did put the question very clearly to him. In light of the fact that a reading of the order paper would indicate that the capital punishment debate would appear to take priority over economic issues and measures such as pension legislation to assist people to cope with the high cost of living, will the Prime Minister set aside the priority of the debate on capital punishment in favour of economic measures to assist those people who need assistance?

Mr. Trudeau: Well, the hon. member knows that the order in which measures appear on the order paper is not necessarily that in which they will be called. We will let the House know in advance, through the House leader, in what order they will be proceeded with.

Mr. Woolliams: I am not getting the answer, Mr. Speaker, and I think I should have the right to put one further question. In light of the fact the Prime Minister is the head of the government, and no doubt plans are being laid as to what measures will have priority, would he not tell the House that the priority of the debate on capital punishment will take second place at least to those economic measures that have been discussed with his ministers today?

Mr. Trudeau: Mr. Speaker, I certainly could not tell the House that because I do not know if, in conceptual terms, this is a correct way of putting it. The two questions are extremely important. I do not think that the issue of capital punishment is of lesser importance.

Some hon. Members: Oh, oh!

Mr. Woolliams: That is the point; some of us do.

Mr. Trudeau: Well, Mr. Speaker, the question of knowing whether a man should be hanged or not is not of lesser importance to this government.

* * *

GRAIN

AGREEMENT WITH RAILWAYS RESPECTING DEPRECIATION CHARGES AND MAINTENANCE COSTS FOR HOPPER CARS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I wish to direct a question to the minister in charge of the Wheat Board. In view of the fact that a number of hopper cars for moving grain are now out of service, can he tell the House whether an agreement has been reached with the CPR and the CNR on depreciation charges and maintenance costs for these cars, whether the railway companies will bear these costs, and also inform the House of the type of contract agreed upon?

Hon. Otto E. Lang (Minister of Justice): Yes, Mr. Speaker, an agreement was reached between the railways and the Canadian Wheat Board. I think the simplest thing would be for me to make that agreement available to the hon. member.

Mr. Gleave: Can the minister also inform the House whether he has an assurance that the CPR and the CNR will maintain their normal numbers of boxcars and other rolling stock in service so that the hopper cars will be in addition to what normally would be in service for the movement of grain?

Mr. Lang: Mr. Speaker, I believe the hon. member will find that there is a clause in the agreement covering this issue.

INQUIRY AS TO TRANSFERRING OF CANADIAN BOXCARS TO UNITED STATES TO FACILITATE U.S. SHIPMENTS

Mr. S. J. Korchinski (Mackenzie): As a supplementary question, Mr. Speaker, can the minister tell us whether or not, during the recent crisis in the United States as a result of the shortage of U.S. boxcars to move all shipments of grain to ports for its overseas customers, Canada was requested to supply boxcars, and did Canada do so?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, so far as I know there was no question of Canadian boxcars being made available, although I would like to double-check that. What I can tell the hon. member is that for the purposes of grain movement the railways have been supplying cars at the times and in the volumes essentially required by the Canadian Wheat Board. That fact is demonstrated by the other fact that exports from this country this year are running ahead of last year, even though last year was an outstanding record year.

Mr. Korchinski: May I ask the minister whether, if there is no formal agreement, there is an understanding between the two countries that in the event that problems such as this arise each country will help the other in a crisis?

Mr. Lang: I know of no such agreement, Mr. Speaker.

* * *

FISHERIES

REQUEST FOR STATEMENT ON POSITION TO BE TAKEN BY CANADA AT LAW OF THE SEA CONFERENCE

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct a question to the Minister of the Environment and Fisheries. In view of the importance, particularly to eastern Canada, of the forthcoming Law of the Sea Conference, can the minister tell the House whether he intends to make a statement shortly on the nature of the government's preparation and the positions to be taken by the government at that conference?

Hon. Jack Davis (Minister of Fisheries): I might say yes, Mr. Speaker. I might also add that there is a meeting in Vancouver where Canada is hosting discussions with all fishing nations on the basic policy approach that we might take at the next Law of the Sea Conference.

Mr. Carter: Can the minister tell the House whether representatives have been selected to attend the conference, and whether or not he will be consulting with the fishing industry in the various provinces on the selection of representatives?

Mr. Davis: The answer is yes to both questions, Mr. Speaker.

DATE OF LAW OF THE SEA CONFERENCE

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a supplementary question to the Secretary of State for External Affairs. In view of the constantly declining fishing resources off the Atlantic coast, as evidenced by the recent ban on east coast whaling, can the minister indicate whether a firm date has as yet been set for the discussions which will be held at the Law of the Sea Conference?

• (1130)

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. My understanding is that there will be a meeting in 1973—I will get the date if it has been announced—followed by further meetings in 1974, but there is a definite agenda now agreed upon.

* * *

FOOD PRICES

REPORTED CONSULTATION WITH INDUSTRY EXECUTIVES ON FEASIBILITY OF STUDY PRIOR TO ESTABLISHMENT OF SPECIAL COMMITTEE

Mr. Harry Olaussen (Coast Chilcotin): Mr. Speaker, I should like to direct this question to the Minister of Finance. In view of an article that appeared in the *Financial Post* on December 9, 1972, would the Minister of Finance inform the House whether he and officials of his staff sounded out food industry executives for opinions on the feasibility of a study of food prices in November and December of last year and, if so, could he inform the House of the outcome of those soundings?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I would have to look into that.

Mr. Olaussen: Would the minister inform the House whether he considered that such an approach to the food industry well in advance of the announcement of the proposed establishment of the food prices committee in the Speech from the Throne would have the effect of accelerating industry decisions to increase prices?

Mr. Speaker: Order, please. The hon. member will recognize that that question is debate.

DISCUSSION WITH LABOUR AND CONSUMER ORGANIZATIONS PRIOR TO ESTABLISHMENT OF SPECIAL COMMITTEE

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a supplementary question. Could the minister inform the House whether, in addition to discussions with the food industry, the minister also had discussions with labour and consumer organizations regarding the establishment of a committee to look into food prices?

Hon. John N. Turner (Minister of Finance): So far as I know, Mr. Speaker, no advance notice was given to any sector of the economy, but I make it a practice to stay in touch with the Canadian Labour Congress and the Consumer Association of Canada on the general economic posture of the government.

* * *

IMMIGRATION

PROHIBITION OF APPLICATIONS FOR LANDED IMMIGRANT STATUS BY VISITORS—TREATMENT OF THOSE ALREADY IN COUNTRY

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Manpower and Immigration. In view of the fact it is becoming quite obvious that many people who sought a home in Canada are now undergoing severe hardship as a result of the department's announcement of the sudden cut-off date, which I believe was November 3, is the minister now prepared to indicate to the House and to those who are suffering unduly that he is prepared to approach this matter in a compassionate and humanitarian manner?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, if the question was addressed to me, I am sorry but I did not hear the opening comment. Would the hon. member kindly repeat it?

Mr. Alexander: Mr. Speaker, I will put my question more briefly. Is the minister now approaching the problem of those who are suffering as a result of the cut-off date of November 3 in a compassionate and humanitarian way? I ask him this question because it appears to me that many people sold all their possessions in order to come to Canada and as a result of the department's edict they are now suffering unduly.

Mr. Andras: Mr. Speaker, I would hope that I would approach any of these matters in that fashion. It is a very difficult problem that faced us. I cannot really offer a great deal of solace to the large number of people who came to Canada and were caught by the removal of section 34 of the act. We have indicated that in absolutely clearcut cases of undue hardship we will look at the problems of these people compassionately, but I do not think we can look at this matter in terms of thousands. Indeed, there is some contradiction in the approach in the case of those people who spent all their savings to come here as visitors in the first place and then applied for landed immigrant status.

Mr. Alexander: There may be a contradiction, but I would like to advise the minister that these people were taking advantage of the law that was in effect then. Notwithstanding that, may I approach the matter in another area of some concern. I refer to students who came to

Canada on student visas and who will be graduating in June this year. Will they be affected by the edict that was handed down on November 3? In other words, are the students who have been here for the past four years going to be classed as visitors and therefore be caught in this trap?

Mr. Andras: I would have to examine the second question very carefully. It depends very much on the category in which they declared themselves to be when they came to Canada. If they came as visitors and are now applying for landed immigrant status, the revocation of section 34 is probably applicable.

PROHIBITION OF APPLICATIONS FOR LANDED IMMIGRANT STATUS BY VISITORS—NUMBERS INVOLVED AND SUFFERING HARDSHIP

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Manpower and Immigration whether he has conducted any investigation to ascertain how many people who came here as visitors were caught in this way, to what extent actual hardship does exist, and how many of these people were brought here by so-called immigration consultants?

Mr. Speaker: Order, please. I would suggest to the minister that perhaps this information should be given to the House by way of a statement on motions rather than by way of a reply to a question during the question period.

Mr. Stanfield: May I say with respect, Mr. Speaker, that I hope I did not ask for too much. May I ask the minister whether he has conducted an investigation into the numbers involved and how many are suffering hardship as a result of this new law?

Mr. Andras: We are receiving representations from organized groups now and I think that before too long we will have some indication of the numbers. Whether or not we will ever have a complete story in precise detail I cannot say, but we are certainly getting an indication of the size of the problem. As to the second part of the question, yes, I think there were some representations by organizations or people who call themselves immigration consultants.

PROHIBITION OF APPLICATIONS FOR LANDED IMMIGRANT STATUS BY VISITORS—REQUEST FOR STATEMENT ON SITUATION

Mr. David Lewis (York South): Mr. Speaker, may I ask the minister whether he will take the suggestion contained in Mr. Speaker's comment a moment ago and make a statement, not necessarily in a day or two but in a week or so, about the situation he has found in his determination to respond to the Tory backlash against immigration?

Mr. Speaker: Order, please. I suggest we are now in the field of argument and debate. The Chair will recognize the hon. member for Egmont on a last supplementary question. Hon. members will appreciate that only ten minutes are left before the end of the question period and in view of the number of hon. members seeking the floor rather urgently and aggressively on other subjects, I think we should make an effort to give them an opportunity to put their questions.

PROHIBITION OF APPLICATIONS FOR LANDED IMMIGRANT STATUS BY VISITORS—AID TO PERSONS POSSIBLY SUBJECT TO IMPRISONMENT IF RETURNED TO COUNTRY OF ORIGIN

Mr. David MacDonald (Egmont): Mr. Speaker, can the minister indicate what steps his department is taking to assist people who find themselves in the position of possibly being forced to return to a country where, for political reasons, they may end up serving a long term of imprisonment in view of this new regulation? Is there a policy with regard to people in this category?

Hon. Robert K. Andras (Minister of Manpower and Immigration): In most cases people in that situation have entered an appeal to the Immigration Appeal Board, but most certainly, as a general principle, where there is clear evidence that there will be political retribution or political punishment when they return to their country of origin they would fit into what we call the refugee class, into a category of special hardship cases, and we would most certainly be in a position and want to be in a position to review their cases. I say that without committing myself in any particular case.

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

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Mackenzie on a last supplementary question on this subject, but again I insist that an effort will have to be made by hon. members to limit the number of supplementary questions because we are certainly not making much headway when we have five, six or more supplementary questions to every question. If this is the way that hon. members wish that the question period should proceed, that every day we should choose four or five subjects and have a dozen supplementary questions on each of them, that would make it easier for the Chair but I do not think it would satisfy hon. members.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, in view of the fact there is a conference on hijacking under way at present I wish to ask the minister whether the statement he has just make is not in conflict with any criteria that may be set down for the negotiations at that conference or whether political implications may be involved here regarding whether or not a person wants to go to any particular country?

• (1140)

Mr. Andras: Mr. Speaker, I do not think there is any connection and if there was any implied in what I said I should like to make it clear that I do not have that in mind with regard to the hijacking problem.

TRANSPORT

RAILWAY PASSENGER SERVICE, SOUTHWESTERN ONTARIO—IMPLEMENTATION OF COMMITTEE RECOMMENDATIONS

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Transport regarding passenger service in southwestern Ontario. I believe representations have been made to him in this regard. Is the minister going to take early action on these reports?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I have to meet with the government of Ontario before we reach any decision here.

Mr. McKinley: Will this meeting be in regard to setting up a joint study group with the province and municipalities as the committee report suggested?

Mr. Marchand (Langelier): Mr. Speaker, it is very difficult to give the results of a meeting before the meeting takes place.

DATE OF TOTAL TRANSPORTATION SYSTEM STUDY

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my question is for the Minister of Thansport. Can the minister advise the House as to the date of the joint study on the total transportation system, referred to in the Speech from the Throne?

Hon. Jean Marchand (Minister of Transport): Does the hon. member mean for the whole country?

Mr. Manzankowski: That is right, Mr. Speaker. It was stated in the Speech from the Throne that a total transportation study would take place.

Mr. Marchand (Langelier): Mr. Speaker, I have already mentioned that I intend to meet with provincial authorities on this matter before reaching any conclusion.

Mr. Mazankowski: Can the minister advise whether this study has any priority or will it be sloughed off until next year?

Mr. Speaker: Order, please. A question asked in those terms is irregular.

* * *

CANADIAN NATIONAL RAILWAYS

DISCUSSIONS ON AMENDMENT OF PENSION PLAN TO PROVIDE PAYMENTS ON BASIS OF 2 PER CENT PER YEAR OF SERVICE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is for the Minister of Transport. Is the minister having discussions with Canadian National Railways concerning the desirability of amending the Canadian National pension plan to provide for pensions on the basis of 2 per cent for each year of service as is the case for Air Canada employees and federal public servants?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the Canadian National and the Canadian Pacific are now negotiating with the railway employees' unions and this is one of the items to be discussed. When I met the two presidents a few weeks ago, I indicated that I was certainly interested in the issue of the pension fund and I expressed hope that they would find a solution to this problem which has been pending too long already.

[*Later:*]

[*English*]

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, my question is supplementary to the one asked by the hon. member for Winnipeg North Centre. In the discussions about transport at the meeting with the western provinces, will security of tenure or job security for the employees and the subject of their pensions be included?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, this is certainly a problem which must be discussed with the provinces and the railway companies. For the time being, I am not in a position to decide on that question which is certainly an important one to be settled.

* * *

[*English*]

AIRPORT

VANCOUVER INTERNATIONAL—RUNWAY EXPANSION—REQUEST THAT ENVIRONMENTAL IMPACT STUDY BE PROVIDED TO EXPROPRIATION HEARINGS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is directed to the Minister of Transport. Has the minister prepared any environmental impact study relating to the effects of the proposed new runway at Vancouver International Airport and, if so, will it be filed with the hearing officer and the objectors in time for consideration at the expropriation hearings which commence next Wednesday, January 17, 1973, in Vancouver?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, before a runway is built, the department examines all the aspects of such a project—the environmental aspects and the technical aspects. So, I cannot give a specific answer about the Vancouver case, but the study has certainly been made.

[*English*]

Mr. Fraser: Mr. Speaker, I thank the minister for his answer but the point is that when these hearings close the expropriations will be confirmed. I want to know whether any environmental impact study is going to be put before these hearings before they are closed. Once they are closed it is too late; expropriation will take place.

Mr. Speaker: Order, please. The hon. member is making a speech. He can ask a question.

Mr. Fraser: Mr. Speaker, the question is whether this environmental impact study will be put in front of this hearing before it is closed, not afterwards.

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, we are making an inquiry about expropriations, which has nothing to do with the environment.

* * *

[*English*]

ENVIRONMENTAL AFFAIRS

DISCHARGE OF OBLIGATIONS BY UNITED STATES UNDER GREAT LAKES TREATY

Mr. Don Blenkarn (Peel South): Mr. Speaker, I have a question for the Minister of the Environment. Is the minister satisfied with the progress being made by the United States in discharging its obligations under the Great Lakes Treaty to date?

Mr. Speaker: Order, please. Perhaps the minister could reply to the question in other terms. Would the hon. member resume his seat. The hon. member cannot ask whether the minister is satisfied. At this point he is asking for an expression of opinion. A question asked in those terms is irregular, but perhaps the minister might like to reply to the hon. member's question in some way.

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, when the agreement was negotiated with the United States provision was made for follow-up procedures. Later this month there will be a meeting of Canadian and United States officials following which I shall have a more precise answer to that question.

* * *

AIRPORTS

ST JOHN'S, NFLD.—RENOVATION OF FACILITIES TO ENABLE AIR CANADA TO PROVIDE SERVICE WITH TRI-STAR AIRCRAFT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a question for the Minister of Transport, notice of which has been given. In view of the statement made in Halifax by the regional director of Air Canada to the effect that they would not be able to carry out the scheduled placing into service of the Lockheed Tri-Star at St. John's airport unless the Department of Transport is prepared to carry out immediately certain renovations of the airport facilities and in view of the urgency of this question, can the minister inform the House whether the renovation of the terminal and other facilities will be carried out in time?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, representatives of my department will meet with Air Canada tomorrow, January 16, and I hope that as a result the problem of space requirements for the Lockheed Tri-Star can be solved.

VANCOUVER INTERNATIONAL—RUNWAY EXPANSION—REQUEST THAT ENVIRONMENTAL IMPACT STUDY BE PROVIDED TO EXPROPRIATION HEARINGS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is supplementary to the one addressed to the Minister of Transport by the hon. member for Vancouver South but I should like to address it to the Minister of the Environment. Has the Department of Transport requested the Department of the Environment to do an environmental impact study on the expansion of Vancouver international airport and, if so, will this report be presented to the hearings which commence next Wednesday?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, I am not sure that it has but I believe it has. I will give an answer to that question to the hon. member tomorrow. Our basic policy is that we should prepare environmental impact studies and that they should be made available to the general public.

Mr. Reynolds: Have environmental impact studies also been done for the Pickering airport and the St. Scholastique airport and are they ready and available?

Mr. Davis: Mr. Speaker, studies have been carried out with respect to those airports.

* * *

AIR TRANSPORT

CANADIAN CARRIER TO BE AWARDED RECIPROCAL LANDING RIGHTS AT MILAN, ITALY

Mr. Terry O'Connor (Halton): My question is directed to the Minister of Transport, Mr. Speaker. Can the minister advise the House when the government will announce which of our international air carriers will be awarded reciprocal landing rights with Alitalia in Milan, Italy?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I hope that we will be in a position to announce that soon.

Mr. O'Connor: In view of the fact that last year the government said it would make this announcement by January 1, 1973, does the minister not feel that the government has been derelict in its duty to the Canadian people.

Mr. Speaker: Order, please. That, of course, is not a question and cannot be asked.

* * *

SCIENCE AND TECHNOLOGY

EQUAL CONSIDERATION FOR FEMALE SCIENTISTS AND TECHNOLOGISTS IN MAKING DEPARTMENTAL APPOINTMENTS

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to address a question to the most attractive member of the Cabinet—

Some hon. Members: Hear, hear!

Mr. Howard: —and ask the Minister of Science and Technology—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Howard: —whether steps have been taken within the minister's department to ensure that women scientists and technologists receive equal consideration with men for appointments, and, if so, what such steps are?

Some hon. Members: Hear, hear!

Hon. Jeanne Sauvé (Minister of State for Science and Technology): Yes, Mr. Speaker. In line with the instructions of this government to the Public Service Commission, my department is taking care to see if women can participate whenever nominations are made for tasks within the department.

* * *

NATIONAL DEFENCE

ASSURANCE THAT ROYAL DESIGNATION NOT TO BE REMOVED FROM NAVAL VESSELS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of National Defence of which I have given short advance notice. If I might be permitted I should like to express my sympathy to the minister and his family. Can the minister give the assurance that the rumour suggesting removal of the royal designation of "Her Majesty's Canadian Ship" from our naval vessels is unfounded?

• (1150)

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I am very glad to be able to reassure the hon. member that all our naval ships are designated HMCS, which of course stands for Her Majesty's Canadian Ship, and they will continue to be so designated.

* * *

SHIPPING

IMPLEMENTATION OF DARLING REPORT RECOMMENDATIONS—CONSULTATION WITH BRITISH COLUMBIA

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is addressed to the Minister of Transport. In view of the minister's reply to a question about the Darling report last week, found in *Hansard* at page 175, would he assure the House that his consultations with the premiers of the provinces on all matters stemming from that report will include consultation with the premier of British Columbia on matters of interest to British Columbia?

Hon. Jean Marchand (Minister of Transport): Yes, Mr. Speaker.

Oral Questions

INQUIRY OF THE MINISTRY

Mr. Peter Reilly (Ottawa West): Mr. Speaker, I have a question for the Prime Minister arising from an answer he gave in the House earlier. Did I understand him to say that the academic question of capital punishment takes precedence in this government's list of priorities over the plight of the several hundreds of thousands of unemployed and pensioners on inadequate pensions? Is that the doctrine he now preaches to the House?

* * *

AGRICULTURE

INCREASE IN PRICE OF FERTILIZER—INQUIRY AS TO ACTION

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a question for the Minister of Agriculture. As great concern has been expressed by a number of farm organizations in the past as well as at present over the increase in the price of fertilizer for the farming industry, and as fertilizer plants suggest that the increase results from a lack of potash and other ingredients which are in over-supply in Saskatchewan, can the minister inform us whether there will be action on this matter?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, this has been reported to me. What the hon. member says is true, according to the representations which have been made to me, namely, that because of so-called shortages of nitrogen and potash it is proposed to increase prices. We are investigating this. We are contacting the premier of Saskatchewan to find out if it is true that there is a shortage of potash in Saskatchewan and investigating the other chemical companies that are responsible for the manufacture of nitrogen.

Mr. Speaker: Orders of the day.

Mr. Nielsen: Mr. Speaker, I rise on a point of order involving the President of the Treasury Board. On Friday last I asked the minister, as reported at page 230 of *Hansard*, if he would see to it that the Governor General's warrants of which we were speaking at that time were tabled on Monday so that members might have full information. At page 231 he said yes, he would do that. What he tabled today is a copy of the statement of the special warrants issued under Section 23 of the Financial Administration Act which is not, as I am sure the minister will agree, a copy of the warrants themselves. In order to facilitate the provision of full information to members both here and in committee, would the minister see to it that the warrants themselves are tabled?

An hon. Member: Or exact copies of them.

Mr. Drury: Mr. Speaker, I am sure the hon. gentleman will not ask that the warrants be tabled but copies of them. The second document I tabled this morning, which was filed privately with the Clerk, is the one the hon. member has now. The other documents I tabled, and I think they are still on the table, are copies of the Governor General's warrants and the schedules thereto.

Mr. Nielsen: Mr. Speaker, I checked with the distinguished officers at the table. The only document that was tabled was the statement. I am informed by the officers at the table that the warrants themselves or copies thereof were not tabled.

Mr. Speaker: Order, please. I am sure this matter can be straightened out in due course.

Some hon. Members: Hear, hear!

Mr. Broadbent: On a point of order, Mr. Speaker, for some six days now the hon. member for Brant has been trying to get the Speaker's attention. Since he is neither a freshman member nor an old veteran, I wonder, before the emergency passes, whether Mr. Speaker could perhaps notice him tomorrow.

Mr. Speaker: Orders of the day.

* * *

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed from Friday, January 12, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session, and the amendment thereto of Mr. Crouse (p. 245).

Mr. Maurice Foster (Algoma): Mr. Speaker, in rising to continue my speech on the address in reply to the Speech from the Throne I wish, first of all, to extend my congratulations to you, Mr. Speaker, on your re-election as Speaker of this House. You have distinguished yourself in this position in the last two parliaments. You have shown courage and dedication by agreeing to accept this high office again. Whatever the difficulties of this parliament, and judging by the breakdown of the numbers in each party there will be many, your wisdom and firm hand will maintain the dignity and decorum of the House.

I also want to extend my congratulations to the hon. member for Halifax-East Hants (Mr. McCleave) on his election to the position of Deputy Speaker. I have confidence in him and count him as a friend. We spent several weeks together at an Interparliamentary Union conference in 1969. I believe that the Prime Minister (Mr. Trudeau) and the House have shown real wisdom in appointing him Deputy Speaker. It will require all the sagacity, good will, and humour that the Chair can muster to make this a productive House.

I consider it a great honour to be re-elected to represent Algoma in the House of Commons and I thank my constituents for this responsibility and the opportunity to serve them. Election campaigns bring a person in to close contact with many people in a compressed time frame, they are more effective than any other methods I know of. The excitement and celebration of winning an election campaign can only be justified by hard work both in this chamber and in the constituency.

I congratulate the mover and seconder of the address in reply. They have youth, vigour, and eloquence in both our official languages and show great promise of becoming competent Members of Parliament.

I am especially pleased that the hon. member for Nipissing (Mr. Blais) was chosen because he comes from northern Ontario. We are often concerned that not enough attention is paid to northern Ontario. Part of this problem stems from the fact that we are from a "have-not" area of a "have" province. We have many problems similar to those of the western and eastern provinces, such as high transportation costs, declining population and slow economic growth. However, because we are part of a wealthy province our needs are not fully recognized either at the provincial or federal level in many instances.

This is brought home only too forcefully in the proposals of the Representation Commissioner which were published on December 27, 1972. These proposals suggest that there will be two fewer Members of Parliament to represent northern Ontario in the House of Commons. This means that ridings which are already too large will be larger. Members who now divide their time as carefully and fairly as possible between dozens of communities will have to add many more towns and villages. City Members of Parliament do not fully appreciate how much the smaller communities depend on their Member of Parliament to help them in making approaches to government with a maze of what might be considered small problems. In the totality of government expenditures they may be relatively small problems, but for these communities they are big and important matters concerning their progress and development. When I see the ridings enlarged in northern Ontario I am not concerned so much about the extra miles I will have to travel as with the fact that the members for such enlarged ridings will have relatively less time for each community. I am also concerned that the total impact of members from northern Ontario will be made by 10 members instead of the present 12. It seems to me that the Representation Commissioner in the final determination should consider these facts before reducing the total number of members in the north.

• (1200)

An important step was taken in 1969 to rectify the discrepancy between the north and south by the establishment of the Department of Regional Economic Expansion and the designation of northern Ontario as an area where special assistance was available. It is strange that the provincial government, with all its wealth and power, does not have special assistance available to the slow growth areas of the north.

The DREE program has been criticized by many during the recent election campaign as being ineffective. I want to see the program strengthened, improved and made more flexible. I think that the minimum size for enterprises which can qualify for incentive grants should be reduced. I am pleased to see that the department is to be decentralized as this should bring it closer to the areas to be served. It will make personal consultation and discussion possible.

I was pleased to read in the Speech from the Throne as well that there will be improved assistance to strengthen management and consulting services for small businesses along with improved access to financing facilities. It is a

constant problem for the small businesses in my riding to secure financing for their enterprises. It seems there should be increased management services available to recipients of DREE grants to ensure that these companies not only meet the equity and other requirements of the act and regulations to qualify for a grant, but also to continue to keep the project operating viably.

I would like to see DREE grants available to the tourist industry as well. In many areas of Canada which are now designated for these grants, such as northern Ontario, we have all the natural beauty for tourism. We have, in the Algoma riding alone, hundreds of miles of shoreline on Lake Huron and Lake Superior as well as a multitude of lakes and streams. However, the financial wherewithal is lacking to develop our tourist industry fully. The Speech from the Throne outlines help for the tourist industry. I hope this is help which will be beneficial at the local level and not just some national survey system which will have little effect.

I am looking forward with interest to the Minister of Finance (Mr. Turner) introducing changes to extend and improve the Industrial Development Bank. This will be good news for the small businessmen who in the past have found it a hard-nosed organization with high interest rates and closed-end mortgages in which no one could get very interested. The rates should be lowered and the pay-off arrangement should be open-ended. I am told by businessmen in my riding that the funds available and the interest charged by the bank in making loans have increased in the past several months. This is encouraging. When the amendments are introduced I hope they will contain provisions to make the terms of the loans more attractive.

The Speech from the Throne proposes that the federal government will meet with the provinces to examine the impact of freight rates on economic development and consumer prices. There can be little doubt what the results of this examination will show. It will show that freight rates and transportation costs raise consumer prices in northern Ontario and inhibit economic development. The DREE program of incentive grants is designed to be a stimulus to overcome this effect on economic development, but it does not fully compensate for the transportation costs. The costs of transportation are likewise detrimental to consumer prices in the Algoma riding. This meeting of federal and provincial governments should produce a solution to this problem which is as old as confederation itself.

I suggest that when these discussions are held with the province of Ontario they be held in northern Ontario. We are the people who suffer from the high freight rates. We are the people most concerned in this province. The good will of both the federal and provincial governments in these discussions could be demonstrated by holding these meetings in northern Ontario.

The Speech from the Throne gives an outline of the measures to provide jobs on a direct employment basis to counteract the unemployment problem. These include the local initiatives program, the on-the-job-training program, direct employment by the federal government on labour-intensive projects and the winter capital projects fund.

I believe that the winter capital projects fund will be a most beneficial program to municipalities. It will be a loan fund of $350 million for community projects. As I understand the program, it will operate for two and a half years. One half of the on-site labour costs will be forgiven during the summer months and all of the labour costs forgiven during the winter months. The advantage to the local municipality is that it provides a source of loan funds in which labour costs are forgiven. However, all the construction does not have to be undertaken during the difficult winter months, although there is additional incentive if it is carried out then. I hope the Minister of Finance will be sending the information on this program in the very near future to the provincial governments who will administer it. There is interest in this program, but detailed information is just not available.

Likewise, with the local initiatives program the approvals are coming through so late this year that the total impact of the program is reduced. Henceforth, the program should be started with the approval of projects so that work can begin in November and, where projects are not completed by May 31, extensions should be made.

The Speech from the Throne outlines several measures concerning our social policy. The relationship between social aid, unemployment insurance and work in our society is one of the most complex because it involves all levels of government, the private sector of our economy and a person's ability to work and get a job. It is proposed that the blind, disabled and aged will receive an equitable guaranteed annual income, that there will be an incentive to work built into our social welfare system and a more equitable relationship between those who require social aid and those who work at the minimum wage level. There has been increasing criticism of these problems recently in my constituency. Good co-ordination between the welfare board and community local initiative programs has been beneficial in some areas of Algoma. However, this has only been helpful in the winter months. I hope these proposals contained in the Speech from the Throne will be useful in building a system which will utilize the employable recipient of welfare or unemployment insurance benefits for worth-while community projects when no work in the private sector of our economy is available.

The speech also outlines the intention of the government to increase the benefits of old age pensioners. This will be welcome news to the pensioners in my constituency. I am surprised that more people are not aware of the automatic escalator clause in the old age pensions which we passed last spring after the budget. it is my understanding that the basic old age security pension is now raised to $86.51 per month. The maximum benefit under the guaranteed income supplement and old age security is now $156.75 per month for a single pensioner and $297 per month for a couple. The Minister of Finance should immediately introduce the bill to increase the additional exemption for old age pensioners to $1,000. I have received many letters from constituents requesting that this provision of last June's budget be implemented.

We have seen some interesting politicking going on in the House this week. We see the Leader of the Opposition (Mr. Stanfield) hungry for power, ready to move any motion and pursue any strategy to achieve it. We have seen "Prince George" of Hastings try to adjourn the

debate on the Speech from the Throne before the fundamental constitutional vote of confidence in the government was taken. I am glad to see that the other parties in the House are not buying this nonsense. It is interesting that the government won that vote 154 to 104, which is a larger majority than many of the votes in the last parliament. I do not believe the people of this country want this kind of politicking. I do not believe the people of this country want another election. I have talked in my constituency to voters from all political parties and they say: get on with the job of governing; bring in legislation to build a better economy and to build a better society, a better Canada.

• (1210)

Some hon. Members: Hear, hear!

Mr. Foster: This should be our goal this session, utilizing the outline of legislation contained in the Speech from the Throne to ensure that the real winners as a result of our efforts are the Canadian people.

Some hon. Members: Hear, hear!

Hon. Paul Hellyer (Trinity): First of all, Mr. Speaker, I should like to say how pleased I am that you have been unanimously chosen to preside over us once again. As your seatmate during part of the last parliament, I came to know your human qualities of understanding and compassion as well as your more public characteristics of a sense of justice and unfailing good humour. In the performance of your duties I know you will be supported and encouraged by your lovely and gracious wife.

Some hon. Members: Hear, hear!

Mr. Hellyer: I should like to extend my congratulations also to the hon. member for Halifax-East Hants (Mr. McCleave) who will act as your deputy. Few members of this House are as universally regarded with both respect and affection as he.

[*Translation*]

I also wish to congratulate the hon. members for Nipissing and Lachine (Messrs. Blais and Blaker) on their being elected to the House of Commons, and on having had the honour of being chosen mover and seconder of the Address in reply to the Speech from the Throne which task they fulfilled with eloquence. They are fortunate in being able to speak with such ease both official languages of our country. I wish them much success in their parliamentary career.

[*English*]

Although the quality of this debate has been unusually high, Mr. Speaker, I must say I was disappointed in the speeches made by the Prime Minister (Mr. Trudeau) and the Minister of Transport (Mr. Marchand). Fairly interpreted, their speeches have indicated that they have learned nothing from the election results. The people have spoken but the message has not been received by the government. The big three, now augmented by the incarnation of the hon. Minister of National Health and Welfare (Mr. Lalonde) to the big four, have not got the message. They did not listen to their colleagues in cabinet; they largely ignored the warnings of caucus; they totally ignored the most important policy decisions of the Liberal party and now they demonstrate by their attitude and by their intemperate language that the people, too, count for nothing.

Bilingualism was not a big issue in the election. It was important in the Ottawa area because the pledges given by Prime Minister Pearson and then by the present Prime Minister were not honoured. This created an atmosphere of suspicion and mistrust which was bound to be reflected in the vote. But in so far as the rest of the country is concerned, the issues were far more complex and represented, for the most part, a rejection of governmental incompetence and bungling in economic matters. This government failed to solve the ordinary issues of jobs and prices and housing as they affected many citizens, and the vote said so. It was an amalgam of unemployment, inflation, the abuse of unemployment insurance, the failure to take realistic steps to increase Canadian participation in the ownership and development of our own industries and resources, questionable LIP and OFY grants, failure to alleviate regional disparity, and a generally makeshift and amateurish approach to the solution of economic problems that destroyed the credibility of the government and its leaders.

Some hon. Members: Hear, hear!

Mr. Hellyer: The unemployment rate in Canada is too high. It is the worst of any industrialized country in the western world. This is a shameful situation, and, and as one United States economist said in Toronto a few weeks ago, it is totally unacceptable—he could not understand how it could be tolerated. His view was typical of the view held by others. A couple of years ago when I travelled around the world talking to some of the best economists, labour leaders and bankers, I was asked from time to time what the unemployment rate was in Canada. My answer was received by them with disbelief. In several instances, the person to whom I was talking asked: how could any democratic government survive with an unemployment rate as high as that?

We do not need United States economists or others to tell us about unemployment. We know it is a totally unsatisfactory situation. We know it is totally unacceptable to many Canadians and that something must be done about it. On Sunday I interviewed a number of constituents who were passionately—and in some cases desperately—seeking work at a living wage. The fact that they cannot find employment at a living wage underlines the contention that our unemployment rate is the number one indicator of gross incompetence. It is also the number one indicator of moral failure. When we have such a high unemployment rate, is it not a strange anomaly that there are, at the same time in Canada, tens of thousands of unfilled jobs? Many reasons are cited for this paradox. Some suggest it is because the unemployed do not have the proper qualifications for the jobs being offered. Close scrutiny indicates this is not normally the case. It is also suggested that many unemployed persons do not really want to find work. While this may be true of a small minority, a more credible and accurate explanation lies in the fact that in many cases the wages being offered are not sufficient to live on, and that in tens of thousands of

cases the relative advantage of working as against drawing unemployment insurance or welfare provides no incentive. Many individuals are financially better off not to work—or at least not to work full time.

The net result is business and moral chaos. Dress and garment manufacturers cannot hire needleworkers because potential employees can make more on unemployment insurance while doing piecework at home for cash. Tobacco growers could not get enough help to harvest the crop without hiring illegally, under assumed names, young people who were already in receipt of unemployment insurance. Tomato growers could not hire students at $20 a day to harvest their crops. Florists cannot hire workers to tend their greenhouses. Farmers are selling dairy herds because they cannot compete with unemployment insurance. These are some of the symptoms of distortions in our economy, Mr. Speaker. The root causes are deeper. Since 1970 there has been inadequate demand to provide enough jobs for everyone. The big powerful companies and their equally powerful unions have used their monopolistic or oligopolistic power to their own advantage and to the detriment of the weak. Small businesses and non-union labour have been unable to keep up. They, along with the old age pensioners and others living on fixed incomes, have been squeezed unmercifully. The maldistribution of income both regionally and vertically between citizens not only remains but has been exacerbated. Some people were so naïve as to believe that the Department of Regional Economic Expansion would achieve miracles. But with its subjective approach to decision making, how could it hope to succeed.

• (1220)

My makeshift lectern, Mr. Speaker, consists of nothing but press releases and reports from the Department of Regional Economic Expansion telling us how much money it has spent and how many jobs it has created, or so we are told. But the jobs have evaporated. In December 1968 there were 152,000 unemployed persons seeking work in Quebec. In December 1972 there were 206,000 unemployed persons seeking work in Quebec, 54,000 more unemployed people in that province than when the Department of Regional Economic Expansion was established. Hundreds of millions of dollars down the drain, and for what?

In some cases money was given to businesses to do what they had planned to do in any event. In other cases, the departmental assistance merely resulted in moving unemployment from one part of the country to another at the taxpayers' expense. In these circumstances, how dare the Minister of Transport (Mr. Marchand) say that the criticism levelled at him and his former department was based on anything other than gross incompetence.

At the same time that the minister was doing his inadequate best to create a few new jobs through the Department of Regional Economic Expansion, the government wiped out a larger number of jobs with its restrictive monetary policy. It was this schizophrenic approach to economic policy which Eric Kierans, and others, could not stomach. The shortage of aggregate demand caused by the tight money policy persists to this moment in spite of the government's best efforts. This is not news. No reliable forecaster has suggested that full employment was just around the corner. No government spokesman has been so bold as to suggest that it is. But in spite of this, the government is still running a crisis operation without benefit of long-term planning.

As long ago as last June, the provincial premiers warned that policies to provide additional job opportunities would have to be launched at once to be effective in the winter months. Yet, notwithstanding this unanimous warning, the government procrastinated. Once again its makeshift programs were too late. The LIP program and the training on the job program were too late for efficient administration. The result is waste of precious funds, Mr. Speaker; inefficient, frustrating waste. I was interested to note that the Liberal speaker who preceded me agreed with my analysis.

On the more positive side, Mr. Speaker, it is somewhat encouraging to see the government's new-found interest in small business. The Minister of Industry, Trade and Commerce (Mr. Gillespie) reminds us that 60 per cent of the Canadian labour force is working for establishments having the essential characteristics of a small business. Under the circumstances, one might wonder why this sector has been so badly neglected until now.

The package of assistance outlined by the minister is quite impressive on paper. I hope it will produce results. Anyone who is experienced in small business is entitled to be a bit sceptical, however. It would take a tremendous boost to compensate small business for the hurdles which have been placed in its way. Our tax laws, especially death duties, discourage entrepreneurship. Our chartered banks are unduly concerned with potential losses from small business and consequently adequate financing is not readily available in many cases. And in this context, an uneven monetary policy and periodic reliance on monetary restriction have put thousands of small businesses into bankruptcy unnecessarily. On top of this, several levels of government are driving small businessmen up the proverbial wall with the number and complexity of laws and the paper work accompanying them.

I would just like to read one letter in support of that contention, Mr. Speaker. It is a letter addressed to the hon. Minister of Labour (Mr. Munro), dated December 7, 1972, "Re: Statistics Canada". It is as follows:

Dear Sir:

I wish to register a complaint regarding the activities of the above agency.

Recognizing the need for providing our government with information concerning the operations of Canadian business and the wages paid, I have conscientiously endeavoured to comply with all requests of the above agency covering a period of some twenty-five years.

However, during the past two or three years, businesses have been deluged with an ever mounting variety of forms, many of which ask for the same information previously supplied.

The latest outrage is Form ES24 which calls for wage information covering the period August 1971 to July 1972, which has already been reported on a monthly basis on Form ES-1A for the past several years.

For your further information the following forms all relate to wage information demanded by the above agency:

JVS — 6B
ES — 2
LER40 —005
8003 — 73
8003 — 251

The manner in which information is requested suggests to me that the persons compiling these forms do not possess business experience, as some of the questions cannot be answered in any rational manner.

Compliance with these requests require the small business man to pay fees to have this work done and I submit that this is nothing more than taxation.

I have refused to file the Form ES-24 as records previously filed should provide the information requested.

Your early reply will be appreciated.

Yours very truly,
"C. S. Massey"
C. S. Massey
Accredited Public Accountant

Anyone who has operated a small business will say "amen" to that complaint.

The lack of encouragement for Canadian small business and the constant harassment of officialdom has resulted in the sale of many businesses to foreign owners. The screening agency proposed by the government at the last session of parliament would accomplish little. Now the Minister of Industry, Trade and Commerce promises more.

But he did not explain how the present trend would be reversed. He did not say how Canadians would be encouraged to save more so that they could participate more fully in the ownership of Canadian resources and industry. He did not promise that the government would curtail its appetite for new programs. He did not explain how the combined effects of confiscatory tax laws and inflation would be overcome.

The consequences of the combined effects of taxation and inflation on savings are not well understood. Let us take last year's Canada Savings Bonds as a case in point. The coupon rate for the first year is 5.5 per cent. From that must be deducted the inflation for the year, namely 5.1 per cent. That leaves a net return before tax of four-tenths of one per cent. Now if a taxpayer had a 30 per cent tax rate he would have to pay 30 per cent tax, not on the four-tenths of one per cent but on 5½ per cent. That would be 1.65 per cent.

The net result is that anyone with a tax rate of 30 per cent who bought Canada Savings Bonds in 1972 and held them for one year only would not only be lending the government money with no return but would actually get back 1¼ per cent less purchasing power than he had at the outset. Only if he held the savings bond until maturity, and assuming that inflation will not rise above its present level, would the investor break even. In 1984, the poor sucker would get his money back without loss, once again, assuming that he did not have to pay to get his income tax forms and other accounting done for him. A grateful government would have the use of the taxpayer's money for 12 years without cost.

Unfortunately many other Canadian investments are equally discouraging. Many investors are hard pressed to place their savings where the purchasing power at the end of the year, after tax and inflation, will be as great as it was on New Year's day. Is this the climate of opportunity that will encourage Canadians to scrimp and save in order to invest in their own future? I doubt it. It is hardly a healthy climate for business of any kind, small or large.

As important as inflation is for the investor or potential investor, it is 10 times more important for people at the bottom end of the income scale who cannot afford to live, let alone invest. Prices are going up—up—up. There has been a total failure on the part of the government to cope. The 5.1 per cent increase in the consumer price index in 1972 is the largest increase in 22 years. The Canadian experience has become, as one OECD economist put it, "a classic example" of what to avoid in fighting inflation.

• (1230)

In human terms, inflation spells tragedy. A case which came to my attention Saturday is typical of many I know. A constituent, a married man with two children, one aged 11 the other an infant, earns $4,900 a year. This leaves him $80 a week, net, in his pay envelope. He pays $35 a week rent plus $5 a week for coal. That leaves $40 weekly for a family of four. The wife requires special medication costing $15 weekly, leaving $25 for food, clothing and all other necessities. Last week she did not have $6 to pay the hydro bill and was threatened with having the service disconnected. When this man looks at some of the makeshift government programs on which his money is spent, he is full of resentment. Can you blame him, Mr. Speaker? How is a family going to survive under such circumstances? It is a desperate situation. Something must be done, now, to alleviate the suffering, both physical and psychological. A lengthy investigation into food prices will not satisfy this family, Mr. Speaker. They want action now.

Some hon. Members: Hear, hear!

Mr. Hellyer: Although the nature of our cost-push inflation is not yet admitted by all economists, the consensus is shifting. The threadbare orthodoxies which have governed official thinking are coming into disrepute. A total revision in thinking is necessary to avoid total catastrophe. The ability of the strong to exploit the weak must be curbed. A fairer distribution of income is essential to offset the distortions created by monopoly power in the so-called market place. A system under which a construction union can get a 35.7 per cent increase in 18 months while the minimum wage in nine of the 10 provinces is less than $2 must be re-examined, not after a royal commission or a task force has studied the problem to death, but now.

In summation, then, Mr. Speaker, the present situation will not wash. We have the highest unemployment rate in the western world while tens of thousands of jobs go unfilled. Confiscatory tax rates discourage savings and encourage sell-out to foreigners. Makeshift programs that result in frustration and waste, distort priorities while undermining accepted values of prudence and administration. Some people have never had it so good while the underprivileged and disadvantaged are desperate. Rising prices are causing real hardship and eroding the savings of innocent and helpless citizens.

This sad catalogue more than justifies support of the amendment now before us, Mr. Speaker. In particular, the members of the New Democratic Party, if they have not lost their compassion, should support it vigorously. Their reticence is inexplicable.

The hon. member for York South (Mr. Lewis) said in Toronto last week that members of this party would vote for the Communist manifesto in order to gain power. He is wrong, Mr. Speaker. We would not even vote for the Regina manifesto in order to gain power.

Some hon. Members: Hear, hear!

Mr. Hellyer: This is not difficult to understand. More difficult to understand would be support by the hon. gentleman of reductions in corporation income tax in order to save, temporarily, his electoral skin while at the same time aiding some of his favourite corporate welfare bums. That would confirm the suspicion that the unholy alliance between the NDP and the government will be remembered as the most notorious fuddle-cuddle in Canadian political history.

When the vote is taken tonight, Mr. Speaker, I hope that all those members of this honourable House who really believe in their hearts that action is the handmaid of compassion will vote for the amendment.

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I wish to join with all the other honourable members of this House in saying how pleased I am to see you installed again as the Speaker of this Chamber. For you the burdens of office are particularly heavy, but we are all reassured that because you preside here our deliberations will be more orderly and, hopefully, more beneficial to those who sent us here. As well, I am personally very delighted with the choice of our new Deputy Speaker, a man who has the good reputation for both graciousness and fairness. I also know him to be a very hospitable person. This I discovered during a visit to Halifax in the summer of 1971 when I attended in that city an area conference of the Commonwealth Parliamentary Association.

I also wish to commend the hon. members who moved and seconded the Address in Reply to the Speech from the Throne. The excellent quality of their speeches has set a high standard for this debate.

As one who comes from northwestern Ontario, which is a developing region of Canada, I note with considerable satisfaction in the Speech from the Throne that in the area of economic policy the government remains committed to a program of regional economic expansion. Because of federal government assistance particularly since 1968, much has been achieved in this region which I am honoured to represent. That, of course, is quite contrary to what was just expressed by the hon. member for Trinity (Mr. Hellyer). But we all recognize that a great deal more remains to be done. It was for that reason that I sought re-election, and it was for that reason that the electors in my contituency sent me here for another term. Indeed, I am most honoured to represent the people who live in that important area of Canada.

We in northwestern Ontario will be most interested to learn from the government how decentralizing the Department of Regional Economic Expansion and extending and improving the Industrial Development Bank will assist us in lessening the continual economic disparity which exists between us and the more affluent regions of Canada. We have every intention of sharing in the good life that Canada has to offer, and we will work very hard to accomplish this goal.

The people who live in northwestern Ontario share to some considerable degree the kinds of grievances which are often expressed by those who come from western Canada. Our region belongs to neither the east nor the west, but is is the vital land bridge between the two. In common with those who come from the west, we know that the present freight rate system works against us. Because of high freight rates, the goods that we require in northwestern Ontario cost us more than the price paid by other Canadians. The development of secondary industry is discouraged because of the high cost of getting our products to markets. Meanwhile, Toronto and district are choking in their own growth, but we remain underdeveloped and underpopulated. It often seems to us that if the gluttonous south has had too much of highway building, airport development and expansion of housing, then why not let the people there look towards the mid-north where we desperately need all of these things and, of course, much more besides?

We in northwestern Ontario welcome the promised conference to examine the impact of freight rates on economic development. I would just remind the government, Sir, that although we are part of the great province of Ontario, northern Ontario is also a distinct geographic and economic region of Canada. We will therefore insist very strongly on having regional representation at one or more of these meetings which will consider the economic impact of the present freight rate structure.

• (1240)

We in northwestern Ontario are just as concerned about national unity as are Canadians anywhere else, but for us the question of national unity has little to do with language. It has, however, a great deal to do with the equality of opportunity and the availability of services which are considered essential by most other Canadians. In our region, we speak many different languages, including English and French, but we speak with one voice, we speak in unison, when it comes to asking for what most other Canadians take for granted, namely, an adequate level of health services throughout the region, decent housing, hydro electric power at the rate paid by our fellow citizens elsewhere, and adequate accommodation for our senior citizens so that they do not have to go hundreds of miles from where they lived and worked. We ask as well for reasonably prompt mail service; good, clear, television reception with a choice of channels; a say in some of the decisions which directly affect us; and more job opportunities for our young people, which, undoubtedly can be brought about if we would do more of the processing of our natural resources on the site before we send them south or export them abroad.

Later in my remarks I hope to say more on the subject of resource development, but now I would like to make a brief comment about television in our area. Many of our communities still have very poor or no television reception at all. It is the CBC's stated objective to extend its

television and radio service to every community of 500 persons or more. The government has authorized the CBC to extend its services in a comprehensive fashion, but we in northwestern Ontario feel that there is a great deal of foot dragging by the Corporation. The CBC loves to complain about its restricted budget, and yet there always seems to be money to send large crews abroad to cover sports extravaganzas such as the Olympics. Incidentally, the Olympics are one international sideshow which I hope does not come to Canada. The CBC has no difficulty in finding a large sum of money to produce an abortive drama series like the "Whiteoaks of Jalna"; the capital budget is never so restricted as to prevent the CBC from building huge broadcasting cathedrals to house the modern day priests of culture and communication. We in northwestern Ontario question the priorities of the CBC. We believe that the corporation is inefficient and wasteful, and we object to the CBC's expensive pampering to the prissy, over-sophisticated tastes of a mere handful of Canadians. It would certainly be refreshing if this corporation could rediscover the meaning and value of popular entertainment.

To go to another topic, let me say that during the recent election campaign many residents of northwestern Ontario raised the question with me and other candidates about the ownership of land in Canada by aliens or non-residents. I hasten here to define the meaning of non-resident in this context. By non-resident is meant an individual who does not have Canadian citizenship or landed immigrant status. The throne speech refers to measures dealing with the sale of land to foreigners. What is needed now is a moratorium on the sale or lease of private or public land to aliens until such time as suitable legislation can be prepared and enacted. The moratorium ought to take effect immediately.

I subscribe to the view of those who argue that Crown land, whether in the federal or provincial jurisdiction, should not be sold under any circumstances. Further, Crown land should not be leased to non-residents. Where non-residents now own land in Canada, they should be subject to double taxation, and certain areas of high recreational potential must be expropriated and returned to public ownership.

The Speech from the Throne mentions that steps will be taken to assist in the development of the tourist industry in Canada. One of the ways in which this can be done is to reduce the number of non-resident owners of recreational land in a tourist region. Since one of the main objectives in tourism is to maximize profits, we should consider the relative economic benefits of two groups of tourists. The first, and the largest group, consists of true tourists, those who are travelling through an area, eating in restaurants, staying at camps, campsites or motels, and possibly paying admission to certain attractions. The second type of tourist is the non-resident owner who makes directly for his or her own private spot of seclusion and remains there. As a group, the non-resident owners are smaller and much less economically important than the travelling visitor or "guest" type of tourist.

To help attract even more of these travelling tourists, governments should be doing much more. They should become much more active in the establishment and the running of local family-centred summer and winter tourist facilities. No subsidies should be given for the operation of tourist facilities by non-residents. Both levels of government should determine the requirements of the private tourist industry to help meet the growing pressures on facilities from the rapid increase in tourist traffic from the United States. Again, no subsidies should be given to non-resident tourist industry operators.

Northwestern Ontario is a vast area, and at present tourists are permitted to wander almost at will and without the help of qualified guides. This, of course, has reduced suitable employment for many of our native people and also results in many of these tourists becoming lost in the bush and sometimes dying there. Many of us are of the opinion that non-resident tourists should be restricted to the use of recognized campsites on Crown or private land, managed either by the government or by private enterprise. The non-resident should not have the privilege of placing his tent, camper or trailer in any unposted area and using the natural facilities at will, leaving nothing behind except his garbage. Non-resident canoeists should have a prepared route and alternate route designated by the provincial department of natural resources. Non-resident tourists flying in by private or chartered aircraft should have an approved destination. Areas open to use for "fly-in" tourists must be designated and controlled, and only in this way can we prevent the prevalent poaching which is presently going on throughout northwestern Ontario.

Provincial and National parks in Canada, particularly those which are close to the U.S. border, are under very intensive pressure. One of the ways in which we could increase the revenue for park maintenance would be to charge much larger park admission fees for non-residents than is paid by Canadians. This may sound discriminatory but remember that most United States jurisdictions do this, and we are certainly foolish not to follow their example.

Returning to the question of the sale of private land to non-residents, there are some who will argue that there are legal problems associated with measures which would restrict the sale of land to non-residents. The proposition is put forward that the Canadian citizen has the constitutional right to dispose of his property as he sees fit. I submit that this is not the case. Government has the inherent power to act in its social and material interest in laying down conditions respecting aliens. The ownership of our land by large numbers of aliens does have an adverse effect on our social and material well being. The federal and provincial governments not only have the right but also the duty, to enact legislation to deal with this growing and serious problem.

• (1250)

It is interesting to note in the Speech from the Throne, Mr. Speaker, reference to these three items: extending and improving the Industrial Development Bank; assistance to credit unions, and aid for small businesses by improving their access to financing facilities. I approve of all these proposals, Mr. Speaker. The Industrial Development Bank has helped entrepreneurs when there was no other place for them to turn. It is true, as the hon. member for Algoma (Mr. Foster), has mentioned, that they had to

pay a rather high rate of interest to get the money, but at least they have been able to establish or expand their enterprises. There is no question about the fact that it is a matter of urgent concern that we help small businesses with their financing, and everything that we do to assist credit unions will certainly benefit Canada and Canadians. There are now 55,000 credit unions throughout the world with 38 million members. In Canada, every fourth person is a member of a credit union, and 5¾ million Canadians are enrolled in 4,500 credit unions. Ontario has over one million members in 1,400 credit unions. When the Speech from the Throne speaks of extending and improving the Industrial Development Bank, of improving financing facilities for small businesses, and of assisting credit unions, I certainly agree that these are necessary measures.

The question arises, however, as to what the chartered banks are doing in this country besides paying healthy dividends to their shareholders. Bank stocks are once again among the favourites this year, and no wonder. The combined after-tax profit of eight Canadian chartered banks was $229,956,000 in the year ending October 31, 1972, an increase of 23.2 per cent from the profits in the 1971 fiscal year. Banks are able to maximize their profits by depressing the rates of interest paid on deposits, by raising service charges as much as the market will bear, and by lending only to low risk projects.

It is obvious that projects sponsored by large United States companies will be preferred over ventures by smaller Canadian groups. Mr. Speaker, it is not right that our banks should be helping United States businesses buy out Canadian companies. It seems to me that our banks ought to reflect the national interest in their money lending policies. They ought to invest in Canada in proportion to the resources they derive from Canada. Recent studies have shown that there is no shortage of capital in Canada. New American capital that comes into this country is far exceeded by the export of capital to the United States by Canadians. One of the big failures of our banks is that they do not go far enough in allocating funds to specific regions of Canada, especially developing regions, and in permitting branches there to utilize the money in the best interests of that area.

The Speech from the Throne speaks of measures to increase Canadian participation in the ownership and control of resource projects. There may be some jurisdictional disputes in this regard, Mr. Speaker, but it is clear that action is required if our resource regions are to be truly Canadian rather than merely economic frontiers of the United States.

The rapid increase in the American demand for particular Canadian raw materials arising from the expansion of American industry and the progressive depletion of American domestic sources of supply, has placed Canada in an advantageous, and yet very dangerous position. In the short-term, the effects of this trend are obviously beneficial for Canadian producers, but this in turn leads to a potentially dangerous drain on the total Canadian resources in the long run. A good deal today can become a sell-out tomorrow.

The history of resource development in Canada includes varying degrees of emphasis at different times on exploitation, conservation and management. Today, as a basis for resource development and in the making of any new resource policy, the need for orderly management of our resources must be recognized. Although research has not indicated any short-term scarcity, the long-term outlook underlines the need for immediate action to prevent the rapid depletion of our non-renewable resources. Only a policy of orderly management will secure for future generations the optimum benefit from our resources; only a policy of orderly management will be able to rationally bring about a reconciliation of the goals of economic growth and environmental quality.

In conclusion, Mr. Speaker, I should like to say a brief word about water resources in northwestern Ontario. We have one of the most abundant supplies of fresh water of any region in the world. The government of Canada and the Ontario government are currently engaged in a jointly sponsored study to assess the extent of the water resources in this region. This activity makes us very nervous and just a little uncomfortable, Mr. Speaker. We have had repeated assurances from both the federal and the provincial governments that no massive diversion schemes for our northward flowing rivers are being contemplated. We want very much to believe that, but it is often difficult to trust the word of governments, as the citizens of Manitoba recently discovered with reference to a hydro project in that province. Mr. Speaker, I call on the Minister of the Environment (Mr. Davis) to cease and desist from all studies of our water resources which include the possibility of river diversions. Instead, why not transfer these funds into archeological and ecological research and into economic development projects which will benefit our native people.

I would ask the Minister of the Environment to withdraw, on behalf of the federal government, from this agreement with Ontario, which we believe may be a first step toward another huge hydroelectric project involving damming, flooding and general environmental destruction on a terrifying scale. We in northwestern Ontario do not want something like the James Bay hydro project in Quebec or something like the proposed Churchill River diversion in Manitoba. We respectfully ask both levels of government to recall their engineers and hydrologists—to please get out and stay out. Any attempt to divert our great northward flowing rivers in northwestern Ontario will be met with well organized, lawful resistance. There is now in existence an active citizens group to watch carefully and closely all and any activities related to river diversion in our region. We ask the Minister of the Environment for yet another word of reassurance that diversion schemes are not being contemplated and that any studies of such a possibility will be terminated.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, may I join with other hon. members in offering you my congratulations on your election once again as Speaker of this

House. I wish Your Honour the very best. I would like also to congratulate the House on its choice of Deputy Speaker. I feel that this choice is a good omen, since I understand that this is the second occasion in Canadian parliamentary history on which the Deputy Speaker has been chosen from the opposition side. This is an important deviation from custom, and we welcome it. In future, perhaps not only the official opposition but other opposition parties might have a representative in that important post.

I also wish to echo the sentiments of the hon. member who spoke just before lunch. I am at one with him in his comments on the CBC, as I come from a riding much the same as his which is served by only one television station. I think the CBC and CRTC have neglected in many ways the primary duty for which the Canadian Broadcasting Corporation was originally established, the duty of giving service to outlying areas which normally cannot expect to be served by commercial channels. The CBC and CRTC have been far too concerned about the content of programs available to that part of the population which is able to tune in to the American stations, and have forgotten about those portions of the country which can exercise little or no choice in the selection of television programs.

Having said that, may I now turn to the Speech from the Throne. On Monday last, the Prime Minister (Mr. Trudeau) launched into his reply to the Leader of the Opposition (Mr.Stanfield). During the course of his discursive and rambling dissertation, he attacked those who had brought his government to a minority position by suggesting that this result was achieved by a misguided group of candidates on my side of the House leading the electorate astray on various subjects, particularly his bilingualism program. Nevertheless, a short study of our recent history will disclose that this is not so.

A review of the past 12 elections will indicate, I suggest, that if the present party system is to continue, we shall be in a minority situation on many occasions to come. In the seven elections since 1957, as opposed to the five before 1957, the Conservative party has had strength in western Canada. In the five elections between 1935 and 1957 the party I support won an average of only eight seats west of Ontario. Since 1957, in seven elections the Conservatives won an average of 42 seats west of the Ontario-Manitoba border. The number of Tory seats in the present parliament is the average that the party has won in the past seven elections. That means that there is a great possibility of increasing Tory strength in western Canada. If present voting trends continue, it is apparent that there will be a good many minority governments.

It gives me great pleasure to note that the vote of Tuesday last found the NDP supporting the Liberal party. We have ample evidence in western Canada to indicate that the NDP is only a wing of the Liberal party, or else how could the minority government of the Pearson regime have withstood the many votes necessary to keep it in power for five years? I welcome this support of the NDP party for the Liberal cause, because it means there has been a polarization that will be good for the politics of Canada. In the last 50 years, western Canada has dissipated its political power in ideological groups supporting vague causes without any practical possibility of bringing their aims about. Perhaps we are witnessing merely a maturing of political thought in western Canada.

In the past seven elections the decision of western Canadians to give the preponderance of their seats to the Conservative party indicates that they are merely following the lead of Quebec. Quebec in the past 70 years has only deviated on two occasions from supporting the Liberal party. One was in 1958, a period of recent history well known; the other was during the 1920's, when agricultural problems so seriously upset the rural population of Quebec that they voted for a change. This polarization will almost certainly continue and will be a new factor in voting in Canada, particularly western Canada. After all, in our regional country western Canada is in conflict with Quebec on language and culture and with Ontario on economic matters.

The past 100 years of Canadian history show that there has always been a confrontation and compromise between the regions. The main added new factor will be that the compromises will have to take into account the third party, western Canada, and not just Ontario and Quebec. In the book "Pendulum of Power", written by James Beck, Mackenzie King was quoted as saying that during his years as Leader of the Liberal party, in the final analysis he always had to depend on Quebec for his political support.

The Prime Minister suggested that his bilingual program was misunderstood and used by his opponents in a bigoted and unfair way. Mr. Speaker, bilingualism was a factor in western Canada, in my experience at least, but there were many more long standing grievances against the government. Bilingualism was only one of many, many grievances that people expressed. The bilingualism program was an intellectual solution to a very difficult problem. Language is always a divisive force in any nation or group, as often as is religion. In the total population of our country, there are very few bilingual people. To pick out of this small group 25,000 of the 300,000 civil servants who, just because they are bilingual, are to make the executive decisions for this country, will cause intense resentment on the part of those who are unilingual.

• (1410)

It is small wonder the western Canadian voter feels he is largely shut out of the decision making process of the government and that there is little likelihood of any of his representatives attaining a place in this area. It might be said they should accept bilingualism as being necessary for Canadian unity, but I doubt whether most unilingual individuals are willing to accept a second class citizenship because they happen to be unilingual. The farther away from Ottawa these people are, the more unpleasant the policy of bilingualism appears.

The Prime Minister stated there would be some modifications. With a little imagination, the language problem could be solved in a more acceptable manner. If this is to be a two-language country, it is obvious that Canadians must belong to one or the other of these two language groups. The use of the two languages in the civil service will allow both languages to be represented in a way which will correspond to their statistical numbers in the

population. This will prevent injustices and imbalances occurring. It would be particularly useful to the minority language group to prevent undue discrimination, an event that could easily happen in the future.

The Prime Minister suggested that many Conservatives and their supporters were not sensitive to the problems of language, particularly as it pertains to Quebec and the separatists. The opposite to sensitivity is allergy. Many people in other parts of Canada are becoming increasingly allergic to this Quebec issue. Perhaps herein lies much of the danger to Canadian unity, probably more so than any other area. It is time to examine other methods of federalism to cope with our linguistic and economic problems.

This government achieved its most abject failure when, with our high rate of unemployment and rapid increase in the labour force, it failed to resolve our trade differences with our neighbour to the south, our largest trading partner. We have always had good relations with the Americans, but in this past 10 years we have seen a diminishing of good will. We all foresee that in the not too distant future there will be restrictions on the easy passage of commerce and people back and forth across the border.

It is difficult to feel that the resolution presented to the House last Friday will not be construed as unilateral censorship of the American bombing of North Viet Nam. We did not register a similar complaint when An Loc and Quangtri, two large cities in South Viet Nam, were razed last fall by Communist artillery. We did not raise any protest whatsoever. We do not know why President Nixon ordered the resumption of bombing, but a captured document indicates that the Viet Cong intended to start a reign of terror as soon as the cease fire came into effect.

There are 14 regular Viet Nam divisions that are ready to give the Viet Cong a helping hand in their task of plunging South Viet Nam into chaos. It seems likely that the president's demand and Hanoi's refusal that these divisions return home was one of the main reasons for the breakdown of the Paris talks. Despite such resolutions by this parliament, Canadians still expect the Americans to have no ill-will and no question of our right to have all possible privileges, and on the most friendly basis, in our relations with the United States. However, it seems unlikely that this sort of behaviour can continue without some reaction.

In a recent situation, Australian seamen imposed a union ban on United States shipping. This was promptly lifted when longshoremen on the U.S. coast refused to unload nine Australian ships carrying meat and wool, even though only two United States ships were involved. Two parties are always involved, and we have to remember this in our dealings with the United States.

The on-again, off-again auto pact talks have been with us for months. This government has made no progress in resolving our trade differences in almost two years. The world is dividing into giant trading blocs, such as the European, the Japanese and the Communist which, surprisingly, is demanding goods and even food from the west. The post-war ideal of free trade is being threatened by these three separate blocs. The other blocs, particularly the European Common Market, seem determined to discriminate against the North American continent. Both Canada and the United States face a world market which is hedged and bedevilled by trade barriers. Within the next two or three years, we will be faced with the protectionist follies of the 1930's.

Canada has her own peculiar problems. We lack a vast domestic market at home and are dependent on the single American market. We are even now affected by high unemployment. How is Canada to maintain its prosperity if the American market is damaged by protectionism? That sentiment is already being exhibited by a frightened congress. As Canada increasingly nourishes manufacturing industries by particular devices of its own, how can it avoid retaliation from the United States? We certainly have an example of this in the Michelin tire case where a United States agency assessed duty on tires because they were built in a plant which was given a DREE grant.

There is also the matter of our natural resources, particularly energy, and how much we will sell to the United States market. There are those who say we should not sell any, but this seems impractical in view of the fact that Canada itself must import energy and other raw materials.

In the past year, Canadian manufacturers have suffered a deterioration in their competitive position because of the appreciation of the Canadian dollar and the introduction of the DISC program. There has been a more fundamental and longer run adverse trend in Canadian manufacturing as far as competitiveness is concerned. The Canada-United States wage differential has narrowed considerably since 1960. All this indicates that the manufacturing industry in Canada, which we have been told so often must provide needed jobs for this decade, is facing a rather bleak future. The cooling of relations with Washington can only mean that our task will be more difficult in the future and Washington will increasingly disregard its counterpart in Ottawa. In the field of relations with Washington, this government has been most derelict.

I now wish to turn to the part of the throne speech that deals with small business. I am very glad this parliament has discovered the small businessman. In the four years that I have been here, this government has not done anything but pass legislation which did not help small businesses in any way. The throne speech indicated that small business has a great place in Canadian life. If this is so, I am sure the small businessman will be one of the first to say he has not had much recognition in the past. The tax structures and the ways of the modern economic system are fast driving him out of existence, yet it is almost the only way in which much of the rural areas of our country can produce and provide a living for their people. In the past four years, this government has shown little or no awareness of the small business, the small businessman and the small entrepreneur.

When speaking about small business, we must also consider agriculture which is almost wholly carried on in the small business context. It is still the basic industry of Canada. It is significant that even with the rise of food prices, the next cash income of farmers in 1972 will be less than in the previous year, 1971. I think the same will hold true for most other small businesses. The problem of small business in the past few years has been its inability to adjust to rising costs and wages, both of which have

been rising considerably faster than the ability of small business to cope. By the time it has been able to adjust either by raising prices or increasing productivity, wages and costs have moved on to a new plateau. In the case of the farming industry, the unit prices have not changed appreciably in 20 years. Farmers have had to adjust by increased productivity and, at the same time we have seen an exodus of people from the farm working force to other industry. The Minister of Industry, Trade and Commerce (Mr. Gillespie) suggested to us what a great thing it is that the corporation tax on small manufacturing businesses is to be lowered from 25 per cent to 20 per cent. But it was 20 per cent under the old tax law, and it will be appreciated that very few small businesses will fall into the manufacturing and processing category.

• (1420)

Recent tax changes dealt a heavy blow to small business. In agriculture, the loss of the basic herd, straightline depreciation on machinery and capital gains tax are especially onerous. The tax changes in the recent act affecting small corporations such as the wiping out of the low tax rate on investment income will prevent the accumulation of money in the corporation for expansion. Small corporations must save money for a period of time before expanding.

The small business entrepreneur starting out finds himself in formidable difficulties. As well as attempting to compete, and build his business, he must hire a tax accountant to keep him out of trouble with National Revenue, otherwise, through some tax misfortune, he may face severe penalties and the possible loss of what he has accumulated. He also must comply with numerous regulations, laws and special requirements in order to meet various standards. All this detracts from his ability to manage his business. But the government will remedy this, they say, because they will provide consultants. Mr. Speaker, I do not think any small businessman will be thanking the government for sending men around to tell him how to run his business better.

It is difficult for small businessmen to procure the necessary capital, and I doubt if the Industrial Development Bank will be particularly helpful. It is generally considered by many small business people that if the government has to finance them, it is hardly worth being in business. There is a great reluctance on the part of most small business entrepreneurs to rely on government loans and government handouts. The problem of financing for the small businessman is that the pools of capital normally available in the past have dried up or else are out of his reach. The introduction of the pension plan and registered retirement plans has meant that, at least in small communities, most capital is siphoned off to the large cities and it is not practical to invest it in the place it came from.

Pension plans are now the largest investment factor in the market at the present time. The government's interest in small business is laudable, but one has to face the fact that the individual entrepreneur is not faring very well in the present day business world. Generally, those who would be successful small business people can command a good salary in the wage structure of the commercial world. In the early years of his life and of his family, this is a very important consideration. In later years, the prospect of capital gains and estate tax at the end of his career, makes being a small business entrepreneur not particularly attractive. The government will have to do much more than to advise small business or to attempt to borrow it into existence before there will be significant improvement in the small business position.

Mr. Speaker, I would like to say a word about inflation. At this time, with the rapid rise in prices, I would advise that we look at all our options to achieve price stability. New policy options should be introduced to achieve a faster rate of real growth and lower unemployment rates and yet establish a climate of price stability so necessary for the future. There should be a reduction in all federal sales and excise taxes. This would exert downward pressure on the price levels because it would be passed on to the customer; a sales tax cut has an expansionary effect on real consumer demands as it lowers prices. Incidence of sales tax bears most heavily on the lower income group, so sales tax cuts are the best means of distributing purchasing power to those with low incomes; they are far more effective than an income tax cut.

Those with fixed incomes, the unemployed and those who have borne the brunt of the anti-inflationary program, would benefit more from sales tax cuts than from income tax reductions. The impact of the decline in prices would be more significant than a cut in income tax. A sales tax cut would reduce government revenues, but economic expansion would be stimulated and part of the tax revenue loss would be recovered. A sales tax cut increases real income, reduces wage demands and has the most deflationary effect of any tax cut. It would have the added advantage of helping the lowest income group more than an income tax cut would. Of course, many other things ought to be done in conjunction with a policy to contain inflation.

Mr. Speaker, the Speech from the Throne was full of vague generalities. It can be interpreted to mean almost anything. We shall have to wait for specific legislation to be brought down before we can make any reasonable assessment of what the speech really means.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, the encomiums which have been heaped on the heads of the presiding officers since this debate began have been fulsome indeed, and at this stage the repetition of those words of praise, even though sincere, might be somewhat ritualistic. Nevertheless, this debate does give us an opportunity to pay our respects to the president officers and to proclaim our devotion to the institution of the Speakership in the Canadian House of Commons.

Today, the speakership is a strong, vital and valuable institution. Without it, the House of Commons could not operate. The standing of the Speakership at the moment is due in part to the qualities of those who now hold the office and of those who have held the office in the past. It also derives in part from the standing which the Speaker enjoys arising from the fact that he is an elected member of the House; he comes to this House through the same process of election as all other hon. members. It has been suggested from time to time that an institution be created

called a permanent Speakership, something which would involve the creation of a special House of Commons seat.

The Speaker would thus be relieved of the necessity of seeking election in an ordinary constituency. For my part, if any such innovation involved a device which eliminated the necessity for a Speaker or a potential Speaker running for election like other commoners, then I would be entirely opposed to it. In this view I am supported by opinions of two former Prime Ministers, the late Mr. Pearson, and of the present right hon. member for Prince Albert (Mr. Diefenbaker). Mr. Pearson, speaking in a debate in this House in 1965, and referring to the possibility I have mentioned, stated:

> This device would certainly transform the Speaker from being an equal with his fellow members over whose deliberations he presides, into—and I say this in no derogatory sense—some type of parliamentary functionary, and I suggest that the change might even reduce the prestige of your office.

• (1430)

Later in the same debate, in fact the following day, the right hon. member for Prince Albert (Mr. Diefenbaker) said:

> I do not believe in the principle that a constituency should be set up for the purpose of providing a Speaker. He would then cease to be the first commoner that he is because he would be there by choice and not election.

I believe the very fact that so many hon. members have paid sincere tributes to the presiding officers indicates that at the present time the Canadian Speakership is working very well indeed, and any changes probably would be in the wrong direction.

Mr. Speaker, you do make a very imposing figure in the Chair. Your physical presence is very imposing, and no less imposing is your fair mindedness, your studiousness and your friendliness. I congratulate you as the hon. member for Halifax-East Hants (Mr. McCleave) for having become the Deputy Speaker of this House of Commons. Your selection as Deputy Speaker from the ranks of the official opposition underlines the simple reality that if this House of minorities is to produce and deliver for the people of Canada it will require the co-operation of all the parties in the House of Commons, and that reality will exist whether this party or the party opposite happens to sit in the treasury benches.

The mover and seconder of the address in reply performed exceedingly well, despite the fact that they were competing for attention in an atmosphere of concern and tension in respect of the fate of the twenty-ninth parliament. Other new members on all sides of the House made impressive contributions to the debate and I congratulate them most warmly, as I do congratulate them on their election to the House of Commons.

May I refer in particular to the maiden speech of the hon. member for Kingston and The Islands (Miss MacDonald) who pleased us all with her historical perception in a well delivered speech. She comes to the House of Commons well endowed. She is a Cape Bretoner and a MacDonald. As she pointed out, the first member for Kingston was a Macdonald, a Conservative like herself. In the intervening years, the Macdonald presence was further felt in Kingston by the representation of that historic city in the House of Commons by the late Angus L. Macdonald, a former Premier of Nova Scotia who, when he served Kingston, was the Minister of Naval Services in the Mackenzie King administration.

Of course, he succeeded the late Norman McLeod Rogers who represented Kingston, another distinguished Nova Scotian who met his untimely death in the service of his country. The late Angus L. was a great political figure in his day and a friend of a number of us presently in the House of Commons. He was certainly a friend and political competitor of the present Leader of the Opposition (Mr. Stanfield). He had just about everything. He was a Cape Bretoner, a Macdonald and a Liberal.

The hon. member for Kingston and The Islands bears the name of a Scottish heroine whose memory still lives because of her bravery in several historic episodes, but especially for her ingenuity in planning the escape from the English searchers of Prince Charles Edward Stuart known in history as "Bonnie Prince Charlie". Dr. Johnson, and I am not referring to Dr. James Johnson, who will be well known to the hon. member for Kingston and The Islands, but Dr. Samuel Johnson wrote about the original Flora during his tour of the Hebrides in 1772 saying that "Flora MacDonald is a name that will be mentioned in history, and if courage and self-sacrifice be virtues, mentioned with honour." Of course, his prediction was fulfilled for, if you travel in Scotland today, you will find memorials in Inverness, Skye and Uist, dedicated to the original Flora MacDonald.

May I make a prediction today, Mr. Speaker, à la Samuel Johnson. My prediction is that the hon. member for Kingston and The Islands, the modern, perceptive Flora MacDonald, will bring in our day added lustre to the old name and the old clan, and will deserve a secure place in our political history, though I hasten to add that I doubt whether such an outcome will excite the enthusiasm of the right hon. member for Prince Albert.

Mr. Fairweather: Is this a proposal?

Mr. MacEachen: May I now turn to a less agreeable subject, namely the current parliamentary situation. I suppose parliamentary maturity, like personal maturity, is to accept what comes of an election and to make the best of circumstances as we find them. Certainly no member of the House of Commons wished that the election results would be just what they are. In fact, the results were not wished upon us by ourselves, they were imposed upon us by the will of the Canadian people. Our job, inconvenient as it may be for some or all of us, is to accept the situation and to work within it as well as we can.

The NDP, the Social Credit party and the government itself have all fully accepted the results of the election and have declared their intention of doing their best to work within this parliament in order that parliament itself can work on behalf of the people of Canada. The government has accepted its responsibility of presenting a legislative program and the NDP and the Social Credit party have accepted the responsibility of examining that program and accepting or rejecting it on its merits. Absent from this acceptance of the present situation is the official opposition.

I have examined the speeches of the Leader of the Opposition, the hon. member for Peace River and the right hon. member for Prince Albert and nowhere do I find any indication that either of those hon. gentlemen is ready to accept the results of the election, let alone decide to work constructively within this House for the welfare of the people of Canada. They who accused this government of arrogance on every possible occasion have shown the greatest possible arrogance themselves by saying the results of the election are not for them and the twenty-ninth parliament is not their bag at all. The result is, of course, displeasing to them. They have made no commitment to make parliament work. They have no desire to prolong the life of this parliament. In my opinion, they have no desire, even if they did form a government, to place a legislative program before the House of Commons. The plan of the official opposition is absolutely clear from their conduct, and from their speeches since the session began.

• (1440)

Mr. Fraser: Your plan is quite clear.

Mr. MacEachen: Their plan was to propose, as they did, a non-confidence motion against the government, in the fervent expectation that that motion would be accepted and the government would fall. But having put the non-confidence motion before the House, they then hesitated before the full effect of that motion could be dealt with, and proposed a motion that the House adjourn.

Mr. Stanfield: No, no—the debate.

Mr. MacEachen: That ham-handed effort—Mr. Speaker, I thank the Leader of the Opposition (Mr. Stanfield). The motion was that the debate adjourn. That was certainly a departure from the plan. We took the attitude that the first duty of the government was not to present a legislative program but to secure and test the confidence of the House. That was the attitude taken by the right hon. member for Prince Albert (Mr. Diefenbaker) when he faced a minority House in October, 1957.

At that time the then Leader of the Opposition refused to put a non-confidence motion. The then Prime Minister, now the right hon. member for Prince Albert, was so upset because it transgressed parliamentary propriety and might deny him the opportunity of seeking the confidence of the House, that he complained. Indeed, he complained in a number of ways. As a matter of fact, I find his comments on that day quite useful.

Mr. Hees: You will find them useful on a lot of other days, too.

Mr. MacEachen: Now, he has a changed attitude. At that time, speaking about Mr. St. Laurent, who was the Leader of the Opposition, he said, as recorded at page 48 of *Hansard* for October 16, 1957:

> I could not quite follow him in the attitude that he took all the way through his speech. It was an attitude of criticism—sometimes captious criticism—this was wrong, that was wrong—

Can you imagine how the right hon. gentleman has changed, from the moment that he found criticism was wrong, until the speech that he made in the House the other day?

Some hon. Members: Oh, oh!

Mr. MacEachen: However, he went on to say, and this is the point I want to draw to the attention of hon. members opposite:

> If everything that is being presented is wrong or subject to criticism, why not do that which under ordinary circumstances would be the proper attitude to adopt? Why not permit a vote to take place regarding that matter which above all others is of the first consideration, whether or not we do enjoy the confidence of the House of Commons?

That sound principle, like many of the policies which the right hon. gentleman advocated, has been abandoned by the present Leader of the Opposition (Mr. Stanfield). He sought to interrupt a debate on a non-confidence motion and asked the government to present legislation—a government in which he had no confidence. What parliamentary folly is that!

So frustrated were hon. members opposite when the House seized the opportunity to defeat the official opposition, that some of them interpreted that procedural vote as a vote against old age pensions.

Mr. Baldwin: So it was.

Mr. MacEachen: What frustration!

Some hon. Members: Shame!

Mr. MacEachen: One of them said, referring to the government, "They stood in opposition to immediate relief for the old people of Canada". Another hon. member said, "They are voting against the consideration of old age pensions at this time." What a strange interpretation to be made in that frenzy of disappointment. Of course, what drove them up the wall was that the House itself refused to co-operate with them in their objective of bringing this parliament to a quick end, because that was their purpose, to bring down the government, to move over here, and then dissolve and have a quick election.

Some hon. Members: No.

Mr. MacEachen: There is no sense to their speeches. The Leader of the Opposition made a long speech. He did not say, "We must make this parliament work". He did not say, "I have a program." He did not turn to the Social Credit or to the NDP and say, "Members of this House, I have a better program than the Speech from the Throne."

Mr. Hees: That was obvious in the election itself.

Mr. MacEachen: All he said was, "They stole my program. It's stolen goods. It's grand larceny". This government, Mr. Speaker, is in the wonderful position, the enviable position, of being accused by both the NDP and the Conservative party of having expropriated their programs. The only difference is that the NDP is honest enough to give the House an opportunity to deal with its expropriated program, while the official opposition has no alternative to offer. Up to the moment, it is asking for the confidence of all hon. members but it has not told us what program it wishes to bring forward.

The official opposition did not tell us its pension program. It only wanted to stop the House, stop the clock, stop parliament and deal with pensions. But, I repeat, no speaker in the ranks of the official opposition has yet stated what their position is on old age pensions. Where do they stand? Is it the position that the Leader of the Opposition took during the election campaign, or is it a new position? What is their program if it is better than the expropriated program in the Speech from the Throne? The House did not co-operate. Why should it co-operate with the political ambitions of the Conservative party to form a government, dissolve parliament, and hold a mid-winter election without putting any program before the House?

Some hon. Members: Shame.

Mr. Nowlan: That's hocus-pocus.

Mr. MacEachen: The hon. member for Peace River has said in his speech, "Let us not listen to government proposals. Let us not find out what they have in mind. We know all about them because they have been in the government for a number of years." Mr. Speaker, in case any of the members of the Social Credit or the NDP are tempted to place the official opposition over here may I refer to a number of their accomplishments and achievements in the past.

Take the question of unemployment, now before the House in the form of a non-confidence motion moved by the hon. member for South Shore (Mr. Crouse) who, in his statesmanlike appeal for support for his party, called the NDP fakers and charlatans. Are those the words of a party that wants the House of Commons to work, that wants to prolong the life of parliament?

Mr. Baldwin: Was he that moderate?

Mr. MacEachen: Today we are being asked by the hon. member for South Shore to deny confidence to the government because of its bad record on unemployment. We all know the facts about the present unemployment figures, and there really is not much consolation in telling the House that the performance of the government in the field of unemployment is much better than the performance of the last Conservative government under the leadership of the right hon. member for Prince Albert.

• (1450)

An hon. Member: Nonsense.

Mr. Baldwin: You have the highest record of unemployment today.

Mr. MacEachen: The highest point of unemployment came in January, 1961. The highest absolute number of unemployed occurred in that month when it reached 690,000.

Mr. Nowlan: That was five elections ago.

Mr. MacEachen: Yes, five elections ago, and now the same crowd of people are asking to become the government of this country.

Some hon. Members: Oh, oh.

Mr. MacEachen: There were 690,000 unemployed persons at that time.

Mr. Baldwin: How about 1896?

Mr. MacEachen: I know my hon. friend has rejected the right hon. member for Prince Albert (Mr. Diefenbaker), but I did not expect him to do it openly in the House of Commons. That number of unemployed, 690,000, was the highest in this country. It has never been reached under the administration of this government. Last month the figures were high enough at 584,000, but in the meantime the Canadian labour force has grown from six and a half million to almost nine million.

Some hon. Members: Hear, hear!

Mr. Baldwin: How was inflation then, and what was the cost of living?

Mr. MacEachen: Our performance, on any comparison, is distinctly better than anything that could be offered by that group of persons opposite if they formed a government.

Mr. Baldwin: Why don't you say "nobodies"?

Mr. MacEachen: If the Leader of the Opposition formed the government, he would have about the same group of men around him, the same administrators. The former and potential minister of trade and commerce is right in front of us *in potentia*, and so is the hon. member for Peace River (Mr. Baldwin) who was associated with the former government. They might say that the Leader of the Opposition is new, that he was not part of that crowd. He was an acquiescent and quiescent supporter of the former right hon. gentleman in those years when unemployment in the Atlantic provinces ran consistently higher than it has done this year or in any year of Liberal administration. He did everything in the election of 1963 to put his "friend of high unemployment" back in office as the prime minister of Canada. Perhaps we have new blood in the person of the hon. member for Trinity (Mr. Hellyer) and new blood in the person of the hon. member for Saint Hyacinthe (Mr. Wagner)—these recycled Grits who have now come to sit on the Conservative benches. I would suggest that if this House wants Liberalism it would prefer it in a pure rather than a corrupted form.

Some hon. Members: Hear, hear!

Mr. Baldwin: The old group has the stench of decay.

Mr. MacEachen: They weep about pensions. It is hard to believe but when this crowd was in office the last time they left the old age security benefit at $65. They had been six years in office.

Mr. Hees: Tell us about six buck Harris.

Mr. MacEachen: That goes back seven elections.

Mr. Hees: Tell us all about the six buck boys.

Mr. MacEachen: They left the old age pension at $65, in April of 1973 the maximum GIS will be $156.75. Compare that performance, allowing the pensions to remain at such

a low level, with the performance of the Liberal government under the former prime minister and under the present Prime Minister (Mr. Trudeau). The House of Commons is asked to vote for that crown and to put them in office in the light of that performance and in the light of their failure to tell us what they propose to do.

Mr. Hees: Tell us when six buck Harris raised it to $46.

Mr. MacEachen: I am sorry that the right hon. member for Prince Albert is not in his seat.

Mr. Forrestall: You should be glad that he is not.

Mr. MacEachen: He is familiar with those years about which I have been speaking because it was in those years that he became so familiar with the practice of bundling about which he showed such a complete grasp in his notable discourse last week. In the 1962-63 parliament we were all here and we watched the great bundling that occurred between the right hon. gentleman and the Social Credit group in the House of Commons. That was an honourable course, so the prime minister of the day told us. It was honourable to prolong the life of parliament, and in order to prolong it he sought and received the support of the Social Credit party.

Mr. Hees: He did not seek it and he did not receive it, and you know it. Tell the truth, Allan. It is a poor speech but at least tell the truth.

Mr. MacEachen: The Social Credit party prolonged the life of that government in every vote except on motions it moved itself, and it did so consistently until February 4, 1963.

Mr. Hees: Tell us about the time when you supported funny money.

Mr. MacEachen: It was on that fateful day—

Mr. Hees: Do you remember that day? That was a fine, honourable vote, was it not?

Mr. Deputy Speaker: I regret to interrupt the minister but the time allotted to him has expired. It can be extended with unanimous consent.

Some hon. Members: Agreed.

Mr. Bell: Mr. Speaker, according to our previous practice the minister would be allowed another five or ten minutes to finish his remarks, and that would be agreeable at this time, but we would not want this to go on all day long.

Mr. Deputy Speaker: The minister has been given extended time.

Mr. Hees: Give us five more minutes on six buck Harris and the funny money vote. You were so proud of them in those days.

Mr. MacEachen: I must say I have not been receiving very much co-operation from the opposition in making this address, but I did think it was important to mention that history just did not begin with the opening of the twenty-ninth parliament, that we have had a minority situation before. We had a minority situation in 1962 and 1963. The government of the right hon. member for Prince Albert survived with the support of the Social Credit group until February 4, 1963 when between six and eight o'clock, the then leader of the Social Credit party changed his mind. What happened? I will tell you what happened.

The right hon. member for Prince Albert let him fall out of bed between six and eight o'clock that night and he changed his vote. Before six o'clock he said, "An election in Canada precipitated at this time by the events of the last three days and carrying an anti-American overtone would be a tragedy for Canada". That was before six o'clock, Mr. Speaker. After eight o'clock he moved a subamendment.

• (1500)

Mr. Fairweather: That was before you got to him.

Mr. MacEachen: That brought down the government of the day and, mind you—

Mr. Hees: What is all this proving?

Mr. MacEachen: It is proving a number of things.

Mr. Hees: Just give me one. Come on, let's have one thing that this is proving. You know it is not proving anything except that you are on cloud nine.

Mr. MacEachen: Mr. Speaker, it simply proves that what was then honourable in the mind of the right hon. member for Prince Albert today is ignoble because he is not the beneficiary of the support of members of the House that kept him in office in those days. It is instructive in another way—

Mr. Hees: Watch your voice, Allan; you are getting excited. Don't let your voice break like that. Think of your health.

Mr. MacEachen: It is instructive in another way, Mr. Speaker, because the other day the right hon. member for Prince Albert talked about "monstrous constitutional doctrines".

Mr. Fairweather: They have been modified over the week-end.

Mr. MacEachen: He is obviously drawing a lot on his own career. He was defeated on that night of February 5. He had called parliament the preceding September but did not sit all those days because there was a fairly long adjournment and his government fell on February 5. He had been sustained on about eight substantive motions that involved confidence but as I recollect, he did not, when he lost, resign. He did not say, "I am through"; he went to Government House and got a dissolution. When the then Leader of the New Democratic Party spoke that night he ended by saying, "Let the people decide"; the then leader of the Social Credit party said, "Let the people decide" and the right hon. gentleman got his dissolution and went to the people.

The thought that any Prime Minister today would contemplate the possibility of dissolution sends the right hon. gentleman almost into hysterics.

Mr. Bell: You would not say that if he were here.

Mr. MacEachen: Mr. Speaker, they have talked about Sir John A. Macdonald. We heard in the dulcet tones of the hon. member for Kingston and The Islands (Miss MacDonald) that he was the father of our country and the father of the Conservative party. We know what happened from 1867 to 1873, or whatever the dates are. Sir John A. Macdonald lost nine votes in this House—he lost them on supply, he lost them on money bills, he lost them on important government legislation, including a tariff measure; he lost them on all these things but he did not resign. When it is suggested that the present government might accept a defeat and not resign it is called a "monstrous doctrine". That is the theology of the right hon. gentleman from Prince Albert.

I remember reading at one time—

Mr. Hees: Are you going even farther back?

Mr. MacEachen: No. I am not. I remember reading at one time—

An hon. Member: King Charles lost his head.

Mr. MacEachen: Mr. Speaker, the interruptions of the hon. gentleman are becoming offensive.

Some hon. Members: Hear, hear!

Mr. MacEachen: I would like him to please refrain from further interruptions while I am making this speech.

Some hon. Members: Hear, hear!

Mr. Hees: If you can't stand the heat, you had better get out of the kitchen.

Mr. MacEachen: Mr. Speaker, it is not the heat I am worried about it is the lack of light coming from the other side.

I remember reading a biography of Sir John A. Macdonald, the father of our country, in which it was stated that at one of his meetings a supporter, overcome with emotion, got up and said to him, "Sir John, you will never die". Mr. Speaker, he may still live in this House of Commons. As we quote some of these precedents created by the father of our country, as we find our way through this difficult minority government, we will not hesitate to lean on those precedents in order to meet situations as we find them.

Some hon. Members: Hear, hear!

Mr. MacEachen: There is nothing dishonourable or monstrous about that.

Mr. Hees: Allan, have you seen a doctor lately?

Mr. MacEachen: Mr. Speaker, I noted the words of the Leader of the New Democratic Party (Mr. Lewis). He said, "Our votes are available only upon delivery"; he said, "We take a COD policy". I interpret that to mean "confidence on delivery". In this world in which we live, I am prepared to accept the brutal consequences of that brutal statement.

In the Speech from the Throne we have put before the House a series of proposals that up to the present have enjoyed the confidence of the House. We intend to deliver on these proposals.

Mr. Forrestall: You had better. We will kick you out of bed if you don't.

Mr. MacEachen: We intend to deliver and bring forward our legislative program in a way that will continue to justify the confidence of a majority of members of this House of Commons. But remember this: we in this party represent a historic party. We have integrity, we have identity, and in seeking our way through this minority House we do not intend to deform the integrity or identity of our party position, nor do we expect any other party to deform its integrity or its identity. We will work through this House of Commons week by week, and day by day to introduce a legislative program.

I want to say especially to members of the Social Credit party and the New Democratic Party that we cannot be expected to waive the normal procedures of parliament and the normal procedures of government merely to stay in office. We will bring in a budget when it is possible and when it is normal. We cannot bring it in tomorrow or an hour before a demanded time simply because there is an atmosphere of tension and uncertainty in the House. We cannot do impossible things, but one of our major commitments to the House was that the Minister of Finance (Mr. Turner) in his budget would bring forward major new fiscal and other measures to deal responsively and effectively with our most pressing economic and social problems.

Mr. Hees: Bully for you!

Mr. MacEachen: That budget will be brought forward and the House will have an opportunity, in due course, to deal with it and to decide whether it has the confidence of a majority of members. We have committed ourselves to bringing in new programs in the field of small business—alleged to be stolen goods! We have committed ourselves through managerial assistance and through amendments to the industrial development bank to assist with new programs for the business community. We have indicated our intention of bringing in an improved foreign takeovers bill and we have indicated our intention, through the Minister of National Health and Welfare (Mr. Lalonde), to consider major directions in consultation with the provinces in our social security system. The minister has already committed himself to a substantial increase in old age pensions.

The Minister for Regional Economic Expansion (Mr. Jamieson) has indicated to the House that those programs will be changed and remodelled in certain ways in order to bring about the decentralization of decision-making and to improve co-ordination. The minister responsible for urban affairs and housing has brought before the House a very ambitious new program involving hundreds of millions of dollars. It projects changes to the National

Housing Act that will provide more help for Canadians to buy houses.

• (1510)

Hon. members opposite are asking, "What is your legislative priority?" I have asked the opposition House leaders to make suggestions. We will bring forward a program just as quickly as we can complete the debate on the Address in Reply to the Speech from the Throne, which will be concluded tomorrow night hopefully, or Wednesday night. Then we will proceed with items on the order paper. We will try to deal responsibly with the conflicting demands on the time of the House. We shall deal with economic issues and other matters, including supply, which must be dealt with by the House. At least, the House must be given an opportunity to deal with that question. Then, there is the all-important issue of capital punishment. We will balance all this and present a program to the House. The government has declared its intention in the Speech from the Throne, and in speeches made by ministers, that it is prepared to produce a program to put before the House and to accept the consequences of a minority situation. We intend to live up to our side of the commitment. In this case, the government will pose and the House will dispose. Those are the rules of the game that I fully and enthusiastically accept and under which I wish to work.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I, as previous hon. members have done, express my appreciation of your election as Speaker of the House and say how glad I am to see Your Honour once again undertaking former duties. In my speech this afternoon I want to talk to some extent about farmers and agriculture. First, I want to make a few general comments about the Speech from the Throne which is, I suppose one might say, a declaration of intent on the part of the government. The government has laid out its view of the Canadian economy and of the situation of the Canadian people at this time. The throne speech refers to the needs of the Canadian people and of those things that need to be corrected. It covers much ground and much of that cannot be dealt with at once. I suppose, as is often the case in the affairs of man, we will need patience in the matter. I think that many in Canada may not have as much patience as some of us here have.

Let me note some of those items that are mentioned in the Speech. There is access to foreign markets. Grain exports are expected to grow. There is a commitment to job expansion. Capital works projects are mentioned. It is about time they were recognized. According to the throne speech special attention will be given to the four western provinces. There is a reference to a meeting to be held between the governments of those provinces and the federal government. That will be good for the medium and long term. There is also a proposal, already before the House, to examine food prices and how those prices are affecting the Canadian people. We are told that those prices have increased by 5 per cent in the past year. The one thing I want to do, Mr. Speaker, is keep a few things in perspective.

The other day the oil companies, that is those which refine our fuel, in concert announced a 2 cent per gallon

increase in the price of diesel fuel. That represents an 8 per cent increase in one of the most important inputs affecting the operation of the grain farmer of western Canada and of the other farmers across Canada. I noticed that the Minister of Energy, Mines and Resources (Mr. Macdonald) showed a good deal of equanimity when he was questioned in the House the other day on this subject. He did not seem to be bothered because this extra charge was to be visited on the food producers and, indeed, the general public of this country. It was no great concern of his.

I was first elected to this House in 1968. Between 1968 and 1972, Gulf Oil discontinued its refinery operations in Saskatoon. Imperial Oil is now about ready to completely discontinue the operation of its refinery in Regina. Perhaps that move has already been completed. Mr. Speaker, as a Member of Parliament representing Saskatoon, I protested against the discontinuance of the refinery operation there, partly because that action would take away from Saskatoon many relatively well paying jobs, because after all the petroleum industry is one of the better paying industries, and partly because that industry was developed in Saskatoon without any DREE grants, special assistance or anything like that. Like the co-operative refinery in Regina, it grew and developed by raising its own capital. When I and some officials in Saskatoon inquired why the Imperial oil operation was being discontinued, the answer we were given was that the move would result in greater efficiency. In so many words, the answer we were given was "Never mind, you small town boys; you do not know what this is all about. We will close down this operation and create a big refinery somewhere else, and the result will be greater efficiency." What is the result of that efficiency now, Mr. Speaker? The result is another 2 cents per gallon on the price of diesel fuel. That increase, as I said before, the minister responsible viewed with a good deal of equanimity. Let me tell him that the people in Saskatchewan do not view it with equanimity. There are people in Saskatchewan now who are saying that if the oil industry of Canada cannot do better than that, we had better nationalize it.

Some hon. Members: Hear, hear!

Mr. Gleave: You do not have to be an out and out socialist to find that the performance of the oil companies is entirely unacceptable. You need not be anything but an ordinary farmer who is getting doggone tired of being gouged. That is all. So, Mr. Speaker, I do not think you need look too far to fathom the reason for the shortage of fuel oil in the United States. Those in responsible positions have decided it is more important to bomb North Viet Nam than to heat the United States.

• (1520)

Some hon. Members: Hear, hear!

Mr. Gleave: We in this country should not have to pay extra money for fuel oil for that reason. The people of the United States can decide their priorities. They are a sovereign nation as are we. They decide their priorities and we should decide our priorities. Our priorities should be an efficient refining system which passes on some of the benefits of increased productivity and increased efficien-

cy to the consumers of this country. The farmers are a large part of the consuming public.

The fertilizer manufacturers have announced that they intend to get their pound of flesh shortly. In an article in the *Globe and Mail*, there is a report by Mr. R. R. Baxter informing the United Co-operatives of Ontario that there will not be sufficient fertilizer next spring. I am sure the Minister of Agriculture (Mr. Whelan) knows of the United Co-operatives of Ontario. If there is any other message in that article except that the price of fertilizer will be increased, I would like to know it. The signals are out. The notice is being given.

The price of fertilizer was also increased last spring. I received correspondence from farmers at that time. I asked the then Minister of Agriculture if some action could be taken to deal with this increase in price and whether there was sone kind of combine or a monopoly administering prices. The answer I received was "No, there is nobody in this chicken-house except us chickens. There is nothing wrong here, boys. There is no combine and nobody is getting together to set prices. Everything is open and above board." I expect that the same reply will be given this time if anyone should ask. Anyone who expects the price of food to go down at a time when the oil companies are increasing the price of fuel to the farmer and the fertilizer companies are getting ready to increase their prices is just whistling "Dixie". You can bet your life the farm machinery companies will not be far behind.

An hon. Member: They are away out in front.

Mr. Gleave: They are probably away out in front. I am pleased that the federal government will be getting together with the governments of the western provinces to determine what can be done in western Canada. I would be even more pleased if the Minister of Agriculture or the Minister of Energy, Mines and Resources (Mr. Macdonald) could tell us in the very near future what they intend to do about these immediate problems. I would be pleased also if the Minister of Transport (Mr. Marchand) could tell us what the government intends doing about a decent transportation system. He does not have to wait until the Prime Minister (Mr. Trudeau) meets with the western provinces. All he has to do is talk to Mr. Benson, the man the government put in charge of the Canadian Transport Commission a short while ago. A better idea yet would be to pick up the phone, fire him, and put someone else in that position.

Some hon. Members: Hear, hear!

Mr. Gleave: We in the grain business know that our ability to export is limited by the kind of transport made available to move grain. I referred to the article which mentioned the increase in the price of fertilizer. The limiting factor on the fertilizer companies' ability to supply will depend on their ability to receive shipments of potash and make shipments of fertilizer. We in this country are very dependent on transportation. We realize that our transportation facilities are not adequate to meet the needs of this country.

If there is one thing Canadians know how to do, it is to build railroads and rolling stock. We build and sell locomotives. Apparently no one in power is willing to tell the CNR and CPR to provide their services to the people who require them. It is about time somebody did this.

Some hon. Members: Hear, hear!

Mr. Gleave: I received a letter from the Canadian Telecommunications Union. They complained that approximately 200 of their number were being laid off. They also noted that Saturday service in the city of Prince Albert will be cut. Apparently we can no longer afford to have telegraphic service on Saturdays in a city the size of Prince Albert. The government fouled up the Saturday delivery of mail, and now the railroads are fouling up Saturday service by the telegraphic system. In the same letter, it was pointed out that two jobs would be lost in the Saskatoon office. In due time there will probably be days when the offices in Saskatoon will be closed. What is the matter with Canadians that we permit this kind of nonsense. It is about time we became more realistic about looking at the needs of agriculture. I have referred to the cost side and also the fact that we need a more adequate transportation system.

It is stated in the throne speech that the government is going to set up an equitable pricing system for grain and livestock. I do not know what genius is at work on that. The government also says there will be an efficient and timely movement of grain. I am in favour of that. It is also stated in the throne speech, and I quote:

> The Government supports the principle of an equitable relationship of prices of feed grain to livestock feeders in various areas of Canada.

I suppose the government intends to take some action, but I want to make myself perfectly clear. As far as I am concerned, the Canadian Wheat Board is the bargaining agent for the western farmer for wheat, oats and barley. Anyone or any government that proposes to take away that bargaining power or interfere with the right of the Canadian Wheat Board to price those commodities as it sees fit in its day-to-day judgment will receive the undivided opposition of members in this party who represent farm areas. When I see the gobbledygook in that statement, I am rather suspicious. I would prefer to have the objectives set out in plain and simple language such as an ordinary farmer can understand.

• (1530)

We are not carried away by the present grain situation. At the present time, worldwide, we find a situation which one would have to go back a long while in history to match. We are at a period when drought has caused crop failure in Russia, next to China the largest wheat producer in the world, also in India and in Australia, which are the other major producers in addition to Canada and the United States. At the same time that drought has been experienced in Indonesia in the rice area, floods occurred in the Philippines. A world wide shortage of grain arises automatically from such a situation. There is, besides, pressure on other foodstuffs—oilseeds and proteins generally.

The biggest stress will always be on transportation. The farmer is a realist. He does not expect the present situation to last forever, anymore than he expected the situation where large amounts were in storage in the late

sixties to last forever. About the only true thing one learns about the grain industry worldwide is that is is unpredictable.

Those who observe it for any length of time know they have to swing with the changes in productivity and demand. So, what we need is a policy which will meet such a situation. This hinges on transportation and storage just as much as on production. We hope that in the present session of parliament the government will come forward with a storage policy comprehensive enough that the farmer may look forward with confidence to adequate service in this field and in transportation. These are the areas in which we have suffered, mainly.

The government has also promised to take a look at storage policy in western Canada. If they were to rely to some extent on the advice given them by those who build and operate the co-operative systems they might be able to come up with a rational plan for change in the system without wrecking it in the process. I get scared when I hear some experts talking about collecting the grain in 80 elevators, trucking it into the terminals and then hauling it out again by rail.

An hon. Member: Better not try it.

Mr. Gleave: We must be concerned about preserving a viable farm industry. I do not think any nation has been better served than Canada when it comes to food production, in terms of both supply and price.

Mr. Whelan: Quality, too.

Mr. Gleave: The days of cheap land are over. We have occupied it all. The days of cheap labour for the farmer are over, and this House, as well as all those responsible for policy making, had better recognize that fact. The most valuable part of the farm scene at this time, next to the land itself, are the people who know how to operate a farm and how to use the land. And there are not too many of them. There are not enough. The small farm development legislation which the government devised last session is not properly designed to meet the needs of land transfer in this country. It is designed to enlarge farms, and within its limits, those who have managerial ability and who can gather together sufficient capital will be able to take advantage of it. But the real problem for farmers is in the area of labour, the cost of land and the cost of money. There is only one province which is trying to devise a means of transfer which will not keep the farm population permanently in hock, and that is Saskatchewan. I say this even though Saskatchewan is my own province. But the federal government has up to this point refused to co-operate with the province in implementing that scheme.

An hon. Member: Shame.

Mr. Gleave: They are willing to sign up as far as their own plan is concerned, but not with the Saskatchewan one. Yet this is an area which, if it is not dealt with today, will have to be met next year or the year after.

I wanted to put some of these views before the House this afternoon. There are other questions, too, which will have to be dealt with. We are trying, as a country, to feel our way through, for example, a new marketing plan for the marketing of poultry. We are striking out on somewhat new lines, finding new ways of doing things. And I suppose we will encounter certain pitfalls. But the only man I know who never succeeded in doing anything wrong was the man who never tried anything. As long as nothing new happens to him he is alright, but if anything new happens he is in serious trouble.

Finally, there is the whole question of transportation. I plead with all those who are responsible to take a fresh look at the proposals to abandon branch lines on the wholesale scale now proposed. I have looked at some of the plans—for example the one involving Rosthern at the north end of my constituency, the line from Langham to Laird and Carlton, and so on. If we let the railways take up the rails then we are looking at a different rail system from the one we have now. The thinking of the MacPherson Commission is out of date. I suggest it is hopelessly out of date. This commission sat for some time and then said to the people of Canada: "If you want to get the answer to the railways system, rely on competition". In western Canada competition between railways does not really exist. If it did exist in a pure economic sense, one or the other of the two railroads would be broke. This is a basic theory of competition. If competition goes on long enough the weakest competitor will be pushed to the wall. One system would go broke and the other would run the total rail system. This has not happened because full competition does not exist. The ideas of the MacPherson commission are out of date and they should be discarded.

• (1540)

What we should be looking at today is the use of energy. We are being told the amount of energy is limited. Energy, if it is wasted, will certainly run out but it is limited even if it is used properly. I am sure that if someone studied this whole question of transporting grain, he would find that in terms of energy the cheapest way to get grain out of these areas where branch lines exist is by rail. You need one locomotive and a string of boxcars, and this would require the least energy. If we disregard the desire of the CPR for profit, it can be established that this method of transportation is the cheapest per ton mile. If we are foolish enough to allow the railway companies to tear up lines, and we then build roads and buy trucks I suggest we are losing our marbles. If you want to help the people of western Canada I suggest that this whole matter be placed on the agenda for consideration at the meeting with the western provinces. These are the things we are concerned about in the west.

We could go on and refer to things like pollution. I suggest we would have less pollution if we hauled this grain by rail rather than by truck. The suggestion in the throne speech in respect of the government picking up half the cost of crop insurance is a good one. Up to now crop insurance has not been able to cope with disasters in areas such as the Peace River which is suffering a severe crop loss at this moment. Crop insurance has not been able to cope with such disasters because, in large areas of the country, the farmers have not bought it. One might ask why they have not bought it. The answer is that it did not pay enough in relation to the cost and they could not afford the premiums.

If there is to be an insurance scheme which will meet the needs of those involved in disasters, and they are bound to occur across the country, this is a start in the right direction. I do not know whether the new proposals will be adequate. I suppose we would have to obtain actuarial figures before we would know. Because of the nature of the climate in Canada, whether you are growing potatoes in Prince Edward Island or wheat in Saskatchewan, insurance has to be such that it can compensate for losses in times of major disasters. I suppose the only area in Canada which is not subject to these difficulties to a large degree is the area of southern or southwestern Ontario. The people in those areas enjoy the best climate and growing season in Canada. If this measure meets the requirements for an adequate crop insurance program, we will have made some progress.

[*Translation*]

Miss Monique Bégin (Saint-Michel): Mr. Speaker, in my turn, I wish to pay hommage to you as Speaker of this House and add my good wishes to those of my colleagues.

[*English*]

May I ask you to extend my sincere congratulations to the Deputy Speaker, the hon. member for Halifax-East Hants (Mr. McCleave) and the officers of the House, and I am not forgetting the hon. member for Stormont-Dundas (Mr. Lamoureux).

[*Translation*]

As a newcomer to parliamentary life, and if the old-timers do not scorn too much such newcomers as myself, perhaps they will be interested in the naïve observations of a woman who has yet to get used to the rather belligerent games which honorable members at times allow themselves to play. I was rather flabbergasted, during last week's debate on the resolution for peace in Viet Nam, by the calm assertion of the hon. member for Abitibi (Mr. Laprise) that women brought about the war in Vietnam just as they did many other wars. To my mind, if some would reflect on belligerence, which the dictionary defines as the love of war, they have a subject of reflection right at hand.

Indeed, instead of taking the House as the voters have seen fit to return it, and of making the best of it to govern the country, some members of the opposition, it seems to me, have nothing better to do than to seek to prove that this chamber is not perfect. Are we to believe that the Progressive Conservatives have invented new mathematics to reduce a value to a lower one?

• (1550)

[*English*]

As a neophyte, Mr. Speaker, I suggest that I feel closer to the simple Canadian citizen. I share the psychology of the man on the street rather than the habits and traditions of this very sophisticated assembly. I wish we would be practical. I wish we could leave aside sterile disputes and artificial debates in order to work for the betterment of the Canadian society in terms of social justice and economic prosperity.

[*Translation*]

In fact, all that work has to be done: administer $31 billion and manage a country that is young, vast and complex, on behalf of 21.5 million inhabitants. The office of Member of Parliament is not, as I have often heard it described, a more or less honorary one. It is a full-time job, with no overtime pay. I have the honour and the weighty responsibility to represent here the most densely populated riding in Quebec, the riding of Saint-Michel, for the sole purpose of participating in that work.

The men and women I represent here, Mr. Speaker, are ordinary people. I represent 150,000 of them. Some came to lose themselves in the anonymity of a big city from different parts of the province of Quebec. Others came from the heart of Montreal, pushing a little more to the north-east, and tens of thousands of others came and are still coming from Southern Europe and about every part of the world, to build a future for themselves and their families in Canada. They are those to whom I must render some account and they will not be satisfied with words. Concrete action will be necessary to prove to them that the $18 million paid each year by the treasury to enable Parliament to operate really serve the taxpayers. This is the joint responsibility and the work of each and every member.

In the legislative program proposed in the Speech from the Throne, the constituents of Saint-Michel will be pleased to note a number of corrective and improvements or new programs which answer their concern and their idea of a more just society where parents hope their children will be happy. Needless to say, I fully approve the two prime objectives stated in the Speech from the Throne. As a new member, allow me to point out in the second part of my speech certain points which seem important to me and about which I would like to make the following comments. I do not deny the extent of the economic problems; many of my colleagues have talked about them, and as we work as a team, I will talk about other matters.

The views of constituents of all ages about national unity have particularly impressed me during the many meetings and discussions of my first election campaign. The search and the need for a feeling of national unity are undeniable. Complaints of lack of tolerance and, indeed, of friendship between the various communities comprising our country, were voiced many, many times. But I do not despair about our common future, because I also witnessed in my constituency amazing examples of true mutual help.

Ignorance and fear of the unknown are at the root of many misunderstandings which sometimes degenerate into fierce struggles and shame us. Many exchange and work group programs for young people are now offered by various departments which allow for the formation of personal ties of friendship between the French and English communities in Canada.

But what better than radio and television can give each individual the idea of what he is, the wish to exist by himself and the emotion of having things in common? You may think that it is futile to refer to this paragraph in particular of the Speech from the Throne announcing a national communications policy. I do not think so because

I know, as do many other citizens, that the messages that wash over us, a little more each day, from the mass media, as they are called, have unsuspected consequences for the future of the country. Radio and television programs affect us in a sly way which we cannot control. For instance, everyone talks about pollution. Lakes, rivers, forests, towns, the air, everything is polluted, but what about mental pollution? Like the other forms of pollution, it is involuntary; it seems to be an unfortunate result of our economic production system of maximum profit at minimum cost. Two efforts appear to be urgent in the broadcasting industry: first, a coordinated effort to develop Canadian creative talent in all areas—records, books, films, the theater—that supply broadcasting as an industry which is worth $1.2 billion by a conservative estimate, and second, an effort to define responsibility to the public as regards freedom of expression. We in Canada are proud to treat freedom of expression with the greatest of respects but the people cannot accept this to be a one-way privilege. In other words, Canadians have access to an ever-increasing number of programs, but what is being offered to them?

We could, for instance, show them the House in action. But enough of this impertinence! I would now like to say, in passing, a word about showing our debates on television. Canadians might get the impression of taking a more active part in the federal government if they knew more about its machinery, and televising parliamentary proceedings would no doubt help to reach that objective.

[*English*]

Anxieties about the broadcasting of parliamentary proceedings fall into two categories. The first is that broadcasting will indirectly affect the internal functioning of parliament, and the second is that it will alter the relationship between parliament and the people. But the whole weight of experience in other countries shows these fears to be groundless. It is probably significant that no legislature, having once permitted broadcasting of its proceedings, has permanently abandoned the practice.

As Anthony Wedgewood Benn once remarked about the British legislature, "Parliament is either the grand forum of the nation, or it is nothing at all." The business of this grand forum is the public's business, and should be as widely known as possible.

[*Translation*]

But voices are still missing, so it seems to me, in this great forum of the nation: those of one third of the people of this country whose mother tongue is neither French nor English and who, often, have come from other countries with a cultural heritage of a particular richness and colour.

Dos Passos said, and I quote:

You can tear a man away from his country, but you cannot tear his country out of a man's heart.

I really wish, Mr. Speaker, that the multiculturalism policy, in a bilingual context, as introduced in this House on October 8, 1971 by the right hon. Prime Minister (Mr. Trudeau), will bring about the development of more community or cultural projects from which all Canadians could benefit.

National unity could not be better achieved than through real efforts to provide equal opportunities for all Canadians. Let me comment now on three points of the social policy as proposed by this government. I must admit that I shall speak here as a woman member of this House. Moreover, I am proud to be the first Quebec woman to take the floor in the House of Commons since the advent of Confederation. This will certainly bring a smile on the lips of the hon. member for Saint-Hyacinthe—he ran away, he is no longer here—who unfortunately voiced—everybody remembers it—on Oct 4, 1972—not 1872—in Rimouski, his deep concern about seeing a "woman being appointed minister or Member of Parliament". "She must stay—he said—with her children; her role is within the family". Let us speak then about the family, not through old line and barren clichés, but in the context of everyday's life events.

The guaranteed annual income for all is undoubtedly the dream of many people. As for its achievement—as far as cost and implementation are concerned—it is another problem. It will be introduced, during the 29th Parliament, in favour of, and I quote:

. . . people who cannot work . . .

Special mention is made for the blind, the aged and the disabled. Now, the most striking feature arising from the hearings and research held by the Royal Commission on the Status of Women in Canada is that the poorest among the poorest, in Canada are women. And the most vulnerable are undoubtedly women who are heads of families—widows, divorced, separated, abandoned women or unmarried mothers. If they decide to work, they often find it difficult to get a suitable salary since they generally have no or little vocational training or not enough education. Anyway, our society is not organized for them nor to assist them in the care of their children. The only solution to the dramatic problems of that group is a guaranteed annual income. Obviously, the same should be done for men alone who have dependent children and who are low wage earners. The commission's report states that there are 78,000 female heads of family whose income is totally insufficient and who have dependent children under sixteen; there are approximately 8,000 male heads of family in the same situation. We all should be ashamed of that social problem so inadequately covered by the welfare programs. It is the complete negation of equal opportunities not only for these women and men, but also for their children, thus perpetuating the poverty cycle.

Under family allowances there is a reference to low income families. May I be allowed to say that I support that proposition. I will however speak for all those who think that in a middle class industrial society such as ours it is very expensive to raise children, whatever the income may be. The traditional social organization allowed the families to "retrieve"—for want of a better word—the costs and hardships that they had imposed upon themselves to raise children because these integrated themselves relatively quickly into the family production system, be it on the farm, in trade or in the small entreprise. Particularly at the time when couples have yet to make any savings today's society imposes unlimited costs for parents whose children have left them very often before they had become productive. And they begin to earn money at the same time as they are getting married. This means that a ceiling, either direct or indirect, situat-

ed around $10,000 does not recognize society's responsibility towards the renewal of its own foundations. It seems to me that a family allowance system should be a part of a universal social security plan which should not be confused with measures intended to fight poverty.

In closing, I'll say a word about old age pension. I'll probably need it much sooner than anticipated, at the accelerated and tense rate with which our work whitens our hair.

Mr. Speaker, many voters are asking for the lowering of retirement age by five years. Some have worked all their life at hard jobs. Others put forward the fact that couples do not receive the two pensions at the same time on account of the traditional age gap between women and men at the time of marriage. But there is also the opposite point of view: that of women who already suffer from discrimination in industry, even at some levels of government. I am thinking here of the City of Montreal, for example, where women are pensioned off a few years before men, thus depriving them of their right to work. There is also the point of view of men who foresee with dread the time when their life pattern will change drastically leaving them and their wives dramatically maladjusted.

I will end my comments by pleading for flexibility in the programs to be proposed. It seems basic to me that the decision to retire at such or such an age should be optional and left to the individuals.

In conclusion, I thank you, Mr. Speaker, for giving me the floor and I now leave it to others.

• (1600)

[*English*]

Mr. Ian Arrol (York East): Mr. Speaker, as a new member I noticed that there is always one area of quiet, dignified and gracious sanity in the House, and I would like first to give my commendation to those in the Speaker's Chair who make it so.

We in the Progressive Conservative party had hoped that by now this parliament would be attending to the problems of Canada with specific legislative proposals. Many of my constituents in York East are retired or semi-retired and live on fixed incomes, particularly in the borough of East York. I am acutely aware of their needs and had hoped that we could get on with help for our first citizens as our first business. The Liberals, NDP and Creditistes did not agree to our proposal last week that the debate on the Speech from the Throne be adjourned so that the House could immediately deal with such needs as an increase in the old age pension.

However, the continuation of the debate on the Speech from the Throne does give me an opportunity to say some things I would not otherwise have the opportunity to say. Those things which distinguish my riding are, the personalities who live there and the sense of community which still prevails despite our location within the giant megalopolis known as metro Toronto. The man who today more than any other in Canada personifies individualism, the right hon. member for Prince Albert (Mr. Diefenbaker), was a resident of the area I now represent in 1901, 1902 and 1903. The right hon. member's father, William Diefenbaker, was the principal of the one room local school in what was then the village of Todmorden. One of those who was a pupil of William Diefenbaker was R. H. McGregor who was to represent York East in the parliament of Canada for close to three decades until 1962. In 1972, the electors of York East decided to return to the faith of their fathers, and so today I find myself in parliament, a parliament where the dominant mood is, as it is in the country as a whole, a desire to cope with bread and butter issues.

I would like to observe, however, that even if all the economic problems of Canada could be solved at this session to the general satisfaction of most parties, there would still remain an unease in the land which has as its basis the fact that we do not know collectively what it means to be a Canadian. We as a nation suffer from what theologian Reinhold Niebuhr diagnosed as the general malaise of youth today—an unfocussed craving for affirmation. Despite our advancements in the economic and cultural fields, there is still this strange unease in the land, an unease which can probably only be settled through some project to which all Canadians can give their adherence and thus build up a sense of Canadianism. We will not create a healthy Canadianism on the foundation of criticizing our neighbours. We cannot effectively tell Russia what she should do, nor the U.S. what she should do, nor yet China or Britain. All we can effectively do as Canadians is to propose something that Canada can do.

I propose as a matter for discussion, as a possibility for the future, that in the name of peace, a field in which Canada has already made such significant contributions, Canada give up the right to use its armed forces for any national purpose whatsoever. Let one nation seek to establish peace by preparing absolutely for peace instead of preparing for war. Today in the name of truth, justice, honour, brotherhood and peace, each nation seeks to establish these ideals, and principally the ideal of peace, by preparing for war. Today, in the name of all that is most sacred, the big nations of the world are prepared collectively to kill off everybody—three billion people—in the matter of a few hours. Any survivors would have a horror worse than immediate death.

• (1610)

The world's only salvation may be a reconstituted and strengthened United Nations with the power to keep the peace between nations. And the only way the United Nations can be renewed, reconstituted and given the power to put its ideals into effect may be by a dramatic initiative by one nation. We could take a step all by ourselves, then invite other nations to join us in the name of humanity the world over.

Let us put the ideals of the United Nations—to which all nations say they subscribe—into practice, step by step, nation by nation, starting with Canada. This would be our affirmation, our cause, our way of asserting ourselves nationally in the service of an ideal that would go beyond our national borders, that would make us masters in our own house, subject to no other nation's foreign policy, but in service to all: I declare for peace, and I would have my nation so declare. I affirm that the use of armed force in the world is a world responsibility, and not that of any one nation. To this end, I ask of my government that the

Department of National Defence be superseded and that in its place be instituted the Department for United Nations Co-operation. I ask that Canada immediately give up its right to use armed forces in aid of or against any other country in any manner whatsoever, unless at the direction of the United Nations.

We could invite the United Nations to pass a resolution to this effect: that whereas Canada has renounced forever the right to command unilaterally the use of her arms, the United Nations set up a peace force and an inspection system to effect the dismantling of all war-making potential in Canada, except that sanctioned by the United Nations, and to ascertain for the future that Canada has kept her pledge. The United Nations inspection force for Canadian disarmament will also be empowered, through the agency of the International Court of Justice, to inspect all treaties which may now be in effect or which might be initiated in the future to which Canada is signatory, to ensure that no treaty with other nations shall in any way obligate the nation to any warlike act under any circumstances. This would give an opportunity for the United Nations to function: Canada would be a laboratory for the development of United Nations peacekeeping functions. Canada could invite other nations to make a similar declaration and offer similar co-operation. Such Canadian action could offer an alternative to fear in the world.

While Communism would remain a menace, it has, in some countries which are still developing, provided the crusading initiative necessary to get into the twentieth century. Put another way, Communism inspires backward nations to pull themselves up by their own bootstraps. When a have-not nation becomes a have-nation, and this includes Communist countries, its basic self interest is for economic advancement, for trading goods and not ideas. It is mainly because the world is an armed camp, and each and every nation feels insecure, that the competition is more in ideology than in trade.

Communism, as we all know, survives best in a climate of hunger and unfulfilled national objectives of underdeveloped countries. The best antidote to Communism would be assistance by the United Nations, through the United Nations, for a united campaign against the common enemies of hunger and disease. To help bring about that ideal, we in Canada, through instituting a Department for United Nations Co-operation in place of a war department, could immediately launch an economic program for the underdeveloped nations of the world.

Canada could launch what eastern Canadian educator Alastair M. Taylor referred to a number of years ago as "A Peacetime British Commonwealth Air Training Plan". Mr. Taylor points out that the Air Training Plan graduated 113,553 airmen during its war years of operation at a cost of $1,281,000,000. The Department of National Defence now spends more in one year than was spent during all the years of the operation of the British Commonwealth Air Training Plan. A peacetime British Commonwealth air training plan could be a project lasting perhaps five years under which Canada would invite people from underdeveloped nations for special training in medicine, agriculture and industrial techniques. Apart from China, Southeast Asia and the Latin American countries, most other underdeveloped nations have as their national language French or English and Canada is bilingual.

This project shared by French and English speaking Canadians could have unifying qualities for Canada, drawing us together as we united the visiting nations on our soil in this educational undertaking. We could invite research scientists from other countries to join us in educational projects; scientists and technicians who would like to work for a constructive project instead of those for destruction. And as we developed instructors and facilities for this co-operative endeavour, we would be providing for our own industrial and trade expansion, although the basic idea would be a practical working out of United Nations ideals.

In many other ways Canada could be a laboratory, a workshop, a showcase for United Nations purposes. We could invite the United Nations to organize an inspection team for Arctic protection, to see that no Russian or United States or any other nation's missile-carrying submarines used our northwest passage, there to lurk under the ice and on an appropriate occasion blast through and release a missile. We could dismantle the Distant Early Warning System set up by the Americans in northern Canada—or we could make the system available to the United Nations, with inspectors looking south as well as north. We could even provide a few thousand square miles of our northern territory for experiments in the detection of underground nuclear explosions. We could make available our soil, our air space, our waters, as we made available our determination to do all in our power to bring peace on earth.

If Canada were to take a separate path from the other western nations, we of course would be opposed. A Canadian resolve to give up its right to use its armed forces for any national purpose whatsoever, and to put our military at the disposal of the United Nations through a Department for United Nations Co-operation, would take as much courage as going to war. It would indeed be the moral equivalent of going to war. But no matter what the price, we would have chartered the course for no less than a Made-in-Canada Declaration of Independence. It is ideals and not economic warfare which call forth a nation to life, to spirit. We would be opposed, but in being opposed our character would be strengthened. We would have a cause in Canada, a crusade which could unite the nation.

The Indians under Gandhi practised non-violence for the independence of their nation; the Negroes under Martin Luther King for recognition of a race. Our task would be non-violence for the recognition and fulfillment of the possibilities for good in all mankind, a first practical step to peace on earth. Some nation at some time soon must act as a catalyst to break the armed camps in which the nations of the world find themselves today; some nation must cause a revolution in thinking about war and its inevitability. I have suggested a course for Canada which I hope this House and the country will consider. It may be such a course could be a significant step towards our salvation and the world's.

• (1620)

[*Translation*]

Mr. Marcel Roy (Laval): Mr. Speaker, my opening words are to congratulate you on your success in the Stormont-Dundas constituency and on your re-election to the office of House Speaker. In the course of the twenty-eighth parliament, you won the admiration of all hon. members.

I also congratulate my colleagues who will assist you in the House.

I wish to congratulate the mover and the seconder of the Address in Reply to the Speech from the Throne, the hon. member for Nipissing (Mr. Blais) and the hon. member for Lachine (Mr. Blaker), who are both excellent ambassadors for our policy of bilingualism, a fact that was taken into account by their constituents.

I should like also to welcome the four new members representing the female element, that is the Minister of State for Science and Technology and member for Ahuntsic (Mrs. Sauvé), the hon. member for Saint-Michel (Miss Bégin), the hon. member for Louis-Hébert (Mrs. Morin) and the hon. member for Kingston and The Islands (Miss MacDonald).

To begin with and on the occasion of the opening of this twenty-ninth Parliament, I should like to make a few remarks on the man in public life and on Parliament and its importance.

Politics should be the concern of respectable men and women, aiming at using their mind and their skills to erect a city, a province, a country where peace and prosperity might prevail. Participation in the political life is a duty that social justice dictates, since every citizen must contribute as much as possible to the common good of his country.

The politician, because of his role and his duties, has always occupied a useful place within society, for, through his oath of office, he has chosen to serve this society, to work for the common good. There is need to create a public opinion which, without looking for scandal, will expose frankly and courageously persons and circumstances working against the law and the purposes of institutions.

These, Mr. Speaker, are the basic principles on which rest my short political life. The application of these principles allowed me to gain the confidence of 29,000 voters during the election of last October 30, in the constituency of Laval. I consider this responsibility not as a member of Parliament but rather as a citizen at the service of the constituency of Laval, and at the service of Canada. I agreed to serve my constituency, to defend the interests of my province and to work for the good of my country while contributing to improve the standard of living of Canadians and learning to better know the needs of the Canadian family, the various ethnic groups and the various social levels represented in all classes of our society.

Since my election of June 25, 1968 I have changed some of my views about Parliament which I considered a rather out of date and inefficient institution. Having been a member since then and participated in the exercise of democracy in this House or as a committee member, I have come to better understand the nature and role of this institution. Perhaps it is a normal beginner's reaction and probably the 100 new members will also have the same reaction. In spite of weaknesses that nobody denies Parliament is still the best system of government in this world even though it lends itself to criticism and could be improved upon.

Thanks to the freedom we enjoy in Canada, divergent opinions can be expressed without any other consequences than the risk of being scoffed at by one's opponents, a consequence which is quite bearable.

I am sometimes under the impression that we do not realize all the advantages we are enjoying. There are on earth every possible kind of government but I doubt that many Canadians would agree to exchange their own system of government for that of many other foreign countries where severe restrictions are imposed on people speaking too frankly and where political opponents are put into jail.

Even though sometimes Pamliament seems to move away from the people or people seem to lose interest in this institution let there be a crisis and they look to Parliament to act for the good of the country.

Let us recall the October 1970 crisis when all Canadians looked to Parliament. Let us recall the statement by the Prime Minister (Mr. Trudeau) on television on the evening of October 17, 1970. Once that historical speech was over, the people felt reassured. It is not my intention to revive those circumstances, but having lived thro ugh those days in this House and having witnessed that situation, I thought that example would help convince those who might be apt to criticize too severely our democratic institution, the Canadian Parliament.

I thought I should present those observations at the outset of this 29th Parliament which includes more than 100 new members.

Now, Mr. Speaker, I should like to state my views on the Speech from the Throne, which I fully support for it clearly indicates the government's unfaltering determination to carry on their program. The Speech from the Throne puts forward the following objectives: a better economic policy in order to reduce unemployment and reinforce the economy and stimulate the development of small businesses for, as the Minister of Trade and Commerce (Mr. Gillespie) stated on January 10, about 60 per cent of the work force in Canada is active in firms having the essential particularities of small businesses; to reorganize, in consultation with the provinces, the policy governing family allowances, old age security pensions as well as housing, and to make a study on government responsibilities with regard to urban transportation generally. In the field of agriculture, the government has undertaken to solve the problem of feed grain, transportation and the handling of farm produce.

For all those reasons, Mr. Speaker, I therefore do not hesitate to support the Speech from the Th rone.

However, it seems to me that under the former government, during the 28th Parliament, we passed many legislative measures which, to my mind, were not sufficiently explained to the people during the last election campaign.

Last Tuesday, the hon. member for Prince Edward-Hastings brought forward a motion blaming the govern-

ment for its failure to take action about the problems of unemployment and I wonder whether he is not really furthering his own ambitions at the expense of the unemployed.

Let us just ponder on the various pieces of legislation now in force dealing with tax reform, releasing a million taxpayers from personal income tax and reducing that tax in the case of 4.5 million Canadians. I wonder where is the sense of responsibility of opposition members who challenge the government about the unemployment situation with no heed for all the efforts and achievements in the field of job creation, in spite of the yearly increase of some 3 per cent in the labour force. Statistics confirm the results of the Liberal government's policies in this field.

Between 1965 and 1970, which is the latest period for which we have international figures, 1,440,000 Canadians joined the labour force, thus increasing it by more than 20 per cent.

The real growth of the labour force in Canada during that period exceeds by 100,000 units that of all the 15 major industrialized European countries which make up the European economic community and the European free trade zone although the total population of those countries is larger than that of Canada.

The relative growth of the labour force in Canada during those six years was almost 20 times that of all 15 major industrialized European countries, twice that of Japan and 58 per cent higher than that of the United States which ranks second in the world for the growth rate of its labour force.

What was the increase in the number of jobs? There were 1,300,000 new jobs created in Canada between 1965 and 1970. The increase in the number of jobs in Canada was 400,000, 50 per cent more than the real increase in the number of jobs in all the 15 major industrialized European countries and 505,000, or 66 per cent more than the total increase in the number of jobs in the seven major European countries, i.e. Great Britain, France, Germany, Italy, Belgium, Sweden and the Netherlands.

The relative rate of increase in the number of jobs in Canada was 50 per cent higher than in the United States, twice higher than in Japan, 7½ times higher than in Germany and 27 times higher than in all those 15 European countries.

During the years 1970 and 1971 the relative rate of increase in the number of jobs in Canada was three times higher than the corresponding rate in the United States.

Those figures are evidence of the extent to which the Liberal government concentrated on the problem of unemployment through various programs implemented, by the creation of the Department of Regional Economic Expansion to create employment in areas where industries were not functioning normally, by the Department of Manpower and Immigration, and also by the economic incentives offered by the Department of Industry, Trade and Commerce.

When I hear the members of the opposition blame the government for its employment policy, I conclude that they are simply jealous of its performance, that they have forgotten their own when they were in power from 1958 to

1962 when, with a much smaller population, unemployment reached 7.15 per cent in 1961.

• (1630)

Mr. Speaker, I have before me a comparative statement showing the non-seasonally-adjusted labour figures for 1958 in Canada when there were 6,137,000 workers and 431,000 unemployed representing an unemployment rate of 7.02 per cent. My opponents will no doubt recall which government was in power then.

The 1960 figures indicate 6,411,000 workers and 446,000 unemployed or 6.95 per cent of the force, and this still under a Progressive Conservative government. The 1961 figures show 6,521,000 workers and 466,000 unemployed, a rate equal to 7.15 per cent.

Mr. Speaker, comparing present unemployment figures with those illustrating the past performance of our Progressive Conservative opponents, evidently we have 2 million more workers, but only 100,000 more unemployed, which means 2 million more jobs available, and an unemployment rate of 6.32 per cent, still lower than the rate of 7.15 per cent recorded under the Progressive Conservative government.

Nonetheless, of Mr. Speaker, they are those who tell us that we have lost the confidence of the Canadian people. And if they should forget their own past performance under their own Progressive Conservative government, I must remind them that the Canadian people have not.

In 1962 the Liberal party won 100 seats with 37.4 of the votes, and the Progressive Conservative party 116 seats. In the 1963, election, the Liberal party obtained 129 seats with 47 per cent of the votes, whereas the Progressive Conservative party got 95 seats with 33 per cent of the votes. In 1965, the Liberal party elected 131 members with 40 per cent of all the votes, whereas the Progressive Conservative party got 99 seats with 32 per cent of the votes. In 1968, the Liberals held 155 seats representing 45 per cent of the votes, while the Progressive Conservatives had 72 with 31 per cent of the votes. Finally in 1972, we still have 109 seats which have been gained with 38 per cent of the votes, while the Progressive Conservatives have 107 which they have obtained with 35 per cent of the votes.

I feel that the election represents a numerical rejection, in terms of both elected members and percentage of votes. The Canadian people have rejected the Progressive Conservative Party because it had neither forward-looking policies nor innovating programs, whereas we advocated some which appealed to the creative mind of Canadians by establishing manpower programs under the present legislation, such as the Local Initiatives and the Opportunity for Youth Programs. And when I refer to the Local Initiatives Program, I suggest that my hon. colleagues read the excellent article published on page 29 in *The Gazette* of today and I quote:

[*English*]

Canada's Local Initiatives Program has provided Marcel Ducharme with a second career—he dreams up LIP projects and makes them work.

[*Translation*]

This article is most interesting because it is stated in it that an amount of $112,000 has been allocated to this

program for the year of its establishment and that a further amount of $184,000 has just been allocated to it precisely in order to improve the lot of the aged. In my opinion, all public servants working on this program—forty-odd people—were themselves registered with the unemployment insurance office or were drawing welfare benefits. They are now serving from 250 to 300 aged people. The efficiency of this program seems to have been proven.

I could now talk about a project initiated in the riding of Laval West, where we are providing the aged with a little bit of happiness by visiting them daily, taking them to a doctor or to the hospital. I think that this is part of the Liberal policy which is intended to be human with the aged people.

As I was saying, Mr. Speaker, the Progressive Conservatives have lost the confidence of the Canadian people since 1962, because they had no realistic social policy geared to the aspirations of the underprivileged, because they were conservatives with a small c, because they had a negative approach to problems.

Mr. Speaker, they are so used to criticism that they forget the positive aspect in their suggestions to the government with a wiew to solving the problems facing us.

At the present time, the Canadian people earn, spend and save more money than they ever did before. Salaries and wages of the Canadian people reached an annual level of $56 billion at the end of the first half of 1972, or an increase of $5 billion, that is 10 per cent, in one year, and 55 per cent since 1968.

The savings of Canadians have soared to $6,900 million in the middle of 1972, or an increase of $2 million over the corresponding period last year and almost three times the amount reached at the beginning of 1968.

Those are facts that members of the opposition do not take into account when they blame the government.

In the area of housing, we have reached an all-time record. In 1971, there were more than 233,000 starts, while in 1972, this figure reached almost 250,000, and a further increase is even expected for 1973, which will enable us to exceed our objective of one million new homes for the five years ending in 1974. Thanks to our low-cost housing program, we have built twice as many homes of that type in the last four years than during the previous 25 years.

Furthermore, as announced by the Minister of State for Urban Affairs (Mr. Basford), we contribute to the restoration of the existing houses and provisions are made for repairing and rehabilitating dwellings.

The Central Mortgage and Housing Corporation is the instrument of the federal social policy in the field of housing and community planning as stated the minister of housing in his speech of January 11.

Because of the amendments to be brought to the National Housing Act, the federal government, in co-operation with the provinces, will assist in the provision of low-cost housing and other accommodation for senior citizens, will provide assistance in the rehabilitation of older neighbourhoods, a warranty system to protect the purchasers of new houses—and God knows it is needed right now—assistance in the relocation of railway tracks and a study of the government's responsibilities with regard to urban transportation generally.

As the representative from the second most important city in the province of Quebec, I can assure the House that these urban renewal policies will certainly be welcomed by the people of Laval.

Municipalities are facing increasing responsibilities and disproportionate obligations in view of the tax burden that they must impose on their residents. Considering that 75 per cent of Canadians live in urban centres and that our country will soon be 90 per cent urbanized, we must not only react to this trend but provide for financial aid at the three government levels to serve this population better. This approach will be reflected in a three-level conference that will be held this year on the initiative of the federal government.

In the field of agriculture, we must be as vigilant and imaginative as possible to secure an equal standard of living for rural people as for urban people.

In my first speech in this House in 1968 and in the meetings of the Standing Committee on Agriculture I have tried to make the government aware of the importance of a crucial factor of agricultural expansion in eastern Canada, particularly in Quebec and the maritime provinces. This is the situation of feed grains, on which we have already made representations. All Liberal members made representations to the minister, and an ad hoc committee was created, the National Grain Board, and a meeting was held with the Canadian Federation of Agriculture. We postponed the announcement of a change in the present situation precisely because we respected the associations and did not want to take unilateral decisions. We took some and we will continue to take them in co-operation with the farm associations.

I would like to add, Mr. Speaker, that we will not be satisfied with half measures regarding the situation of feed grains. I was very happy to hear in the Speech from the Throne that the feed grain problem would be solved in this very session. I am very happy now to support that request which is now the subject of discussions and has been the object of representations since 1968. I hope that when this new policy on feed grains is announced—I am now looking at the hon. member for Saint-Hyacinthe (Mr. Wagner)—he will support it and that it will have more support from the Progressive Conservatives than when we tried to introduce the bill intended to better organize production, that is the bill creating national marketing agencies. It took two years of sittings, some of which kept us up all night, to get that bill passed because of the opposition of that party.

I therefore hope that when time comes to suggest changes in the price structure of feed grains, we will have the co-operation of the hon. members of the Progressive Conservative party.

• (1640)

[*English*]

My last sentence is one to which I refer every day. Give a man more than he can do, and he will do it. Give him less than he can do and he will not do it.

[*Translation*]

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, as a new member of the House and on behalf of my constituents of Burnaby-Richmond-Delta, I would like to congratulate you for having been re-elected to the Speakership and to congratulate also your Deputy (Mr. McCleave) for having been elected.

[*English*]

It is a privilege to follow the hon. member for Laval (Mr. Roy) in this debate. I shall leave my notes aside for a moment because he said something on which I should like to comment. He said he hoped hon. members in this party would be agreeable to changes and amendments which he and his hon. friends propose to bring forward. Well, I hope supporters of the Liberal party will, in turn, be agreeable to some of the things which supporters of the Conservative party will recommend from committees this time. Maybe we shall find more co-operation shown from the other side of the House. I do not believe in one-sided affairs.

Mr. Speaker, my riding borders on the Fraser River to the north, including South Burnaby the Pacific Ocean to the west and looks south, to the United States. With 123,-381 eligible voters, it is the largest riding in terms of people in British Columbia. Burnaby-Richmond-Delta not only represents a good cross section of our country, it also is a good example of the true meaning of multiculturalism as it is made up of those of German, Chinese, Japanese and Dutch descent, as well as many other cultural and language groups. Richmond is also the sister city of Pierrefont in the province of Quebec.

On January 8 in the House of Commons, the right hon. Prime Minister (Mr. Trudeau) accused Progressive Conservatives of capitalizing on an anti-French sentiment during the last election. I submit, on behalf of the people of Burnaby-Richmond-Delta that the right hon. gentleman is making excuses with this kind of statement, making excuses and covering up the real reason his party did so poorly in the election. In my riding the incumbent Liberal member not only lost his seat, he came third in the race. He came third, and it was not because of an anti-French vote as the Prime Minister likes to believe. It was simply a vote against the sad state in which this country has been left by the Liberal government. It was a vote against the lack of leadership which caused this situation. Apparently the Liberal candidate in my riding recognized this because he was quoted as saying on election night that he expected to run again, but with the hon. member for Ottawa-Carleton (Mr. Turner) as the leader of his party.

On October 27, 1972, during the election campaign, the Leader of the Conservative party (Mr. Stanfield) told a Kingston, Ontario, audience that the basic issue in the campaign was "the issue of confidence of Canadians in themselves". The issue, he said, is not whether a bigger government can do better things for Canadians, but whether or not we have a government that believes Canadians can do bigger and better things for themselves. That statement is particularly relevant today because we do not have a bigger government, which, because of its size, feels it can do better things for Canadians. What we do have is a government which has been severely reduced in size and is now hanging on to power with its fingernails. And, as evidenced by the throne speech, we do not have a government that believes Canadians can do bigger and better things for themselves, because the government that is presently in power, continues to refuse Canadians that opportunity.

Canadians have become aware over the past four and one half years that what this government says and what this government does are usually two very different things. Instead of the just society we were promised in 1968, we have in 1973, high unemployment, a high cost of living, and policies affecting poverty, taxation, manpower training, regional development and agriculture reforms which have discriminated against the unemployed, the working poor and the low-income groups who might have benefitted if government policies and programs had been designed to help, rather than hinder. This Liberal government, in four and one half short years, has destroyed the work ethic in this great country.

• (1650)

We have policies on pollution and environmental control that are ad hoc, incomplete and, seemingly, purposely confused. We have a Local Initiatives Program which has consumed almost $200 million in grants alone over the last 14 months with marginal, if any, success in providing employment. We have a new winter works program which is costing the taxpayer, the people of Canada, over $350 million but which was announced too late to be effective in alleviating peak winter unemployment, winter unemployment that affected 615,000 Canadians in December, the largest number for that month in the history of this country. We have a new Unemployment Insurance Plan which has cost the taxpayer approximately $2 billion since its inception on January 2, 1972.

We have a policy on foreign ownership which is so elusive that it is virtually non-existent. We have a policy on immigration that has caused only chaos. We have a policy on the post office which has reduced the mail service to something of negligible importance. The post office situation is a case in point. Six years ago the Delta to Toronto service cost a mere five cents and the post office delivered overnight. Now, we are lucky if we can have our mail delivered in anywhere from three to five days for the price of an eight cent stamp. Yet the government spent millions of dollars last year to tell Canadians how good the service is.

I received a note today from a Mr. Cranna of Ladner, B.C., who had a letter mailed to him on December 21 and received it on January 10. This letter was mailed in Vancouver addressed to Ladner, a distance of 13 miles and it took 20 days. I have many more letters in my files which illustrate the same lack of postal service in the city of Delta, which includes North Delta. With a population of 25,000, Delta is growing at the rate of 500 a month, yet there is not even a post office in North Delta its most populous area.

And now we have the Speech from the Throne; a Speech from the Throne which gives priority to everything, which promises everything, and yet ensures nothing in the form of concrete proposals. The throne speech promises a compassionate and equitable guaranteed annual income. It promises incentives to work and a

greater emphasis on the need to get people who are on social aid back to work. It promises a fair and just relationship between the incomes of people who are working at, or near, the minimum wage and it indicates that recognition must be given to the provinces' wishes to have the structures of social security vary in accordance with the social needs, income standards and the cost of living in different communities. It also gives notice that the government accepts the principle that reconsideration of Canada's social security system must be conducted jointly by the federal government and the provinces.

The throne speech does not, however, tell us how all of this is going to be accomplished. In other words, the throne speech, like the just society concept, sounds very promising but, like the just society concept, the throne speech lacks substance and integrity. The government says it will reduce unemployment by providing increased funding for the Local Initiatives Program; increased funding for on-the-job training; a substantial seasonal capital works project and special funding to increase direct employment in labour-intensive projects. The government says that certain aspects of the Unemployment Insurance Plan will be clarified; that a new family income security program will be proposed and that legislation will be introduced to improve the economic situation of old age pensioners.

The economic situation of old age pensioners has been improved by this government before. That assistance came in the form of a mere 42 cent raise in pensions and a 2 per cent maximum increase in the guaranteed income supplement, at a time when the cost of living was rising at 4 or 5 per cent, annually. Only when the election was imminent did the government give consideration to increases in old age pensions according to annual increases in the cost of living. But the gap created by its lax attitude in the past has not been filled and those on fixed incomes still suffer. It seems they will continue to suffer at the hands of this government if it remains in power and if the NDP has anything to say about it, for their joint defeat of our motion in the House to bring some immediate relief to old age pensioners this winter was nothing but crass insensitivity.

The irony of the throne speech is that the government, in spite of the lesson it supposedly learned on October 30, has chosen to offer the same old programs as solutions to Canada's problems and those of her people. These are the same old programs that have proven to be ineffective, offered by the same old government that has proven itself incapable of dealing with the problems, and all of this aided and abetted by the New Democratic Party.

It is interesting to note that some of the press feel that the right hon. Prime Minister (Mr. Trudeau) is not as arrogant as before, that he has a new appreciation of parliament. Well, Mr. Speaker, at a time when we have some serious issues to bring before this House like old age pensions, unemployment and income tax cuts, the right hon. gentleman puts the capital punishment debate No. 1 on his list. I suppose as a further smokescreen to the real problems of Canada the language bill will be the second item for debate. Mr. Speaker, I say the government is stalling because it has not got positive new programs for this country.

Meanwhile, in British Columbia for example, people are asking for solutions to problems; solutions to problems like urban traffic congestion in Delta, Richmond and other lower mainland cities, for which residents are requesting federal assistance in developing a reasonable urban transit system. What is this government's response to this kind of request? The hon. member for Vancouver Centre (Mr. Basford) and the hon. member for Capilano (Mr. Davis) are supporting construction of a second bridge across the first narrows in Vancouver. Of course, it does not matter to them that this bridge may not be wanted or needed or, for example, that the bridges in my riding handle more traffic than the Lions Gate bridge. Yet they push ahead with this project, despite the wishes of the people involved, in true Liberal government style. I say, Mr. Speaker, that we should use the money involved to build a rapid transit system for the lower mainland; that we should concentrate on construction for the future, on something really worthwhile and on something that will last.

People in my riding are seeking solutions to problems like pollution. For example, the residents are requesting federal government assistance in providing a tertiary sewage system to eliminate pollution from industrial and/or domestic sewage. But how long will it be, Mr. Speaker, before the federal government finally realizes its responsibility to clean up Canada's lakes and rivers? We, the people, Mr. Speaker, are tired of excuses and tired of non-action. The Fraser River is the recipient of hundreds of millions of gallons of raw sewage every day. Experts say they do not think pollution is affecting the salmon. The experts, Mr. Speaker, should know. This is too important to pass off so lightly.

And then there is penal reform and the great contribution the former Solicitor General (Mr. Goyer) made to that area of concern. I am not opposed to penal reform, but I am opposed to the negligence which accompanied Canada's recent effort in that regard; negligence which resulted in cases like the following: A man on a weekend pass murders a seven year old girl on the lower mainland of British Columbia; the government decides to transfer another man from an east coast maximum security cell to a west coast minimum security cell to testify at the trial of the murderer. He, too, escapes, kidnaps and rapes a woman.

I think, Mr. Speaker, that the only thing we need mention about penal reform is that it was a major contributor to the defeat of this government in British Columbia. And the right hon. Prime Minister's comments this morning that the capital punishment matter is at least as important as pensions does not leave me with much hope in this Liberal government. It is essential that the government take new, innovative approaches to Canada's problems, that people be involved in their solutions, and that people benefit from the legislation that is introduced and passed in the House of Commons.

This does not mean an outburst such as the one in which the Prime Minister was engaged in the House of Commons on January 8, 1973 when he said that some Progressive Conservative Members of Parliament had tried to divide the country. This does mean the formulation and application of policies that will reduce inflation

and bring employment so that all Canadians will feel a part of this country. It means a definition of full employment in percentage terms and a commitment to reach that objective within a prescribed period of time. It means a promise of immediate and substantial cuts in personal income taxes as the basic means of stimulating the economy to full employment. It means a full employment budget which reveals to the House of Commons whether revenue and expenditure programs of the government are, in fact, designed to stimulate the economy to full employment. It means a willingness to use wage and price controls to abate further inflation as we stimulate the economy rather than holding down basic economic growth. It means a policy on bilingualism that starts in the elementary school system so that our future public servants will be prepared for a fully bilingual public service.

• (1700)

Canada does have much to offer. But the benefits of being Canadian should be a right of every citizen of this country. We cannot continue to forget our people—the people who elected us all. They had a message and we had better listen. Neither the Progressive Conservative party nor the Liberal party has a mandate from the election. However, parliament has a mandate to choose a government best able to get the economy back to full employment and to abate further inflation.

The throne speech debate is important because, 264 Members of Parliament have to reach the best decision on this question as soon as possible. Much time has been wasted. There are many other challenges to be faced. Therefore, a government must be chosen and given a mandate to put the economy in order swiftly and to get on with other frontiers for this decade. Poverty must be eliminated; regional disparity must be tangibly reduced; a new industrial strategy must be constructed; there must be urban reform, rural rehabilitation and environmental improvement. And, in all of this, people must count. People must be involved, and considerations, judgments and decisions must be based on their desires, expectations and needs. To do this, we must have a government that believes Canadians can do bigger and better things for themselves. Bob Stanfield would be that kind of Prime Minister.

Some hon. Members: Hear, hear!

Mr. Reynolds: And when he is, and only when he is, will Canada and its people be truly strong.

Some hon. Members: Hear, hear!

Mr. Reynolds: Mr. Speaker, I think you very much for the privilege of giving me the opportunity to make this speech on behalf of the residents of Burnaby-Richmond-Delta who elected me to this House.

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, my first words on rising in this debate must be of sincere congratulations to Your Honour on again assuming the important office of Speaker of this chamber. These past four years I have watched with admiration as you dealt with the interesting and difficult situations which came before you in the House, and at the manner in which you dealt with tempers and problems. I am confident that you will find it possible to maintain the order we require in this interesting and complicated House of Commons in which you preside now.

I was delighted to listen to the hon. member for Nipissing (Mr. Blais) and the hon. member for Lachine (Mr. Blaker) as they began this debate on the Speech from the Throne, and I congratulate them on the manner in which they dealt with the interesting character of their own areas.

I am a representative of a broad expanse of the western Canadian region, with a significant distance of country between myself and Liberal colleagues both to the east and to the west. I have heard a good deal of comment on the causes of the results in the recent election campaign, but of course I come from an area which has been struggling for some time to gain additional Liberal representatives in the House of Commons, and we will continue that struggle most manfully.

I was interested to note the remarks of the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) who preceded me, and who seemed to argue that it was in fact the basic economic issues that affect the country which could be said to be the whole or the main cause of the results in the recent election. In other words he tried to say this, yet when he turned to his own province, which presumably he knows best, he suggested it was the parole and penal system which contributed most greatly in British Columbia to the defeat of the government. I was surprised that, later in that context, he thought we ought not to give too much attention to that particular problem, and I would be glad to hear later his explanation for that logic.

Looking at the move from Liberal to Tory voting columns in the five western province, I deny that this represents significant evidence that there are Archie Bunkers in abundance in the western half of the country.

Some hon. Members: Hear, hear!

Mr. Lang: It is true that there may be such characters here and there, in one region or other, and I particularly think such a person is probably to be found on the executive of the hon. member for Crowfoot (Mr. Horner). For instance, I notice that in the course of the recent campaign the present Conservative member for that riding chose to run an advertisement in which he introduced some elements that I, for one, regret to have found quite common in western Canada. In this advertisement in the *Albertan* on October 23 there is a picture of the hon. Leader of the Opposition (Mr. Stanfield) and of the candidate, now the hon. member for Crowfoot. The first of the four reasons given for supporting the hon. member is that, "He has fought over-expenditure of Canada's tax dollars in Quebec". Mr. Speaker, it is not unusual for opposition members to talk about over-expenditure by a government of the public's tax dollars. That I understand, but I think it is clear that here a particular appeal is involved when a particular province is singled out in this way, more especially when the evidence shows that the programs which could be related to that charge are equally or more beneficial to the Maritime region. One has to ask why that province is singled out rather than the maritimes.

Some hon. Members: Hear, hear!

Mr. Lang: I do not for a moment suggest that the hon. member for Crowfoot is a bigot in having an advertisement of this sort placed in a newspaper in the course of his campaign. But I suggest to you, Sir, and most sincerely to hon. members opposite, that it is at least very clear that he was appealing to people who may be so minded. This is the kind of thing that must be fought within their ranks, by their own leader, and also by the hon. member for St. Hyacinthe, to which subject the Prime Minister (Mr. Trudeau) addressed himself the other day.

The Prime Minister did not suggest that it was the reason, or even a main reason, for the results in the five western provinces. I take that view as well. I have indicated that it was more the wealthier parts of the country that voted in this way against us, and I say it was not evidence of a swing towards right wingism or Archie Bunkerism.

It is true that we made ourselves vulnerable through the loss of support that was liberal in its inclination simply by operating certain programs in a certain way, which made it more difficult for those inclined to be liberal to continue their support of us. But looking at the position of this government with reference to the unemployment insurance plan,—a good plan but one which had administrative and structural difficulties—and looking at the problems of parole and prison reform, I say that we do not have to move either right or left, or look for wing support for the positions we should take. We must look to those liberals who were unhappy in their support of us because of these issues, and certainly we can look to those Liberals who voted against us because they were unhappy about the way some of these programs were being administered, or unhappy about the way in which their impact was being felt.

• (1710)

The important thing is that there were grounds for loss of support among this important element. And yet we do not have to throw out in basic cases the basic Liberal philosophy that was involved. We do not have to run away from the basic Liberal belief in immigration into this country of people who can make a great contribution to it. But, of course, we must and will free ourselves from the difficulties which are associated with an immigration program where control has been lost over those people we do not want to admit and do not want to admit on good, sound Canadian principles. These are the things we will put right. This is our determination. It is not a matter of running away from basis principles. But I emphasize again that it is these programs which cost votes from that particular region of the country, not any fundamental economic issues, important as those are. We will face that challenge because it is our desire to provide a growing, prosperous economy in which Canadians have an equal opportunity and a fair chance to a decent livelihood.

I must say that in this question of what issues disturbed the electorate or led to their decision, I feel I owe a special debt of thanks to my own constituents because I believe they helped to make clear that at least in the area of grain policies—that very important area to the prairie region—we were doing significant things right. That is the only explanation I can give for their great support, and particularly for the great support which I received from the rural area of my riding.

I do not think hon. members can deny that in the course of the last few years, through some very difficult years for the grain business, my name and position became associated with the grain industry, thanks in large measure to the gleeful participation in debate of hon. members opposite from the prairie region. I think, therefore, they must see that the particular result in my constituency is a separate and special commentary on our grain policies.

Hon. members opposite have noted that at present things are going very well indeed in the grain industry. They are apt to say that this is due at the moment to difficulties in the world situation, but of course the attitude of farm organizations and farm leaders toward our policies predate that most recent change in prices because of the demand picture in the world. We entered into the selling business in a vigorous way at a time when the world market in grain was declining. We set our first record year of exports in a year when actual trading of grain in the world was declining. We did so by vigorous selling policies, by credit policies and by the fairly simple but direct determination to get into the feed grain business of the world which had been neglected for so many years. Farmers responded by growing barley, and the Wheat Board by marketing it, until we are now an important distributor of barley in the world.

Hon. members opposite have commented from time to time about the Lift program, which was a difficult program, a tough program, the one program, If I may say so, of a disciplined or ordered nature which was designed to allow us to have greater freedom in the farm industry, freedom which has come in everything else we have done thereafter. It was a necessary program to get the elevator system into proper shape to handle barley for world markets. When we first began to look at expanding markets, experts doubted whether we could move as many as 700 million bushels of grain with our current handling and transportation systems. But we moved 700 million bushels that year and we moved over 800 million the following year, and it seems that we will be moving significantly more in this current year.

We have dealt with specific problems. We have given farmers information on their prospects for various crops by March 1 of each year, which has never been done before and which gives them knowledge and freedom to do the best possible job in their decision about what crops to grow. They face an interesting challenge, because prices have risen so rapidly in the world that wheat is now a most attractive crop to grow and one which they traditionally grew almost to the exclusion of other crops. Barley and rapeseed have now become extremely important to our over-all prairie agricultural position, and it will be our earnest endeavour to suggest to farmers that they remain in barley and rapeseed production to a significant level indeed because the wheat market of the world is more volatile while the barley market, which we had neglected, and the rapeseed market, which we are building, are the more permanent and sure markets in the world.

We have, of course, introduced a treasury contribution through the form of two-price wheat payments to farmers. The federal government has been willing to assist in the movement of grain by providing 2,000 hopper cars, about half of which are now on stream and available for use. We have witnessed important studies on the handling and transportation system, and here lies one of the real challenges ahead of us in the grain industry. In the very near future we must reach a conclusion on what changes should be made in the handling and transportation system, and I hope that the Canada Grains Council which is taking on this task will proceed with speed so that we can make changes, in co-operation with producers, farmers organizations and provincial governments, which are in the best interests of the grain industry.

We look forward to testing the will of farmers directly on the best ways of marketing rapeseed, rye and flax and we will be prepared to do what is their wish in this regard. We will also be continuing work on an international market insurance scheme, a stabilization program which is so needed because of the way in which the grain marketing opportunities in the world can fluctuate up and down.

The Speech from the Throne contains some exciting words for western Canadians in the proposal that a conference be held specifically to deal with the economic and other objectives of western Canada. The west has had an interesting history of opposition to much of what governments have done. Its Members of Parliament, especially from the prairie region, have more frequently been on the opposition side of the House than in government. I must say that this was hardly changed when the right hon. member for Prince Albert (Mr. Diefenbaker) was prime minister of this country because while he and many of his colleagues from the Prairies sat on the treasury benches, he sounded for all the world like a leader of the opposition in most of what he said and did about this country and who was controlling it.

What we now have is an opportunity to look at the aspirations of the west, of a region which has perhaps different needs from those where the greatest portion of the population is located. This conference provides us with the opportunity. It has taken a number of years to mature. I would like to pay tribute to the work of such persons as Dave Steuart, the Liberal leader in Saskatchewan, for his continuing work to bring together those who can and should be working on western objectives in total. We must come to some conclusion about our objectives, and here I think about objectives that favour growth for that region, even if the time has come when in some regions growth is no longer considered to be a significant or important matter.

• (1720)

In the Prairies and western Canada it is important to attempt to sustain and maintain our population and our activity. We have a very large infrastructure, a very large basic cost of operating our governments and our enterprises, and an increasing population can be a great advantage to us in this regard. Ways and means of developing the economy, the basic industries and the secondary industries that can logically flow from them, must be examined with this kind of objective in mind.

What we learn in the development of policies for western Canada will, I am sure hon. members appreciate, have full significance for other regions of the country because we do not have such different needs from the people who live in the eastern portion of our country, the eastern portion of the province of Quebec, the northern portion of Quebec and Ontario and the north of this country as a whole. What we learn as we develop programs to reach our objectives will carry over and have implications for the whole of this country.

The Speech from the Throne referred to several steps which may be necessary to accomplish our objectives: the decentralization of the Department of Regional Economic Expansion and the concentration of its endeavours with other federal departments and provincial activities in the joint production of the techniques for accomplishing our objectives. We have gone far too long without this kind of concerted approach, with one federal policy moving in one direction and another provincial policy moving in a different direction. We have, therefore, not derived the best results from our efforts even when our objectives have been the same.

We will examine the tremendous and difficult question of transportation and freight rates. Members from all parts of the country will recognize the significance of this question, and of possible solutions, to their regions. Here we are looking at the need to examine transportation and freight rates questions in conjunction with a national policy as an instrument which has its effect upon the total development of this country. The west came into being in the heyday and following upon the acceptance in Canada of the national policy which depended upon the tariff structure and upon a railroad being built with government assistance from grants of land and other things. It was built on a theory of establishing a market for the central portion of the country. It is this fundamental policy which must be reviewed and which the Speech from the Throne now gives us an opportunity to do.

Mr. Speaker, the move toward a better society must take place not only in the economic sense but in the broad social sphere of the relation between person and person and persons and state. In the past, this government and its predecessor have been most active in areas which touch directly upon my jurisdiction in the Department of Justice in trying to move toward a society where equal opportunity and equal respect for rights was a reality as well as a theory. We have just recently begun the signing of agreements on legal aid and compensation for victims of crime, in another effort. This will ensure that throughout this country a right, in reality, exists for individuals who may be faced with criminal prosecution or who are the victims of criminal acts.

I consider these agreements to be important, not so much for sharing the cost of the burden in those provinces which already have moved into these fields but in the possibility they offer for the extension of legal aid in criminal matters to provinces which have not previously provided that service in a very extensive way. It is of fundamental importance that every individual be treated fairly in our courts; it is of fundamental importance to the respect for law and order in our society that this be so.

It was this belief that individuals should be treated fairly and equitably which led to the so-called bail reform in this country only a short time ago. That allowed for the release from imprisonment before trial of prisoners who did not have the money with which to post bail or to secure sureties in the old-fashioned way.

This was an important equalization of the position of people in different economic situations. It has come under some criticism, as such a program almost certainly will in its earliest days before administrators become used to it. It is a new program and we are prepared to make such changes as experience may show are required. So far, the reaction of the attorneys general of the provinces and the officials who know the system well has been very positive. The program has allowed the release of people who ought to be released and it does not seem to have created too much difficulty.

It is true, of course, that those who administer the program must learn to know it. Crown prosecutors must learn of the opportunity they have to urge the detention in jail of a person where it seems sensible and safe and the only sane course of action. This power is in the hands of our judges, particularly at the urging of Crown prosecutors, and perhaps it was somewhat neglected in the initial stages of this reform. I suggest to hon. members that in this, as in so many other areas, it is important to avoid criticizing the whole program because of the difficulty which may attach to it in the initial stages. It is better to correct these problems, if we can, than to deal in a destructive way with the program itself.

Mr. Speaker, I hope that in this parliament we will have time to return to the question of the bill on privacy, or wire-tapping or electronic eavesdropping. I believe this is an important additional step that we must take in this country. In the Department of Justice we will be continuing our work on other aspects of the protection of privacy, in such matters as the development of a commission on rights and interests, in order that we can better protect the rights of individuals who are not strong enough to protect themselves or who need assistance against the strength and complexities of a bureaucracy.

A law reform commission has been established in this country, and is active. I look forward to its reports and to consideration by the House of its proposals. I hope that we can deal on a regular, perhaps annual basis with its recommendations on changes in the criminal law, in procedure, in the rules of evidence, and so on, so that the problems which have been recognized but which no one has had time to deal with in the past are not left as open sores.

These are the things which I think we can deal with in this parliament, Mr. Speaker, given a spirit of good will. I look forward to the continued support of members on all sides of the House in dealing with these extremely important matters of law and justice in our society. The objective of a just society, whether in economic or legal terms, will always be before us. It is an ideal toward which we should continue to strive. This government will put before this House legislation which allows us to move our society in that direction.

Some hon. Members: Hear, hear!

• (1730)

Mr. Jim Balfour (Regina East): Mr. Speaker, as the newly elected Member of Parliament for Regina East, I am pleased and honoured to be able to participate in this debate. I wish at the outset to congratulate you, Mr. Speaker, on your re-election and the Deputy Speaker on his election. I am confident that the qualities of courtesy, tact and wisdom possessed in such large measure by you both will guide the House successfully through the difficult and challenging days ahead.

Regina East, Mr. Speaker, comprises approximately the eastern half of the city of Regina plus about 5,000 square miles of rural area, being a rectangle about 50 miles in width and 130 miles from south to north. Included within its boundaries is a portion of the beautiful and historical Qu'Appelle valley along which are situated four Indian reservations. An additional four reservations lie north of the valley in the Punnichy district. Seventy per cent of my constituents reside in the urban centre of Regina; the remaining 30 per cent reside in the towns, villages and farms of the rural area of the riding.

The population of both the rural and urban areas is truly multicultural in nature, incorporating Anglo-Saxon, European and Asian ethnic origins in addition to a significant proportion of Indian and Métis people. Needless to say, the variety of background of these various groups contributes in a positive way to the quality of Regina's social and cultural life. Regina has more than doubled in size since the end of World War II and now contains a population of 149,000. The last four years have seen a slackening in Regina's rate of growth, as Saskatchewan has suffered a population loss. Some of the implications of these facts I shall refer to later in my remarks.

The principal economic activity of the Regina East riding is, of course, related directly and indirectly to agriculture. Dairy, grain and livestock farming and the goods and services required to support these activities are the principal sources of income for those residing in the various centres of population scattered throughout the rural constituency; hence, the basic problems of agriculture in western Canada translate themselves into economic terms for most of those whom I represent in this House.

The government, Mr. Speaker, in its Speech from the Throne proposes a variety of measures as solutions to western Canada's problems. I must say I am pleased to hear that this government has finally recognized the existence of western Canada and has finally realized that western Canada is, in fact, experiencing problems. But on the basis of this government's record over the past four and a half years, I seriously question whether we are going to witness any monumental alterations in attitude, no matter what the throne speech says.

Western Canada, and Saskatchewan in particular, is suffering from increased and disastrous depopulation, a steady decline in farm income as a result of vulnerable markets and the cost price squeeze, and from a federal government that over the past four and a half years has wasted its energies on measures inherently hostile to the social, economic and individual goals of Canada's rural future.

In 1883, Mr. Speaker, my grandfather came to Saskatchewan from Ontario as a 16-year old youth seeking opportunity, which he found in full measure. In the economic environment of western Canada today, it seems to me almost inevitable that his great-grandsons, my sons, will leave their native province simply because no such opportunity or challenge now exists. Our largest single employer is the provincial government, and we are confronted with what could become an insoluble dilemma, that of an ever increasing bureaucracy living in large measure on the tax revenue generated by an ever decreasing private sector.

But, Mr. Speaker, I submit that what lies at the root of western Canadian problems is the hinterland philosophy with which, in varying degrees, central Canada and the federal government has regarded the west since confederation. A need to purchase consumer and capital goods in a protected market, while selling its products in a free world market, is one basic manifestation of its economic dilemma. This alone has constituted a hidden tax on western Canadians for as long as wheat and minerals have been produced there, a hidden tax which has never been compensated by government revenue sharing because it has created for the private sector of industrial Canada a built-in advantage over the private sector of western Canada. By reducing the profitability of the agricultural and mineral industries of the west, it has retarded capital formation, discouraged investment by the banks and reduced the buoyancy of the west economically.

The west is not the victim of lack of resources or productivity or a lazy work force; it is a victim of federal government policies that have loaded the dice against it. Transportation cost policies, tax laws which inhibit western development, a Customs tariff system which exacerbates the farmers' cost of production dilemma, the centralized banking system, immigration laws which at present create no impetus for settling in the west, and a host of other instruments of federal authority are responsible for the situation.

The hard fact is, Mr. Speaker, that western Canada has existed under a system of economic colonialism to central Canada since confederation, and the time for change is long overdue.

Some hon. Members: Hear, hear!

Mr. Balfour: I noted with interest the throne speech proposal to convene a conference of the governments of western Canada to study western economic opportunities. Such a conference could very well prove in the long term to be a constructive and productive step. But there are things that could be done and should be done immediately. Federal fiscal, monetary and spending policies should be designed and implemented to deal with a Canada which is composed of distinct and differing regions. Special tax exemptions should be considered for areas with high living costs, such as the north, the areas of western Canada and the Maritimes; and areas which do not contribute to inflationary pressures caused by rapid economic growth should be spared the pains of the battle against it. In short, we must design and implement policies which recognize the existence of differences of the various regions of Canada and which guarantee for these regions a substantial degree of sovereignty and political and economic equality.

I notice, Mr. Speaker, that the government, in the throne speech, devotes much of its time to social policy, to policy which is presumably designed to assist Canadians who are less fortunate than the majority, namely, the elderly, those who are unemployed, those on welfare, those who are living with conditions that are less than satisfactory.

I also notice that the throne speech fails to devote even a single sentence to the plight of Canada's native peoples. Perhaps this government would prefer not to remind itself or the rest of Canada about its total lack of concern for this sector of Canadian society which has an unemployment rate of about 90 per cent, a sector of Canadian society of which 70 per cent, in 1969, lived below the poverty line, a sector of Canadian society in which the high school drop-out rate reaches 95 per cent before grade 12, a sector of Canadian society which has, apparently, been forgotten by this government.

Mr. Speaker, there are approximately 3,000 registered Canadian Indians living in my riding. They occupy a total of eight reservations. In addition to this, there is in the city of Regina a substantial number of Indian and Métis people who have left the reservations and small rural communities seeking, presumably, greater opportunity. They, however, do not find greater opportunity. They find, usually because of lack of education, that opportunities for advancement are limited and they end up living in ghetto-like surroundings which are totally abysmal.

Under the terms of the Indian Act, registered Canadian Indians are the direct responsibility of the federal government. This government has abdicated that responsibility, because native peoples still suffer from inadequate housing and educational facilities, and poor health care. Native peoples living in Canada are still treated as second-class citizens and the government of Canada, instead of helping Indians to help themselves, is content to proceed with its narrow, legalistic policy of assimilation of native peoples into white society. Now we discover that the government is planning to phase-out funding for native organizations, in particular the core funding concept.

It appears as if the federal government expects that Indian associations will be able to correct all previous wrongs, grievances and injustices against Indian people and advance their standard of living to the point where they are no longer necessary within a period of less than 40 months. But, of course, this is the same government that has provided one school since 1968. It is the same government that has provided absolutely nothing in the way of new health care and educational concepts since 1968. It is the same government which chose to disregard the views of the Indian people in its 1969 Indian policy, and continues to ignore them in its 1973 Speech from the Throne. Canada's native peoples, Mr. Speaker, are not asking for the impossible. They only seek more control over their own affairs.

• (1740)

However, the biggest problems facing Canadians, whether they be from the west or the east, are unemployment and inflation—unemployment which affected 615,-

000 Canadians in December of this year, the largest number for that month in Canada's history, and inflation which is running at a rate of five per cent on a year to year basis.

The government in its Speech from the Throne said that it is giving top priority to finding a solution to Canada's economic problems. I contend, Mr. Speaker, that we would not have these problems now if the government had not chosen to pursue a bankrupt economic policy in the first place. Nevertheless, we are faced with finding a solution. The government's solutions, as usual, are too little, too late. I am speaking here of the new winter works program recently announced by the government, which will cost the Canadian taxpayer approximately $350 million.

The winter works program is supposed to alleviate peak periods of winter unemployment. Unfortunately, as in previous years, the government announced the program too late to accomplish its stated objectives. The result will be a winter of high unemployment and unnecessary misery for many Canadians. The throne speech says that the government is giving top priority to promoting—

—stable economic growth at a rate that will sustain rising standards of living for all our citizens and provide for more satisfactory realization of the potential of the economy.

Yet statistics released by the finance department on November 29 revealed that the government's present fiscal policy is becoming more restrictive rather than more expansionary, and that the June budget in fact contributed to rising inflation and rising unemployment.

We have been told that before too long the government intends to bring another of its endless series of budgets before this House. I can well imagine that this budget will try to tie up some or all of the loose ends left dangling by the throne speech. However, Mr. Speaker, what confidence can this House have in a government that says on the one hand its most urgent priority is jobs, when on the other hand the statistics compiled by Statistics Canada tell us a completely different story? These figures tell us that not only has job creation lagged behind growth of the labour force, but the seasonally adjusted unemployment rate has increased since the last budget. With what confidence can we treat the new budget, if and when it comes, when the first priority of the old budget has still to materialize?

Reasonable projections now show that real growth of the gross national product during the whole of 1972 will be approximately 5.3 per cent. To bring unemployment down to the 4.5 per cent recently recommended by the Economic Council of Canada will require real growth of our gross national product, between 6 and 7 per cent. Once again, the government has fallen short of its own objectives and one can only wonder how all this mismanagement will suddenly be changed in the new budget. This government has not produced over the past four years, and on the basis of its record I cannot really believe that its intentions are serious this time, either.

Much has been made of the lesson this government apparently learned during the election campaign and as a result of that contest, but I do not credit them with humility and I do not see any change in basic attitudes. We have a government which is still basically arrogant, which is still basically smug, which is still basically not a government of the people and which will, because of that, not be the government of the future.

Some hon. Members: Hear, hear!

Mr. Doug Rowland (Selkirk): Mr. Speaker, I wish first to express my congratulations to the four hon. members whom this House has selected to preside over its deliberations. Three of these hon. gentlemen previously occupied the posts to which they have been re-elected, and did so with dignity and distinction.

I think it will be understood if I make specific reference to my special pleasure at the re-election of the hon. member for Stormont-Dundas (Mr. Lamoureux) to the high position he occupied in the previous parliament. It is not enough that Mr. Speaker knows the rules and applies them with impartiality. To be truly effective, he must be able to sense the mood of the House and understand when a rigid application of the rules would not be in the best interests of the chamber. Mr. Speaker has consistently demonstrated just that sort of sensitivity in his judgment.

I must also add my expression of appreciation for the manner in which Mr. Speaker discharges his important duties outside this chamber. It always pleases me to learn that Mr. Speaker has hosted visiting foreign dignitaries, because I know that the hospitality he and his wife habitually extend to their guests can only result in adding lustre to the reputation of this country and its parliament. It is among my fondest hopes that this parliament will create a permanent speakership and that the present Mr. Speaker will be the first incumbent.

The hon. member for Halifax-East Hants (Mr. McCleave) assumes the Chair for the first time this session. I am delighted at his selection. Few members have demonstrated for this institution a feeling to equal his. His interventions in procedural debates in the past have been invariably knowledgeable, designed to maintain decorum and expedite business. I am sure that he will bring distinction to his office. While I am giving out bouquets, I would like to associate myself with the remarks of hon. members who congratulated the mover and seconder of the address in reply to the Speech from the Throne.

A lot of nonsense is commonly heard in this place, but if some of the remarks of distinguished members of the Progressive Conservative Party during the past week are any indication, this will be a vintage year. Let me refer to two recurring themes. First, members of the party sitting to my right have argued, implicity and explicity, that in deciding to permit the Liberal government to present a legislative program before deciding upon its fate we in the New Democratic Party have somehow betrayed our mandate. I consider it no part of my mandate to express a preference for either the Conservatives or the Liberals.

Given the fact that my party cannot at the present time form a government, and given the fact that I was elected after running on the New Democratic Party platform I consider that my instructions from the electors in my constituency were to use all the means at my disposal to bring into effect the policies which I advocated during the campaign. To me, that means that the New Democratic Party should employ the somewhat strategic position it

occupies in this House to persuade whatever party has formed the government of the merits of its program.

So long as the party in power shows a reasonable disposition to act upon our suggestions, I feel under no obligation to defeat it. However, should such a disposition not manifest itself I would have not a moment's hesitation in throwing it out. That kind of decision can hardly be made with any intelligence before one has had a chance to look at proposed legislation. What we are doing is providing the government with a chance to present legislation. If we like it, if we feel it is in the best interests of the Canadian people, we will vote for it. If we do not think it appropriate, we will vote against it.

It makes absolutely no difference to me whether we engage in this exercise with Liberals or Conservatives. As it happens, the election results gave the Liberals two seats more than the Conservatives, and the Prime Minister's decision means that we must deal with Liberals. Should the Liberals be defeated, I believe that under current conditions it is only proper that the Conservatives be given an opportunity to attempt to implement a legislative program. But it is no part of my mandate to say to either the Liberals or the Conservatives, "You have no right to attempt to introduce a program of legislation." If I had any reason to believe that the Conservative party would, in government, produce policies more in keeping with those I advocated during the election campaign than will the present government, I would have no doubt that it was my duty to assist the Conservatives in gaining office. However, since in relation to the principles of social justice, economic democracy and human dignity a change from Liberals to Conservatives means merely a change of faces to the right of Mr. Speaker, I feel under no compulsion to express preference for one party over the other.

An even more monumental piece of nonsense than that the NDP is somehow morally obligated to produce a Conservative government is the attempt of Conservative members to suggest that in voting against their motion of last Tuesday to adjourn the debate on the address in reply, the New Democratic Party was somehow voting against the well-being of old age pensioners. Well, that is an interesting game to play. It may even impress some people outside this chamber. But it is nothing more than a game, the kind of silly game which has helped to erode the reputation of parliament.

The motion had nothing whatever to do with pensions. All it asked was "that this debate be now adjourned." If it had passed, the House would have had nothing before it and we would merely have taken the rest of the day off. The Tories say the purpose was to bring on the government's pension legislation. There is no pension legislation on the order paper. Nothing at all would have happened, and such a course would have done nothing for the cause of pensioners. The move was a farce and an insult to Canada's pensioners.

The claim to be concerned about pensions being made by the Tories has a hollow ring. Their leader, the Leader of the Opposition (Mr. Stanfield), has said no to a pension of $150 across the board. The Tories have refused to say by how much they would increase the basic pension. All they want is to gain power by any device. To use the old age pensioners as part of a power play was a disgrace exceeded only by those reporters who treated the gambit seriously at all. I would like to think that we in this chamber are capable of rising above that kind of nonsense. I know that the members of the Conservative party believe they can better govern this country than the Liberals. Given that conviction, they have every right to continue to seek office, but let them not ask me to share their conviction, and let them seek office honestly and straightforwardly. Playing games does not serve the interests of this House nor of the country.

• (1750)

There is not a party in this House that has reason to be satisfied with the results of the election. But like it or not, awkward or not, the composition of this House is the verdict of the Canadian electorate and I submit, to return again to the questions of mandates, that the electorate expect each of us to make a determined effort to see that this parliament deals with their problems, needs and aspirations. I recently polled my constituents by means of a questionnaire asking people to indicate whether or not they wanted another election. Over 90 per cent indicated that they did not. I asked them which party they would like to see form a government in the event that an election were held: some 30 per cent said Liberal, some 30 per cent said Conservative, some 30 per cent had no preference, and the remainder had other suggestions to make.

An hon. Member: Explain.

Mr. Rowland: Some rather optimistic people suggested there should be a New Democratic government, and others argued for various forms of coalition. The point is the people in my constituency want us to try to make this parliament work.

There are some who regret the fact that once again we have a minority House. I do not share that regret, and I shall indicate why in a moment; but that consideration is not material to the point I am attempting to make. The fact is that we have a minority government. The fact is that if we were to have an election tomorrow, there is no guarantee we would not have another. Indeed, the experience of the last 15 years, in which seven elections have produced only two majority governments, would lead one to expect another minority government.

Parties have become regionalized; there is no truly national party at the moment. I believe the situation to be the result of the beginning of a profound political realignment in Canada which will ultimately produce a national party to the left of centre and a national party to the right of centre. One can see that process taking place at the provincial level in British Columbia and Manitoba where coalitions to oppose what are called "The socialists" are being proposed. Such a process is already complete in Saskatchewan. But the process is lengthy and difficult. In the interim, minority parliaments are more likely to be the rule than the exception. I think that as men and women elected to govern in the interest of Canadians we are obliged to seek ways and means to make minority parliaments work, ways and means which will meet the current situation without artificially perpetuating it. That means some alteration in both institutions and attitudes. It is for this reason I was so pleased by the decision of the House

to elect a representative from the official opposition to the post of Deputy Speaker.

Surely the next logical step, and one which I would strongly urge the government to adopt, or at the very least refer to the Standing Committee on Procedure and Organization for immediate consideration and report, is that of having chairmen of committees selected from a panel of representatives of all parties in this House. With its current numbers, the government is going to encounter extreme difficulty finding a sufficient number of members with the background and experience necessary to chair each of our standing committees, joint standing committees and special committees. There are compelling reasons for moving to an all-party panel of chairmen even in a majority House. Surely those reasons are even more compelling when the party in power has only 109 members, the majority of whom occupy cabinet posts or parliamentary secretaryships.

May I call it six o'clock, Mr. Speaker?

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. Rowland: Mr. Speaker, when the House recessed at six o'clock I was in the midst of arguing that what is likely to happen in this country over the next number of years, because of the process of political realignment that is taking place, is that we will be confronted more often than not with the situation we now find ourselves in, that is, having a minority government. Because of that there is some fundamental reshaping of attitudes and of institutions which must take place, not for the purpose of artificially perpetuating the situation of minority governments but to accommodate this institution to the fact that we are likely to be encountering minority governments. This would allow the government of the country to carry on in spite of that fact.

Just prior to the House adjourning for supper I had argued that one of the immediate steps we could take in this direction would be to look to the device of having committee chairmen selected from opposition parties as well as the government party, something I understand the hon. member for Kenora-Rainy River (Mr. Reid) suggested last Thursday. I hope we will hear some similar expressions of opinion from representatives of the Conservative party as this debate progresses.

Another suggestion I wish to make is that now is the time for this House or one of its committees to take a good, hard look at one of the recommendations of the Special Joint Committee of the Senate and the House of Commons on the Constitution, on which I had the honour to serve. In effect, the recommendation calls for a fixed-turn parliament with certain escape clauses. Recommendation 43 of that committee, to be found on page 37 of its report, reads as follows:

> Every House of Commons should continue for four years, from the day of the return of the writs for choosing the House and no longer, provided that, and notwithstanding any royal prerogative, the Governor General should have the power to dissolve parliament during that period:
>
> (1) when the government is defeated
>
> (a) on a motion expressing no confidence in the government; or
>
> (b) on a vote on a specific bill or portion of a bill which the government has previously declared should be construed as a motion of want of confidence; or
>
> (2) when the House of Commons passes a resolution requesting dissolution of parliament.

That recommendation duplicates a bill to amend the BNA Act which I had on the order paper during the last parliament and which I have resubmitted for consideration by this parliament. The recommended changes to the BNA Act have special relevance to a minority parliament because they would in at least two ways equip the House to introduce some stability into the situation, a situation which I have demonstrated is likely to be recurrent over the next number of years. Firstly, by requiring the government to indicate in advance of debate on any piece of legislation whether or not a vote against it would be construed as a motion of want of confidence, much unnecessary and disruptive squabbling about the significance of any particular vote, a problem referred to in the speech of the right hon. member for Prince Albert (Mr. Diefenbaker), could be avoided. Moreover, such declarations would assist the chamber, through consultations among House leaders, to intelligently plan the order in which legislation should be placed before it because we would know in advance on which pieces of legislation the vote would constitute a test of the government.

The second way in which this suggested amendment to the BNA Act would contribute to stability in a minority situation is less direct but equally profound. In effect, the bill which I placed on the order paper, and also the recommendation of the joint Senate-Commons committee, limits the royal power of dissolution by establishing that it is the House, and not the Governor General or the Prime Minister by way of the Governor General, that will determine whether parliament should dissolve short of its statutory time limit, which is suggested in both these recommendations as four years.

Thus, it would seem to me that the House would have the power to so word a motion of want of confidence, once that royal prerogative had been limited, as to determine whether it would result in dissolution of parliament and an election, or in the forming of a new government. Should the BNA Act be modified as suggested, it would be entirely proper for the House to move a motion couched in terms such as, "Your Excellency's advisers no longer possess the confidence of this House and we humbly request that (Mr. X) be called upon to form a government".

This procedure would not be proper now because the House would be attempting to usurp the royal prerogative; but if the amendment to the British North America Act, recommended by the joint committee on the constitution, were passed, that prerogative would be limited and such a motion would be in order. This would meet yet another of the points raised by the right hon. gentleman from Prince Albert during his contribution to this debate.

I believe the fixed term for parliament, with escape clauses, provided for in the recommendation of the Com-

mons-Senate committee and as inscribed in my bill is necessary for a number of reasons beyond those associated with a minority parliament. At present, under section 50 of the British North America Act the Commons can sit for a maximum of five years after an election unless its term is extended by a vote of two-thirds of the members; but it can be dissolved by the Governor General, who acts on the advice of the Prime Minister, at any time within the five-year term.

In practice, parliaments are usually dissolved after three and a half to four years in order to offset charges of government arrogance, to avoid the appearance of government clutching too tightly to the reins of power and to permit the government room to manoeuver and plan legislation so as to present itself to the electorate in the most favourable manner. Thus, at any time after the third year a parliament gets election fever, productivity drops off because members must begin electioneering, the game of guessing "will it be called or won't it" saps energies and diverts attention from legislation. Obviously, a set term would not completely eliminate such practices but it would at least ameliorate the situation.

The second reason apart from a minority situation for advocating a set, four-year term is that it would diminish slightly the power the Prime Minister wields over individual Members of Parliament, especially those in his own party, by taking away from him the ability to decide, on his own, when an election shall be called. The threat of an election can often whip into line rebelling members of a government caucus. Even the exceptions to the set term which my proposal would admit would ensure that the power to decide upon an election date rested with the whole House and not only on the Prime Minister.

The third reason for advocating a set term is that it would give individual Members of Parliament, especially government backbenchers, a greater say in policy formation. If there were a set term, the defeat of a piece of government legislation would not necessarily result in the defeat of the government, as custom would seem to dictate at the present, although that statement must be qualified in particular instances. Thus, a government backbencher would no longer necessarily be confronted with the choice of either voting for a piece of legislation with which he disagrees or having the government, which he probably supports on 90 per cent of its legislation, fall. In short, there would be more free votes. In this kind of situation the government would have to pay much greater attention to the views of its caucus and ensure that those views were reflected in its legislation if it were to be assured of passage.

• (2010)

Opposition influence would also increase because, if their arguments for change in legislation were to convince a number of government backbenchers, the legislation would again be in jeopardy. Thus, the government would have to pay some attention to opposition arguments, and the opposition, with a real chance to influence the course of events, would have to take greater pains to make their arguments responsible and convincing. Debate in the House would become more meaningful and less of a ritual.

[Mr. Rowland.]

The fourth reason for advocating a set-term parliament is very closely related to the third; the fact that there would be more free votes, and debat es in the House would become more meaningful. Such a situation would mean that a debate was once again a drama. The outcome would no longer always be known in advance. Debate would once again be genuinely worthy of the attention of the news media. News media coverage would serve to focus public attention upon developments in the House. Just why this change is so important to the democratic process is somewhat difficult to ex plain, but let me take a stab at it.

Parliament serves the purpose of foc using public attention upon matters of concern and of defining and delineating the considerations and the options involved. In so doing, parliament assists the public in coming to intelligent conclusions about the actions of government and helps individual members of the public to determine their own positions on questions of import. The better the media coverage, the more effective is this wholly desirable process. But beyond that, improved media coverage of improved parliamentary debate would mean a more rapid and a more effective focusing of public attention upon an issue, with the consequence that public opinion would more readily affect government actions.

Votes in the House are no longer the important control on the actions of the executive; rather, appeals by the opposition to the electorate are the important control. Even with a set-term parliament, this would remain the case. The only real sanction, the only real control on government action now is the prospect of defeat in the next election. With a majority government and the well established pattern of voting solidly by party—a pattern which a set-term parliament would soften but not end—votes are virtually meaningless and are useless as a means of effecting parliamentary control. Thus, what is important in the functioning of parliament is the quality of the discussion conducted. What is important in the functioning of parliament is that discussion be focused. What is important in the functioning of parliament is that its discussions be heard by the public, and news media attention would ensure that they were.

The constitution committee's proposal for a set-term parliament would permit the term to be shortened under certain conditions. Exceptions are required for two major reasons. The first is that public opinion, especially in this age of instant electronic communication, is highly subject to change. Thus, it is entirely conceivable that a parliament might not at all accurately reflect public opinion after it had been elected for a period of time but before its four-year term had expired. Therefore, any realistic proposal must permit the effective acknowledgement of such changes through an earlier election. It is for this reason that I suggest an election could be held before the expiry of four years if the government were defeated on a motion of want of confidence, or if the House voted to dissolve and have an election called.

The second major reason for permitting an early termination of parliament under certain conditions is the desire to avoid doing undue violence to one of the parliamentary system of government's greatest strengths—its ability to allow the public to easily assign responsibility for govern-

ment action. Because it is the government which formulates policy and pilots it through the House, credit for success and blame for failure goes to the government. Moreover, governments seek office on the basis of a program of action, and once in office are expected to put that program into effect.

If a situation were created in which a government could find itself defeated again and again on major pieces of legislation and yet be forced to continue in office, as is sometimes the case with the United States president who is elected for a set term, our system of responsible government would be adversely affected if not entirely destroyed. Thus, I feel it necessary to suggest that a government be permitted to say of any piece of legislation, before debate on it begins, "This piece of legislation, or this portion of the bill before us is a matter of principle to us. If it suffers defeat, we will consider the defeat to be a vote of want of confidence and an election will be called even if the four-year term is not up." This latter qualification is obviously a major one, one which if abused, could severly reduce the advantages of a set-term parliament.

It is obviously possible, with this sort of exception available, for a government to make such a statement about every piece of legislation it brought forward and thus end the possibility of free votes. However, the likelihood of such action being taken is remote since institutions and laws have their own dynamics. Once the law made it possible for more free votes to take place, the expectation of the public would be that they take place and a government would ignore such expectations at its peril. I think that initially governments would use such a qualification very frequently but, as the system was demonstrated to work and as the public became accustomed to it, the use of such a rider on legislation would become less and less frequent.

I submit that these kinds of reform are necessary because they give greater weight to the individual Member of Parliament. At the moment parliament, except in a minority government situation, is lead around by the nose by members of cabinet, and especially the Prime Minister. So long as individual Members of Parliament are effectively excluded from having a reasonable amount of influence over policy formation and over the business which comes before the House, their constituents, individually and collectively, are similarly denied an influence unless they are members of well organized, well financed special interest groups capable of gaining the attention and affecting the judgment of the cabinet. That is not democracy; rather, it is a form of collective plutocracy.

In the interests of democracy, in the interests of making this chamber relevant to the people of Canada, we need to build into the system the necessity for a government to consult meaningfully with this House and its members when it occupies a majority position as well as during those times when there is government by minority. I suggest that in a small way a fixed-term parliament would assist in achieving that end.

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, it is a great honour for me to represent the constituency of York-Sunbury that has been represented by such great Canadians as J. Chester MacRae, the Hon. Milton F. Gregg, the Hon. R. B. Hanson, W. G. Clark and the Hon. Francis Bridges.

I would respectfully commend you, Mr. Speaker, on the fair, impartial and friendly way you conduct yourself in the performance of your exacting duties. You certainly merit your excellent reputation which extends across Canada. I wish also to commend the clerks at the table who serve this House with distinction. The Clerk of the Commons has been the instigator and mainstay of the organization of Clerks of all legislatures in Canada. The Clerks hold annual seminars, exchange information and improve the quality of service to all legislators in Canada. Our Clerk, the Clerk Assistants and parliamentary counsel have merited the praise and respect of all hon. members for their service to this House and to all the legislative bodies in Canada.

My constituency is one of the most beautiful in Canada. Intersected by the magnificent Saint John River, its rolling hills and green valleys are punctuated by evergreen forests, farms, towns, villages and the capital city of New Brunswick. Base Gagetown, the large army training area, the dominion research station, factories, government offices, recreation areas, the arts and points of historic and natural interest are all there. There is also poverty, hardship, anguish and frustration. I shall in a moment, Sir, ask your understanding and assistance in identifying and attempting to solve the difficult problems facing many people in my constituency.

The provincial university, the University of New Brunswick, Teacher's College and St. Thomas University, are located in my constituency on the same campus. The Prime Minister (Mr. Trudeau), the Secretary of State for External Affairs (Mr. Sharp) and the former minister of transport all know this campus. They visited it during the election campaign. They are always welcome in York-Sunbury and I hope they return soon.

• (2020)

York-Sunbury also has within its boundaries the capital of the province of New Brunswick. Fredericton is the only capital city in Canada not served by rail passenger service. To visit Fredericton by rail you disembark at Fredericton junction and then travel over icy roads in a bus through the bitter cold New Brunswick winter for a considerable distance. It is not equal to the comfortable, safe rail service that helped develop and build part of this area. If you come by air, make your reservations early if you plan to visit during the busy season. Would you believe that last week I was on the waiting list to fly from Montreal to Fredericton on March 24? You have probably guessed by now why I welcome the Minister of Transport (Mr. Marchand), particularly in the winter when I hope he comes by train.

I am vitally interested in the government's future plans for regional economic development. The disparity that exists between the Atlantic provinces and the rest of Canada has remained constant despite strong efforts made by the Department of Regional Economic Expansion. One can only conclude that without DREE the situation may have been much worse but that some important studied changes are necessary. Unfortunately, neither the throne speech nor the speech of the Minister of Regional

Economic Expansion (Mr. Jamieson) in this debate, although I enjoyed it very much, have thrown any meaningful light on this subject except for an oblique reference to the effect that DREE would be decentralized.

My conception of DREE is of a federally strong department backed by all the resources of Canada, such as the original Atlantic Development Board was to have been. It was my belief, shared by maritimers generally, that DREE was created expressly to help underdeveloped regions in their quest for national standards of living. If DREE had been used for that purpose, we would no doubt have far better conditions in the Atlantic provinces today. Unhappily, DREE has been used primarily to prop up the national economy in times of stress and strain and, heaven knows, there have been plenty of times like those in the last four years.

Practically every part of Canada has experienced the need for and been brought under the aegis of DREE. The concentration of funds needed in the Atlantic provinces for infrastructures and the provision of secondary industries has not been available in these areas in amounts necessary to combat the chronic depression, the seasonal unemployment and the low per capita incomes of the Maritimes. In short, it seems that the grievous errors made in national planning have cast DREE in a stopgap role instead of that of a facilitator for the economic recovery of Atlantic Canada.

In my view, DREE must develop policies which can have an enormous impact on regional development. It has to be a bold and vigorous DREE, to be sure, and one which is in close communion with the places it serves. But it has to be a DREE properly administered, with the outstanding goals of eliminating the disparities which it is attacking and focusing the combined efforts of all agencies on the problems before it.

After the fortunes of war had turned against the right hon. member for Prince Albert (Mr. Diefenbaker) in 1963, successive Liberal governments failed to realize the magnitude of the task. To bring a whole region of Canada, depressed for generations, to economic, monetary and social parity with the rest of the country is a mountainous undertaking requiring massive infusions of funds and investments. Piecemeal doles, such as those handed out by the Liberal government after 1963 which played havoc with the Atlantic Development Board, and even those presided over by DREE, have been able to do nothing more than keep the region sliding backward.

The right hon. member for Prince Albert was thinking in terms of a billion dollars of federal investment in the Atlantic provinces when he created the Atlantic Development Board. This was to prime corporate investment of $3 billion more. He seized the nettle in 1962, introduced the principle of regionalism into federal politics and recognized the fact, glossed over during two decades of Liberal rule, that only federal assistance on a titanic scale could strengthen the weak Atlantic link in the chain of confederation. The Atlantic Development Board had no chance to function. The Diefenbaker government fell. The Atlantic Development Board was emasculated by the Liberals and given a fixed fund toally inadequate to the task. Where billions were needed, millions were distributed in bits and pieces.

The Department of Regional Economic Expansion performed the best it could within the scope of its policies and finances, but the great and crying needs of the Atlantic provinces, the basic problems, are still unanswered. DREE has been concentrating on industrial aspects with a reasonable degree of success, but the results are discouraging in Atlantic Canada when the magnitude of the task is considered. Also, the scale of its outlay for infrastructures has been puny in relation to the number and size of the projects in the Atlantic area waiting to be developed.

The Atlantic Development Board led by Michael Wardell, before the Liberals got at it, was poised to launch mighty undertakings which could have changed the face and fortune of this part of Canada. It had the blessing of the Conservative government of that day. The green light had been flashed. It was "Go" for the harnessing of the tides of Fundy, the building of the New Brunswick to Prince Edward Island causeway, the exploration of the corridor road across Maine, linking the Maritimes with Sherbrooke, Quebec, and even the much talked about Chignecto canal seemed a possibility.

Those were the infrastructures which the Atlantic provinces needed then, and which I believe are needed today as never before. But with the Liberals came the locusts and nothing was done. To be sure, the causeway was begun—during an election campaign—and stopped afterwards. When the government decided that it had to cut back on national spending, it thought first of the Maritimes just as its Liberal predecessors did. Out went the causeway concept, out went the possibility of developing the Bay of Fundy for electric power, and out went all interest in Chignecto and the corridor road.

The right hon. member for Prince Albert, Hugh John Flemming, Michael Wardell and K. C. Irving were on the right track when they said, "Invest first in the great infrastructures, and industrial expansion will follow as day follows night." The policies of the Liberal politicians, bureaucrats, economists and academics, while having some merit, were inadequate in attempting to pay industries to settle in the Maritimes and buy jobs.

The great need in Atlantic Canada is still for a massive program of self-liquidating public works and capital budgets financed out of loans. Investment on a massive scale can create production, employment and profits. It can cut those annual aids which the state of the Atlantic economy compels the other provinces to provide. If the infrastructure is set right—the power developments, the canals, the roads, the ports and the harbours—industry can do without the subsidies.

Transportation and regional development are inextricably linked. Thus, there should be constant consultation and communication between the Department of Transport and the Department of Regional Economic Expansion. In the past, so far as is known, there has been little of either. Now we have a strange situation in the House. The former minister of transport and the former minister of regional economic expansion have swapped seats in the cabinet. I hope they will put their heads together, as the times demand, to bring into effect the Atlantic transportation policy which must come if regional equality is ever to be attained.

I should now like to refer to a subject that has an important bearing on the future lives of a large segment of the people in my constituency, the servicemen and their families at base Gagetown. I refer to the defence establishment and its probable future commitments. Until a few years ago, a sizeable field formation was stationed at this important training establishment made up of highly trained and well disciplined soldiers. Their role was to reinforce, as necessary, the NATO commitment in Europe and to act as an immediately available resource of trained manpower if such were needed in a civil emergency.

They proved their worth in the latter responsibility most admirably and comported themselves well during the FLQ crisis. On several occasions they responded to requests from the New Brunswick government for assistance in fighting forest fires, flood control and such other emergencies. I hold these men in the highest regard, as do the people of New Brunswick. But I seriously doubt that the same capability is there today because of the change of organization and the serious depletion that has occurred in army unit strength.

It is not generally realized that when a drastic cutback is ordered by government, the personnel released are in most cases those in the junior ranks. In an emergency such as I mentioned earlier, our main requirement is for fully trained and well disciplined private soldiers—and they cannot be produced in a few weeks; in fact, I believe it requires at least 18 months to make a trained soldier out of a recruit.

The point I wish to make is that we cannot expect our armed forces properly to carry out their role unless they are made up of balanced and collectively trained units, capable immediately of undertaking present commitments and future commitments into which the government of this country enters, whether they be of a peacekeeping nature or related to emergencies that arise in this country. We must support our armed forces in achieving this posture.

• (2030)

Like other provinces, in varying degree, New Brunswick and the counties of York and Sunbury have the problem of inadequate support for the owners of small farms. We must make it possible for these holdings to pass from one generation to another without crippling tax penalties. We must make it less expensive for these people to purchase new equipment, to improve the efficiency of their operations and thus enable them and their successors to make a reasonable living off the land. Unless such measures are undertaken very soon, we and our children will be looking at vast areas of wasteland and abandoned farms on which the soil is fertile and capable of producing good food.

In the unique position in which we find ourselves in this House, Mr. Speaker, one cannot blame the smaller opposition parties for taking advantage of the present situation. However, they should bear in mind the words of the Prime Minister in regard to our relations with the United States, that one can never really be at ease when sleeping with an elephant, unless one wants to be a mouse.

Some hon. Members: Hear, hear!

Mr. Howie: I have attempted to constructively place before this House proposals to improve the way of life of all those who live in the Atlantic provinces. Whether these or better suggestions are acted upon is not important. What is important is that we act decisively, and now.

Some hon. Members: Hear, hear!

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, in opening my remarks I should like to congratulate you on your re-election to this House, and to join those hon. members who during the course of the debate have paid well deserved tribute to your wisdom, fairness and many other skills. I am both proud and happy that you have been enthusiastically, and indeed unanimously selected again to guide the proceedings of this chamber during the twenty-ninth parliament. I congratulate the Deputy Speaker on his election, and I also congratulate, for their excellent performances, the mover and the seconder of the address in reply to the Speech from the Throne.

I recall vividly my emotions, my excitement and feelings of humility, mixed with great satisfaction, when in 1957 I arrived in this House for the first time. Today, my feelings are no less intense. I stand here again with mixed feelings of humility and pride as the first Minister of State whose sole responsibility it is to implement and develop further the multicultural policy of the government.

Mr. Paproski: You had better do a good job, Stanley.

Mr. Haidasz: To these feelings I have to add, in all sincerity, my sense of gratitude to my parents, who immigrated to Canada from Poland many years ago, for their hard work, privations and guidance without which I would not have completed my education nor succeeded im my chosen career, to my teachers and friends in Toronto where I was born and educated, to my professors at the University of Ottawa, to the constituents of my multicultural riding of Parkdale for the clear mandate with which they sent me back to this House, and to the community of which I am a proud member, for their encouragement to enter into and to continue a role in the political life of this country.

I was deeply touched, Sir, by the reaction with which my appointment was greeted by the various ethnocultural communities across the country and their periodicals which, although in languages other than English or French are, nevertheless, Canadian in spirit. I was not surprised, of course, by the expression of warm, proud satisfaction by the Polish-Canadian press. I was, however, greatly moved by the sincere, spontaneous statements and congratulations flowing from other ethnocultural groups. I am grateful for their kindness and assure them of my continued support and receptiveness to their advice on how I and my dedicated officials can improve the efforts which have already begun in giving multiculturalism genuine substance in Canada.

All of us here are sensitive to the needs of ethnic groups and the richness they add to Canadian society, because the multicultural policy received support from all parties when it was announced by our Prime Minister (Mr. Trudeau), on October 8, 1971.

Mr. Paproski: All we want is more money.

Mr. Haidasz: I rejoice at the enthusiastic response to this policy from all ethnocultural groups. It is a fitting testimony to the viability of the multicultural policy of the government and an example of the integrating spirit and natural adoptive forces of our country, where mistrust can be shed in a cordial atmosphere of mutual trust, replaced by togetherness and understanding directed toward a brighter future, and by preservation of what is best in the past. Without it, multiculturalism would remain only a beautiful theory.

The appointment of a minister of state responsible for multiculturalism illustrates the positive influence of the philosophical and moral basis of the policy of multiculturalism. How right was the Prime Minister, when announcing this policy on October 8, 1971, he said in his memorable statement on that historic occasion:

> A policy of multiculturalism within a bilingual framework commends itself to the government as the most suitable means of assuring the cultural freedom of Canadians. Such a policy should help to break down discriminatory attitudes and cultural jealousies.

Mr. Paproski: Where is the advisory board?

Mr. Haidasz:

> National unity, if it is to mean anything in the deeply personal sense, must be founded on confidence in one's own individual identity; out of this can grow respect for that of others and a willingness to share ideas, attitudes and assumptions. A vigorous policy of multiculturalism will help create this initial confidence. It can form the base of a society which is based on fair play for all.

Yes, Mr. Speaker, fair play for all is the principle guiding the implementation of this policy as outlined in the Prime Minister's document. I have not the least doubt that when the history of this time in our country's affairs is written, the Prime Minister's statement, making manifest his government's determination to provide all ethnocultural groups with a sense of belonging without first having to sacrifice their cultural heritage, will be regarded as one of the truly enlightened and just policies adopted by any administration.

Mr. Paproski: You don't believe that.

Mr. Haidasz: During the past 14 months of implementation, the citizenship branch of the Department of the Secretary of State and the federal cultural agencies have done an impressive job to launch new programs and to develop those which had already existed. It was only in January of last year, hardly a year ago, that $3 million were made available for the fiscal period ending March, 1973, to finance the initial stages of all these programs. The best known of these is the one for various cultural projects proposed and carried out by the cultural and ethnic groups themselves. Until now, out of $1 million earmarked for them, the citizenship branch has assisted a total of 229 projects with grants amounting to $826,772. Another granting session will commence next week.

These grants cover a wide range of activities, from traditional dance and song ensembles and other manifestations of folklore, to cable-TV presentations, anthologies of ethnic prose and poems written in Canada and published in English and French, theatrical performances, bibliographies of Canadian ethnic material, exhibitions and imaginative multicultural ventures in which many groups participate, including English and French speaking.

Perhaps, Mr. Speaker, if I were to cite the assistance which has been provided to various groups some better understanding of the government's role in promoting multiculturalism may be obtained. For example, the Estonian Canadians were assisted in staging an impressive world festival of their culture in Toronto last summer. Similar festivals, although on a smaller scale, were organized, with federal support, by Latvians in Vancouver and Lithuanians in Montreal.

• (2040)

A prominent Czech writer received a grant to enable him to publish, in French, his Czech novel depicting integration of an immigrant intellectual into the French-Canadian milieu in Montreal. A Hungarian researcher was helped in publishing, in English, a bibliography of Hungarian, English and French publications pertaining to Hungary and Hungarian Canadians. A number of amateur theatrical groups, Jewish, Latvian, Polish, Ukrainian, and others, in Montreal, Toronto and Edmonton were assisted in their productions. The East Indian community in Vancouver received help to present a Sikh cultural variety program which later toured other centres in British Columbia. Another grant enabled the Korean group to present their culture, modern and classical music, dance and theatre to the Toronto public.

A multi-ethnic group in remote Rouyn-Noranda received assistance to help their members to maintain their languages and cultures. A Cape Breton youth group, consisting of members of 11 racial strains, used a grant awarded by the citizenship branch to learn more about their own cultural heritage and to share this knowledge with other members of the community. In the same area, a Lebanese Canadian women's group received a grant to save the art of Lebanese cuisine and other homemaking traditions from disappearing. In another project, assisted by multicultural funds, two Montreal youth groups, Polish and French-Canadian, have been getting together to share each other's culture, concentrating on songs and dances. Although the project has not yet been completed, it has already yielded some happy results. The Polish group raised additional funds themselves to visit their country of origin last summer, and while performing there in an international festival won a coveted prize for their rendition of French-Canadian dances.

There have been numerous other projects, special conferences, colloquia and festivals, German, black, Maltese, Greek, Ukrainian, and many others. A particularly successful festival was the one held in St. Thomas, Ontario, where the grant received was minimal in proportion to the enthusiasm and spontaneous participation of the whole community which is proud of its multicultural heritage.

The Canadian past was also remembered and honoured. A grant to the Jewish Historical Society of western Canada was instrumental in organizing an impressive multi-media exhibition on "The History of the Jews in Western Canada" which opened in Winnipeg late last year. I saw this exhibit and found it most interesting and well presented. The one-hundredth anniversary of the settlement of the Danes in New Brunswick benefited from

this granting program when the community of New Denmark celebrated their centennial. The German-speaking Amish Mennonites were the focus of attention when the Mennonite Historical Society of Ontario organized a series of uplifting celebrations to commemorate 150 years of the settlement of the Old Order of Amish in southern Ontario. Part of their commemoration, an oratorio which was presented in the Avon Theatre at Stratford, was assisted by a multicultural grant.

I believe the examples I have cited prove the viability of this government's policy to assist in the preservation and development of our cultural riches and to promote better understanding among Canadians. But in addition to the granting program there are other undertakings which are equally important. An extensive research program is being undertaken to produce information on language maintenance and cultural development.

Meaningful multiculturalism cannot ignore this complex problem. If we want to successfully develop programs outlined in the House document tabled by the Prime Minister, we have to understand all the linguistic and cultural phenomena. Some ethnic groups, those who manifest a "collective will to exist" as the B and B Commission had termed it, attach utmost importance to the retention of their languages, as witnessed by the considerable number of their evenings and Saturdays language schools. To other groups, language is of less importance. A special study is now in progress in Toronto, Montreal, Winnipeg, Edmonton and Vancouver involving some of the largest ethnocultural groups. I hope that this study, which should be completed by late summer, will yield enough data to enable the government to assess where its further support could most effectively be directed.

I wish to stress, Mr. Speaker, this government's interest in the important role of Canadian ethnic publications. A great deal has already been done to assist them in carrying out their role, and even more will be done in the future. A part of the research program of our multicultural policy which I have just mentioned deals with the many problems of the ethnic press. The postal tariffs and insufficient income from advertising are not the only malaise which affects the many ethnic and other periodicals. There are many other factors, both internal and external, which also affect their content, readership, circulation, advertising, distribution and delivery and other operating costs.

While there are some papers which are self-sufficient, there are many others unable to solve their financial and other difficulties. Some of these were considered by the Royal Commission on Bilingualism and Biculturalism and by the special Senate Committee on Mass Media, and others. Our study should give a comprehensive picture as to which ethnic publishers and editors will contribute individually or through their Canada Ethnic Press Federation and its affiliate clubs in Toronto, Montreal, Winnipeg and Vancouver, thus enabling the government to undertake proper measures. I would like to stress, however, that it is unlikely that the government would consider measures which would not also apply to ailing community weeklies across the country whose plight is very similar.

Under another program we have commissioned the writing of 20 ethnic histories by academics familiar with their respective groups. The purpose of this series on the peoples of Canada is to acquaint Canadians better with each other, to demonstrate that all groups have contributed to the growth and development of Canada's economic, social, cultural and political life. So far, contracts have been signed for 15 histories. The first volume will appear this year and the rest will be completed over the next three years. The problem of Canadian ethnic studies is also under consideration and prominent Canadian scholars are being consulted on the feasibility of establishing special centres of ethnic studies.

Mention should be made of multicultural centres where members of all groups can meet and share their cultural experiences and heritages. The only centres which have received substantial assistance to date are the International Institute of Metropolitan Toronto, L'Accord in Montreal, and the International Centre of Winnipeg. All three are considerably involved in immigrant-orientation work. There are, however, many smaller communities interested in the creation of multicultural centres, although on a smaller scale. Groups in such places are encouraged and assisted in their feasibility studies and preparation of suitable plans.

Four federal cultural agencies, apart from the citizenship branch of the Department of Secretary of State, are involved in the implementation of the multicultural policy and have their own programs. The National Film Board is making a series of films on ethnic groups. What is particularly important about these films is that they depart from the usual concept of folklore and depict the life of Canadians of ethnic groups, as it is lived today, among all other Canadians. The National Film Board has also completed extensive research preparatory to the launching of a program to show versions of existing films in other languages and distribute them to ethnic groups across Canada.

• (2050)

The National Museum of Man has created and put on tour two special exhibitions on ethnic groups in Canada and is developing its collection of multicultural artifacts. The public archives and the national library are also building up their collection of historical and current material relating to ethnic groups in our country. The CRTC is also involved. It has under way at the present time a major study on the use of other languages and is carrying out research of its own on ethnic broadcasting. The CBC has had a special committee studying the way in which that corporation can contribute to the realization of multicultural objectives and I hope it will be reporting to its president very shortly.

I regret that time does not permit me to describe all the multicultural programs of the federal government's cultural agencies in more detail, but there will be other opportunities to do so. At this time, Mr. Speaker, I would like to stress the spirit of co-operation and consultation underlying the formulation and implementation of the multicultural policy. All the programs I have mentioned were not conceived in an ivory tower; they were preceded by countless discussions and consultations between federal and provincial agencies, communities and groups they are to serve. My predecessors in the Department of Secre-

tary of State played an important role in these community and group consultations, and I feel indebted to the Minister of Communications (Mr. Pelletier), the Minister of National Revenue (Mr. Stanbury) and to the Hon. Martin O'Connell, former member for Scarborough East, for their excellent contributions.

I intend, Mr. Speaker, to continue this process of democratic consultation with all groups concerned in order to further develop and implement the multicultural policy of the government. One of the most important instruments of meaningful consultation will no doubt be the national advisory council of multiculturalism mentioned in the Speech from the Throne. The Prime Minister has already written to the leaders of national ethnocultural organizations about this council and many interesting and positive replies already have been received. We all would like to see an effective council, representative of the many ethnocultural groups and all regions of Canada. To ensure this, careful, time-consuming consultations are necessary. Nevertheless, I hope that I shall soon be in a position to present a report to the Prime Minister on this important matter.

I am aware of the interest of all members of the House in multiculturalism, not only as a matter of policy but also as a distinctly Canadian phenomenon of cultural equality, which makes us all proud. I am sure that the government will be fully supported in its measures to give effect to its programs implementing multiculturalism and to develop its policies further in light of the needs and desires of our ethnocultural groups.

In conclusion, Mr. Speaker, I wish to say that the government's agenda for action outlined in the Speech from the Throne contains many remedies to solve our socio-economic problems and to improve the quality of life for all our citizens. I hope that parliament will act responsibly and support the government's legislation which will be proposed soon.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, first I would like to congratulate you quite sincerely for having been unanimously re-elected as Speaker of this House.

I was very pleased in recent years to take part in the proceedings under your speakership because you have always treated all members with much fairness and generosity. It happened sometimes, especially in my case, that we have unwillingly violated our standing orders—

An hon. Member: Often.

Mr. Lambert (Bellechasse): Someone said often but I know that he is joking. In all honesty he knows quite well that I have always tried, as do my colleagues, to respect the authority of the Speaker.

The hon. member for Labelle (Mr. Dupras) is nodding yes because he knows that I am telling the truth.

I should also like to congratulate the Deputy Speaker for his election. He has truly deserved the confidence of the House and I am convinced that we shall be able to count on his understanding and generosity so that the proceedings of the House may be truly efficient.

[Mr. Haidasz.]

Also, I would like, at the beginning of my remarks, to thank very sincerily the voters of the riding of Bellechasse who have re-elected me at the last election and this despite pressure from promises and without hopes for a big election fund because third parties are without these advantages.

• (2100)

I should also like to say a word of praise for my chief, although he is not here now, because of his brave speech in the House last Monday when he took part on the debate on the Address in Reply to the Speech from the Throne. He kindly outlined what, during the coming weeks and months, will be the position of our party with regard to administration and to the debates in the House. I am particularly anxious to tell him and the whole nation how much I respect him for having used the same language both in the east and in the west of the country when addressing the Canadian people. It is a well-deserved homage and I must sincerely say tonight with pride that he is a great Canadian, a sincere Canadian and that of course the whole of Canada must recognize him as such.

Mr. Speaker, I also want to thank the right hon. Prime Minister (Mr. Trudeau) for having, during the last election campaign, visited the riding of Bellechasse which I represent. The right hon. Prime Minister has honoured me by his presence and I am convinced that he has done so as Prime Minister and not as a party leader; I must pay him tribute for that.

I must also thank the numerous ministers who paid me a visit during the electoral campaign. In all the areas where these ministers visited the Bellechasse population, my plurality has been increased; so, I invite them to come back again when the opportunity arises.

Many federal and provincial Liberal members also paid me a visit. Mr. Speaker, it is useless to say that on each and every occasion these hon. members did not ask the population to vote for me. They simply said to the people that if they wanted to be well represented, they should vote on the "right side".

Mr. Speaker, people from Bellechasse did indeed vote for the right side because they voted for a member representing the population first rather than a party's interests, for somebody who took the situation seriously and who, under any circumstances, can stand up and do his utmost to make the voice of the population heard within these precincts.

Mr. Speaker, of course if all Canadians had voted for the right side as many said, it would have meant voting for the Liberal party and there would not have been any opposition. One could imagine the ensuing disaster.

Mr. Speaker, I see the hon. member for Frontenac (Mr. Corriveau) applauding warmly. Yet I must say that he came to my riding and told the farmers: You know nothing about farming, but I do. I am a guy who climbs telephone and telegraph poles. I know about farming. In fact, he said this in Sainte-Germaine-de-Bellechasse: It is pointless for you to have stables and expensive buildings, you know nothing about them.

Mr. Speaker, during the election campaign we seriously proposed to the people right across Canada, and notably

to those of the riding I represent, one single program based on the interests of each and everyone, the respect for human beings, family rights and the individual citizen. We wanted to introduce an honest program in order to bring about improvements.

Mr. Speaker, I was saying a few moments ago that my friends came to my riding and told people to vote "for the right side", meaning for the party in power, but at that time, nobody knew who would form the government. Was it to be a minority government or a majority government, would it be formed by my friends the Progressive Conservatives, by my friends the Liberals, by my friends the New Democrats or by the Social Credit party? The situation was so uncertain that no one could predict what was going to happen.

It was a question of voting for the "right side", according to one's conscience, to send to this Parliament members who would form this democratic assembly.

On October 30, 264 members were elected. Such was the responsibility of the people: to elect 264 parliamentarians to form the assembly of the nation. And now, we, the parliamentarians, must assume a very big responsibility in legislating for the common good. For once, parliament will have to be the supreme authority in this country, instead of submitting to the pressures of the executive. This executive, Liberal, Progressive Conservative, NDP or Créditiste, will have to carry out parliament's will. That is how I understand the role of a truly responsible parliament.

I am very happy to have been elected as a member of this House, which will eventually have to account to the people for its actions.

Mr. Speaker, I have listened very carefully to the speeches delivered by the Right Hon. Prime Minister (Mr. Trudeau), the Hon. Leader of the Official Opposition (Mr. Stanfield), and all the other members who had the courage to express their views in this House, and I was most interested to find that we all have the same purpose: To give our country the best administration possible.

Mr. Speaker, as far as I am concerned, I am not here to indulge in politicking, to overthrow the government at every occasion, but to work with all the members of this House and pass any legislation required to reform what must be reformed in order to give justice to our senior citizens, our mothers, our handicaped and our children.

Mr. Speaker, we have often had the opportunity in this Parliament to propose measures having the same objective as the one referred to in the current Speech from the Throne. Personally, I am happy to see that finally wisdom seems to have caught the heart of the Prime Minister.

I remember, Mr. Speaker, that when I sat to your left, I used to say the same things as now and people used to laugh at me. There was even a minister who visited my constituency and made references to those people who thought along the same lines as Major Douglas, who had recommended financial reforms designed to ensure justice and liberty for all. The minister who is here tonight said: "All those who believe in the Social Credit party are psychiatric cases."

• (2110)

Let us think, Mr. Speaker, about how many psychiatric cases exist in Canada since October 30: more than 750,000 voters, and their number increases every day. I say that those who let men, women and children live in suffering and misery, in a country of abundance are more in need of psychiatric care than those who take steps to ensure a fair distribution of resources developed by Canadians for all Canadians. I am here tonight to defend those people and speak on their behalf so that, all together, as members of Parliament, leaving aside our political views, we can work to enact as soon as possible legislation in line with Canadian possibilities.

I also witnessed, Mr. Speaker, during this debate, quarrels, unjustified charges, which were hurled from both sides of this House, between French and English-speaking members. We are Canadians first, we live in a vast country full of resources of all kinds, and our people, full of energy, are quite prepared to transform all these resources so that all of us can benefit from them!

Mr. Speaker, I have here a report published by the Department of Industry, Trade and Commerce of the province of Quebec, which is very recent, and I believe that those who published the figures I will quote are just as honest as we are, so that we can trust them. This report states that the gross national product of the province of Quebec, in 1972, amounted to $25 billion, while personal income, in the same province, for the same period totalled $20 billion. This means, Mr. Speaker, that Canadians who live in Quebec did the best they could in order to produce in their province everyting that was possible for the benefit of the population.

I will quote from a report for the information of my English-speaking friends who blamed severely the former Minister of Regional Economic Expansion (Mr. Marchand) for having done too much for the province of Quebec. We can say things among ourselves without hurting one another and examine the situation. I quote:

> To be on the right side you have to be on the Liberal side, and the Minister of Regional Economic Expansion has given everything to the province of Quebec.

Mr. Speaker, in 1972, the rate of unemployment in the province of Quebec was the highest in Canada; according to the report I have here it stood at 8.3 per cent. If that means being partial to a province at the expense of the others, distributive justice and administrative honesty do not make any sense to me anymore. And I will have to tell my Liberal friends that if in order to vote the "right way" one must vote Liberal, they managed well, but they mainly succeeded in giving the province of Quebec the highest rate of unemployment in Canadian history.

Is that voting the "right way"? I do not think so. I think that voting the "right way" is voting for a party that takes steps to put a stop to discrimination in this country and to understand that we must all together reach the objective set for us by the Canadian people on October 30.

Mr. Speaker, the Speech from the Throne suggests certain reforms that I approve of. It proposes solutions as well as the possibility for Parliament to administer more properly the commonweal and provide for a greater distribution of wealth with greater justice to all citizens.

However, we will have to look into the bills and analyze them. We will have to examine them from all angles in order to find out whether the government is really putting forward legislative measures in accordance with Canadian possibilities, so that we may reasonably increase the yearly income of the Canadian people, the purchasing power of those who need it, without taking money out of the pockets of those who already have not too much of it, in order to arrive at a certain levelling off in accordance with what has already been desired in other countries.

Mr. Speaker, as regards reforms, the bills that were announced, we should all together greet them with much satisfaction, so as to be able to assess them according to their real merit and to make decisions not in a collective way on the party level, but according to our personal responsibilities. This leads me, Mr. Speaker, to say that I am anxious to see the day when in parliament every member will be called upon to vote freely on any bill after examining it personally without having the party to which he belongs dictate his vote. It is time to change our habits. It is time we stopped voting according to party lines.

I think that in a truly democratic assembly each bill should be assessed on its own value and each member should vote according to his conscience without there being a chance of bringing down the government on it. It is a question of rejecting or passing a piece of legislation and not of approving or condemning a government.

In the Speech from the Throne the government admits I am right when it says it will introduce a bill on capital punishment. He will let each member decide on the bill by a free vote.

• (2120)

Mr. Speaker, if a free vote on capital punishment seems fair, it would also be fair to hold a free vote on the increase in old age pensions, eligibility for pension at 60, family allowances and any other subject. Then we would really be taken seriously by the Canadian people and could provide the best administration Canada ever enjoyed.

I have here an analysis of the 15 general elections held in Canada since May 1925, among which six led to minority governments—

An hon. Member: Seven.

Mr. Lambert (Bellechasse): Right, seven. And according to the information I also obtained, the best accomplishments of parliament are those of minority governments. Why? Because under a minority government everyone is aware of his responsibilities, of the fact that he should always be where he belongs and seriously study every bill before voting on them.

Such being the case, we could as of tonight carry on in this house truly worthwhile discussions. And I am not saying that for the sake of it. I have twelve dependent children, and as far as they are concerned, I know the consequences of my actions, for I love them as any other father loves his children. Altogether, and discarding partisanship, we want to be in a position to legislate in such a way as to bring high finance to heel.

What does that mean? To my mind it means that high finance has always been in control of Canadian economy and politics. For once, let the financiers defer to Parliament, just as the unemployed should abide by the Unemployment Insurance Act, the family mother by the Family Allowances Act and the senior citizen by the Old Age Security Act.

I hope that for once the newspapers will report that a member has had the courage to state in this House that high finance and those who control credit should obey the same laws and rules as any other Canadian citizen. This is the only way for us to succeed in giving Canada a truly fair administration that will respect the citizen's rights while respecting the freedom of each and everyone and that will enable us to live as brothers regardless of our language on this great North American territory, to use the huge wealth which Providence put at our disposal and finally enable our sons to live decently instead of remaining unemployed because of a devilish system which prevents them from giving the best of themselves while they are still able to do so. May we finally see the day when all those young unemployed people, whom we made every sacrifice to have educated, sometimes against their will, but in their best interest, will be accepted in the labour market and will no longer be asked: "Young man, how old are you?" "I am 22." "Do you have experience?" "No, I have just left school." "Well then, go back to school, because here we need experienced people."

Mr. Speaker, if they had waited for you to have the required experience in order to ask you to occupy the high office which is now yours, I believe you would not be there yet, and the same would be true of many of us.

Mr. Speaker, I would like to say, in concluding my remarks—and without any reflection on anyone, of course—that I would like this session to be truly efficient and full of confidence. I would like the people to be able to see, and this, on several occasions, that if the members do not seem too serious at times, they know, when the situation becomes serious, how to fulfill their responsibilities, how to forget about partisanship and how to work together in the best interests of Canadian people.

Mr. Denis Éthier (Glengarry-Prescott-Russell): Mr. Speaker, due to the time, could we agree to call it 9.30 p.m.?

The Acting Speaker (Mr. Boulanger): Order! Can I obtain the unanimous consent of the House to call it 9.30?

Some hon. Members: Agreed.

[*English*]

The Acting Speaker (Mr. Boulanger): Order. It being 9.30 o'clock p.m. it is my duty, pursuant to section 4 of Standing Order 38, to interrupt these proceedings and forthwith put the question on any amendment now before the House. The question is on the amendment. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Boulanger): Call in the members.

The House divided on the amendment (Mr. Crouse) which was negatived on the following division:

(Division No. 3)

YEAS

Messrs.

Alexander
Alkenbrack
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Beaudoin
Bell
Blenkarn
Boisvert
Caouette (Témiscamingue)
Carter
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates
Cossitt
Crouse
Danforth
Darling
Dick
Dinsdale
Ellis
Epp
Fairweather
Forrestall
Fortin
Frank
Fraser
Gauthier (Roberval)
Gillies
Godin
Grafftey
Hales
Haliburton
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hees
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Howie
Hueglin
Hurlburt
Jarvis
Jelinek
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Kuntz
Lambert (Bellechasse)
Lambert (Edmonton West)
Lawrence
Lundrigan
MacDonald (Egmont)
MacDonald (Miss)
MacInnis (Cape Breton-East Richmond)
MacKay
MacLean
Macquarrie
Madill
Marshall
Masniuk
Matte
Mazankowski
McCain
McGrath
McKenzie
McKinley
McKinnon
Mitges
Morgan
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Nowlan
O'Connor
O'Sullivan
Paproski
Patterson
Reilly
Reynolds
Ritchie
Roche
Rondeau
Rynard
Schellenberger
Schumacher
Scott
Skoreyko
Stackhouse
Stanfield
Stevens
Stewart (Marquette)
Taylor
Tétrault
Thomas (Moncton)
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—114.

Division

NAYS

Messrs.

Allmand
Andras
Barnett
Basford
Béchard
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boulanger
Breau
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caron
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
De Bané
Demers
Douglas
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Faulkner
Firth
Fleming
Foster
Fox
Gauthier (Ottawa East)
Gendron
Gilbert
Gillespie
Gleave
Goyer
Gray
Grier
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Harney
Herbert
Hopkins
Howard
Hymmen
Isabelle
Jamieson
Jerome
Knight
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Lajoie
Lalonde
Lang
Langlois
Laniel
La Salle
Leblanc (Laurier)
Leblanc (Westmorland-Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
McRae
Morin (Mrs.)
Munro (Hamilton East)
Neale (Vancouver East)
Nelson
Nesdoly
Nystrom
Olaussen
Olivier
Orlikow
Ouellet
Pelletier (Hochelaga)
Pelletier (Sherbrooke)
Penner
Peters
Portelance
Poulin
Prud'homme
Railton
Reid
Richardson
Rodriguez
Rompkey
Rooney
Rose
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stewart (Cochrane)
Stollery
Symes
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—139.

• (2150)

Mr. Speaker: I declare the amendment lost. This House stands adjourned until eleven o'clock tomorrow morning.

At 10 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Tuesday, January 16, 1973

The House met at 11 a.m.

PRIVILEGE

MR. ROSE—ANNOUNCEMENT OF SUMMER 73 YOUTH EMPLOYMENT PROGRAM OUTSIDE HOUSE

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I rise on a question of privilege concerning the announcement made yesterday by the Secretary of State having to do with an $85.4 million youth package called Summer 73.

I feel that my privileges as an elected member of the House have been infringed because the announcement of this new program, involving a huge expenditure, was not made in the House. It was made to the press outside the House before any member possessed any information at all as to the scope and thrust of the program. This somewhat unparliamentary procedure on the part of the Secretary of State interfered with the privileges of hon. members inasmuch as by his action he effectively denied those who are interested in following the program the opportunity to make observations and comments in the House.

I call upon the Secretary of State to desist from this practice of issuing press releases on such occasions and to correct his initial insensitivity to the rights of parliament by making a statement on motions today, fully explaining to the House the nature of the program, Summer 73.

Some hon. Members: Hear, hear!

Mr. Hellyer: A shocking affront to parliament.

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I note that the member for Trinity smiled when he made that remark. Perhaps I might comment briefly on what was said by the hon. member for Fraser Valley West. It seems Your Honour is not likely to rule that there is a question of privilege here, but there may be a question of propriety which I should like to clarify. I considered very carefully whether or not I should announce this program in a statement on motions. I would remind hon. members that this is the third year in which this program has been pursued and that no substantial changes have been made. Essentially, it is the same mix as in previous years. In these circumstances, I proceeded by way of an announcement.

The hon. member says he was not given notice. I went out of my way to provide him with notice two and a half hours before meeting with the press. At about 12.30 p.m. the documents were in his office, and at roughly the same time they were in the offices of the hon. member for Brome-Missisquoi and of the spokesman for the Social Credit party in order that the spokesmen for all the political parties might have a chance to comment. There was no attempt made to affront parliament. The rationale was that this was the third year in which this program has been introduced and I felt that a statement on motions was not justified.

An hon. Member: And the third year the announcement was made outside the House.

ROUTINE PROCEEDINGS

WATER RESOURCES

TABLING OF ANNUAL REPORT OF PERMANENT ENGINEERING BOARD UNDER COLUMBIA RIVER TREATY

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, pursuant to Standing Order 41(2) I should like to lay on the table the annual report of the Permanent Engineering Board under the Columbia River Treaty.

* * *

FISHERIES

DOGFISH DEPREDATIONS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Frank Howard (Skeena): Mr. Speaker, I rise under Standing Order 43 to seek the unanimous consent of the House to move a motion in a case of urgent and pressing necessity, namely, the steady increase, one which has reached fantastic proportions, of the species of fish called dogfish off the west coast. If unanimous consent is given I would ask that we not engage in a debate on this motion, so we would not be cutting into the time otherwise available to hon. members to debate other matters.

The motion I seek to move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) is as follows:

> This House expresses its concern about the exceptionally large schools of dogfish in waters off the west coast and in an effort to control this predator and enhance the position of commercial fishermen we urge the establishment of an immediate dogfish control program implemented in consultation with all segments of the B.C. fishing industry.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Skeena. This motion requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. Therefore the motion cannot be put.

Mr. Howard: On a point of order, Mr. Speaker, I heard the "no" as well as you did. It was very faint and it was from that quarter. Inasmuch as the Minister of the Environment who deals with these matters is not in the House at the moment I wonder whether we might not allow the question to stand and raise it again tomorrow in order that we may have the benefit of his views.

Mr. Speaker: There is nothing in the rules to prevent the hon. member raising the question again tomorrow. I might add that the rules do not allow for a distinction between loud "noes" and faint "noes".

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

VIET NAM—PROPOSED PEACEKEEPING FORCE—REACTION OF COMBATANTS TO CONDITIONS SET BY CANADA FOR PARTICIPATION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Secretary of State for External Affairs who some ten days ago, in a statement to the House, outlined the conditions and criteria which the government was setting in connection with Canadian involvement in any new international commitment or commission in Viet Nam. Can the minister now tell the House whether there is any indication that these conditions are satisfactory to the combatants, or to the belligerent parties as I think the minister described them, or whether Canada is being pressed to modify any of those conditions?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I assume the Leader of the Opposition is raising the question because of the progress that seems to be being made in the Viet Nam talks—progress which I am sure all members of the House welcome. However, we have received no further communication from any of the parties to the negotiations indicating whether or not we shall be asked to participate, or as to the condition.

VIET NAM—PROPOSED PEACEKEEPING FORCE—SIZE OF POSSIBLE CANADIAN ELEMENT

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question arising out of reports attributed to the Department of National Defence that some 400 officers and men are ready for duty in Viet Nam. Can the Secretary of State for External Affairs indicate whether this is the maximum force the government contemplates may be involved in Viet Nam, and has there been a condition laid down in this regard involving a maximum of some 400 officers and men?

[Mr. Speaker.]

• (1110)

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the answer to the question is no. We have not had an indication yet of the numbers involved. We did agree, and I am very happy that the Minister of National Defence gave the necessary instructions, that a certain number of men should be innoculated in case they are required so there would be no unnecessary delay. If in fact we agree to participate we will be in a position to put people on the spot with a minimum of delay.

Mr. Stanfield: Do I understand from the minister that he has not on behalf of the government prescribed any maximum number of personnel that would be involved as a condition?

Mr. Sharp: No, Mr. Speaker, we have not prescribed any maximum. The numbers that were first suggested by the United States were known to us. We do not know whether these suggestions are acceptable to the North Vietnamese, for example, or to the other parties to a possible agreement. We are not yet aware of the numbers that might be involved.

VIET NAM—PROPOSED PEACEKEEPING FORCE—COMMUNICATION WITH BELLIGERENTS OTHER THAN UNITED STATES—PROVISION FOR REPORTING TO INTERNATIONAL BODY

Mr. David Lewis (York South): Mr. Speaker, may I ask one or two supplementary questions. Since the request first came from the United States, has the government been directly in touch with the other belligerents in the area or has it relied entirely on the request from one side?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we were informed by the Secretary of State of the United States during the election campaign that the name of Canada was being used in connection with a supervisory force or a supervisory commission. That was the first information we had. We understood that our name was acceptable to the other groups who were being consulted. Subsequently, we have been in touch with the North Vietnamese and they have said that Canada would be acceptable as a member of the commission. Needless to say, however, we have not been negotiating. We are not preaching for a call.

Mr. Lewis: Mr. Speaker, in view of the fact that previous peacekeeping operations in which Canada participated were performed under resolution of the United Nations and therefore there was an international body under which the peacekeeping operations were carried on, will the minister inform the House whether there has been any discussion as to some international supervisory body to which Canadians and others would report on their activities in the area?

Mr. Sharp: Yes, Mr. Speaker. The leader of the New Democratic Party may recall that in my statement at the opening of this session when we were dealing with the bombing of Viet Nam I set down a history of our statements and redefined our position. One of the conditions we consider absolutely essential is that there should be

some international body, other than the contending parties, to which the peacekeeping force would report. This is an essential condition of our participation.

I also said, however, that it might not be possible to establish this international body until after the international conference which is contemplated had been held, and therefore we might agree to some interim arrangement pending the outcome of that international conference.

VIET NAM—PROPOSED PEACEKEEPING FORCE—CONSULTATION WITH OTHER SUGGESTED PARTIES TO WORK OUT ARRANGEMENTS

Hon. George Hees (Prince Edward-Hastings): I have a supplementary question, Mr. Speaker. As Canada may be called on any day now to take part in a cease-fire supervisory force in Viet Nam, has the government now given consideration to getting in touch immediately with the three other countries that have been suggested for this role, namely, Indonesia, Hungary and Poland, to work out satisfactory arrangements for carrying out such a difficult task?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have been in touch with the governments of these countries but we do not know, of course, whether they intend to participate and they do not know whether we intend to participate. We cannot make that decision until an agreement has been signed between the United States and North Viet Nam and we can have a look at the agreement itself. So it would not be practical to follow the suggestion of my hon. friend. Moreover, it would involve us committing ourselves now in advance of knowledge of the agreement itself.

Mr. Speaker: Order, please. A number of hon. members wish to ask supplementary questions—the hon. member for Dartmouth-Halifax East, the hon. member for Saint-Hyacinthe and the hon. member for York South. I suggest to hon. members that perhaps we might complete the first series of questions and then return to this very important matter for further supplementaries.

* * *

LABOUR RELATIONS

WARDAIR STEWARDESSES' STRIKE—STEPS TO MEDIATE DISPUTE—SUGGESTED APPOINTMENT OF INDUSTRIAL INQUIRY COMMISSION

Mr. Paddy Neale (Vancouver East): Mr. Speaker, I should like to address a question to the Minister of Labour arising out of the strike of Wardair stewardesses. In view of the fact one of the issues appears to be that the stewardesses are required to work as many as 32 hours at a time, is the minister taking steps to mediate the dispute so that a quick and just settlement may be reached?

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker. An appropriate officer of my department is involved in an endeavour to assist the parties in coming to a settlement.

Mr. Neale: Is the minister investigating the situation to ensure that the Canada Labour Code is not being breached by the company?

Mr. Munro (Hamilton East): My information is that at the moment that is not a relevant consideration in this dispute, but I will check it.

Some hon. Members: Oh, oh!

Mr. Neale: Will the minister immediately appoint an industrial inquiry commission to investigate and report on working conditions for stewardesses and others employed by Wardair?

Mr. Munro (Hamilton East): I will certainly take that matter under consideration.

* * *

[*Translation*]

AIR CANADA

COMPLAINTS RESPECTING LACK OF BILINGUAL SERVICES ON AIRCRAFT TRAVELLING TO FLORIDA

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Transport.

Taking into account the government's policy on bilingualism, could the minister inquire about complaints made by Canadian citizens now in Florida who were unsuccessful in trying to get services in French on board Air Canada aircraft between Toronto and Miami and Montreal and Miami?

Hon. Jean Marchand (Minister of Transport): I would be prepared to inquire provided complaints are sent to me.

[*English*]

Mr. Speaker: We will return now to the first matter, and I will recognize the hon. member for Saint-Hyacinthe on a supplementary.

* * *

[*Translation*]

EXTERNAL AFFAIRS

CANADA'S ROLE IN PROPOSED PEACEKEEPING FORCE—REFERRAL TO COMMITTEE

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I wish to put a question to the Secretary of State for External Affairs.

Does the minister feel that Canada's role within the Viet Nam peacekeeping control commission should be considered immediately by the Standing Committee on External Affairs and National Defence as soon as it is set up, that is in a few days?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, if we are asked to participate on the basis of an agreement reached between the United States and North Viet Nam and we have to reach a decision on

this matter quickly, it would be my intention to bring the matter before the House of Commons at least for debate.

VIET NAM—PROPOSED PEACEKEEPING FORCE—SOURCE OF FUNDS TO COVER COST OF CANADIAN PARTICIPATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish to address my supplementary question to the Minister of National Defence. Could he advise the House whether or not the cost of such a peacekeeping venture would come out of the current estimates or budget of the Department of National Defence or are other arrangements being worked out?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, we have been involved in a number of contingency plans, but we do not know what will be required of the Department of National Defence. Generally speaking, the only expenditure that we would be involved with would be salaries of personnel; as far as I know there has been no talk of any other expenditure. However, as I say, until we know what the requirements are it is very difficult to be precise about the cost.

• (1120)

VIET NAM—PROPOSED PEACEKEEPING FORCE—REQUEST FOR DEBATE BEFORE CANADIAN TROOPS DISPATCHED

Mr. David Lewis (York South): Mr. Speaker, I heard the answer of the Secretary of State for External Affairs about bringing the matter to parliament. Would he undertake to do so before any personnel are dispatched from Canada to Indochina so that parliament and the people of Canada may know the precise arrangements, the body to which these people will be responsible, and what our commitments and undertakings are?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as soon as the government had made a decision I would make it known in the House, and I would also hope there would be an opportunity for debate on the matter in the House. Whether it would be practical to hold back men who might be needed to implement the truce, which I am sure all of us would like to see successful, is a question I would not like to answer directly now. For example, it may be that all the parties would like to have a body of men available on the spot so that the truce is effective immediately. I am sure the House would want that to happen whether or not we are committed for a long or short period.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—REASONS FOR ANNOUNCEMENT OUTSIDE HOUSE

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, the urgency of my question arises because yesterday the Secretary of State announced to the press the forthcoming summer programs in many divisions of his department, involving an expenditure of $85 million. I would specifically ask the minister why he proceeded by way of a press conference, since these programs are so all-embracing, and did not make his announcement in the House? Further, will the minister be announcing to the House the continuation of and changes in these programs that he announced to the press yesterday afternoon?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I think I partly answered that question in my earlier remarks. The details of the program, the various component parts of the Summer 73 program, are in the hands of every Member of Parliament. There was a certain difficulty yesterday and I apologize to the hon. member who was not well and did not arrive until later, although I had expected him to attend. I tried to get in touch with him two and a half hours before the meeting with the press so that he would have ample time to study the document. It was my understanding that the hon. member for Fraser Valley West would also have time to comment on the program as I did. It was not an attempt to affront parliament or to avoid their comments, because I would be most interested in having their support.

OPPORTUNITIES FOR YOUTH PROGRAM—CONSULTATION WITH LOCAL AUTHORITIES AND OTHERS—EVALUATION REPORT—EARLY APPROVAL OF PROJECTS

Mr. Grafftey: Mr. Speaker, I have a supplementary question specifically involving the opportunities for youth program. Will there be more consultation with local authorities, more involvement of low income people, and the immediate publication of an evaluation of the program to date? Further, can the minister assure the House that approval of specific programs will be given early enough to encourage employment among students next spring when they start coming on the labour market?

Mr. Faulkner: On the latter point, Mr. Speaker, I can give that assurance. In answer to question Nos. 1 and 2, there will of course be consultation with local authorities. A letter will be going out from my office to all Members of Parliament inviting them to give us the names of people in their constituencies whom they feel we should consult, resource people with whom our field staff can work. Further, this year there will be an extension of the experiment we carried out last year with local advisory committees. Last year there were local advisory committees in Cornwall and Sault Ste. Marie. We are going to try to expand that to involve as many places as possible in the country so that we may get the views of local people.

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR STATEMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, since the minister, rather uncharacteristically showing a certain contempt for parliament, made his statement outside the House, thereby depriving members of the House of the traditional opportunity to respond to his statement on a program which involves a substantial expenditure of public funds, will he undertake to make a statement on

motions at the earliest possible opportunity? In fact, I am sure consent would be given to him today for that purpose.

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I certainly have no intention of making a statement on motions, having issued previously a press release. I did not conduct a press conference. I think the hon. member has misunderstood the facts. I made a statement to the press and well in advance of that I alerted members of the other political parties. I did not speak to the press until well after that and I did it by way of responding to their questions. If there are questions which the press would like to put to my hon. friends, I am sure they can do the same.

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR INDICATION OF CRITERIA FOR ESTABLISHMENT OF LOCAL SELECTION COMMITTEES

Mr. Joe Clark (Rocky Mountain): I have a supplementary question, Mr. Speaker. Without pursuing further the remarkable doctrine the minister is suggesting that a press release outside the House is somehow a substitute for a statement on motions, may I ask the minister whether he will table tomorrow some indication of the criteria that will be followed for establishing these local selection committees in order to assure some of the more suspicious members here that the only criteria will not be fealty to the Liberal party?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member knows that a question asked in those terms is not in order.

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR TABLING OF ANALYSIS FOR 1972—PROVISION FOR LOW INCOME AREAS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I am glad that the minister in rebuttal of my question of privilege was frank enough to admit that the program is pretty much the same old program. Arising from that, I wonder whether the minister has in his possession a document entitled "Analysis of the Opportunities for Youth Program 1972" and, if so, when he plans to make it available to members of the House and to the press, incidentally, for comment?

Hon. James Hugh Faulkner (Secretary of State): I do not have that document before me right now, Mr. Speaker, but I would be interested in seeing it.

Mr. Rose: In view of the fact the minister's press release mentioned programs for unemployed youth from low income areas as distinct from the student employment program, can the minister tell the House what specific programs he has in mind and when the details will be revealed?

Mr. Faulkner: Mr. Speaker, full disclosure was made yesterday. The content of Summer 73 is before hon. members. It was before them yesterday. One of the reasons the amount for the opportunities for youth program was increased over last year was its success in getting at low income groups, particularly in remote areas. The flexibility of the program has enabled us to do that and is one of the reasons we are giving that program more support this year than in the past.

OPPORTUNITIES FOR YOUTH PROGRAM—ELIGIBILITY OF UNITED STATES DRAFT DODGERS

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a short supplementary for the Secretary of State. Will United States draft dodgers be eligible under the program?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, anyone who is legally admitted to Canada and is here under those terms is eligible regardless of whether or not he left the United States as a draft dodger. That is not a criterion and the hon. member knows it.

Some hon. Members: Hear, hear!

OPPORTUNITIES FOR YOUTH PROGRAM—INQUIRY AS TO PROVISION OF STATUTORY BASIS

Hon. Paul Hellyer (Trinity): I have a supplementary question, Mr. Speaker. Now that these programs are becoming habitual and in view of the fact that they will probably be needed as long as the miserable economic performance of the present government—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Would the hon. member resume his seat. The hon. member is an experienced member of the House and he knows that a question asked in those terms is not in order. I would invite him to consult the precedents. With respect, I suggest to the hon. member for Trinity that hon. members cannot make statements along those lines. I would invite the hon. member to ask a question.

Mr. Hellyer: Mr. Speaker, I am sorry that that phrase slipped in. Now that the program seems to be becoming a permanent part of the national scene, is the minister giving consideration to the possibility of introducing a statute for approval by parliament which would provide authorization for this sort of program in future?

Hon. James Hugh Faulkner (Secretary of State): I am not trying to do that, Mr. Speaker. I would remind the hon. member that the reason these programs are becoming habitual is that it is the practice in this country for schools—CEGEPS, community colleges and universities—to close in May and recommence in September and the government, like the private sector and all other levels of government, has an obligation to find jobs for these students.

[*Later:*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question to the Secretary of State which I have been rising for some time to

ask. Is not the reason the program the minister has announced is much larger this year the greatly increased unemployment, and the program is to fill the gap?

Hon. James Hugh Faulkner (Secretary of State): No, Mr. Speaker. It is because of the outstanding success—

Mr. Speaker: Order, please.

* * *

ENERGY

REPORT OF BOARD ON NEEDS AND REQUIREMENTS—RECOGNITION OF PROVINCIAL NEEDS IN NATIONAL POLICY

Mr. Keith Taylor (Churchill): Mr. Speaker, my question is addressed to the Minister of Energy, Mines and Resources. In light of the recent report submitted to the Ontario government in which serious difficulties are forecast with respect to satisfying that province's growing energy needs, will the minister now advise the House when the updated report of the National Energy Board concerning energy needs and requirements will be received by him?

• (1130)

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I stated to the House earlier in the session that I expect to be putting some reports on the table of the House with regard to a national energy policy.

Mr. Taylor: Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Recognizing the many problems inherent in the geographic distribution in this country of energy markets and energy supplies, and further recognizing that discussions are currently under way between this country's largest energy producer and energy markets, what assurance can the minister give the House that provincial needs will gain complete recognition in his national energy policy, if such a policy is ever to appear?

Mr. Macdonald (Rosedale): Mr. Speaker, I can assure the hon. member that the needs of both Alberta and Ontario will be closely regarded in this connection.

DISCUSSIONS WITH ALBERTA ON ACCELERATION OF DEVELOPMENT OF ATHABASCA TAR SANDS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I have a supplementary question. Has the minister had or is he contemplating the holding of any talks with the province of Alberta with a view to accelerating development of the Athabasca tar sands in view of a possible energy crisis developing?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I have had a discussion with the responsible ministers of the government of Alberta at the commencement of this month. As the hon. member knows, the development of the Athabasca tar sands is under the jurisdiction of the province. I was advised at that meeting that the Alberta government would bring out its policy with regard to the tar sands in, I think, August of this year. Very naturally, those interested in the further development of that area have been waiting for a decision by the provincial government.

POSSIBILITY OF TAX AMENDMENTS TO ENCOURAGE DEVELOPMENT OF ATHABASCA TAR SANDS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my supplementary question is to the Minister of Finance. Will the minister consider making appropriate amendments to the tax structure which will have the effect of encouraging a more accelerated development of the Athabasca tar sands?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the amendments to the tax structure which followed the budget I had the honour to introduce last May would encourage the development of further processing of mineral resources in Alberta. I would hope the House would take that into consideration.

DATE OF STATEMENT ON NATIONAL POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary question for the Minister of Energy, Mines and Resources. Since both his predecessor and he have repeatedly promised a statement to the House on the government's national energy policy, may I ask the minister whether he can now be more specific and tell us when he intends to make that statement to the House outlining Canada's national energy policy?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Late winter, Mr. Speaker.

INQUIRY AS TO COMMUNICATION FROM BIOMASS ENERGY INSTITUTE ON ENERGY DEVELOPMENT ON RENEWABLE BASIS

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my supplementary question is to the Minister of Energy, Mines and Resources. Has the minister been able to get the correspondence which I suggested last Wednesday was available from the Biomass Energy Institute about producing energy on a renewable basis?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, inquiries have been made. It has not yet come to my desk.

* * *

[*Translation*]

ROYAL VISIT

INQUIRY RESPECTING RECEPTION BY QUEBEC GOVERNMENT

Mr. René Matte (Champlain): Mr. Speaker, I would like to ask a question of the right hon. Prime Minister.

Have the Quebec authorities made provisions to receive Her Majesty the Queen on her next visit to Canada?

Right Hon. P. E. Trudeau (Prime Minister): To receive . . . I lost the words which followed, Mr. Speaker.

Mr. Matte: Mr. Speaker, as the right hon. Prime Minister did not quite understand my question I shall repeat it.

Have the Quebec authorities made provisions to receive Her Majesty the Queen on her next visit to Canada?

Mr. Trudeau: No, Mr. Speaker.

* * *

[*English*]

REGIONAL ECONOMIC EXPANSION

DUTIES IMPOSED BY UNITED STATES AFFECTING CERTAIN COMPANIES RECEIVING DREE GRANTS—DISCUSSION WITH PULP AND PAPER FIRMS, BRITISH AND EEC OFFICIALS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, my question is addressed to either the Minister of Regional Economic Expansion or the Minister of Industry, Trade and Commerce. In light of the countervailing duties recently imposed by the United States on Michelin tires and the tariffs imposed on the products of other companies receiving DREE grants, has the government been in touch with the various pulp and paper companies in British Columbia which are receiving DREE grants and face a graduated tariff because of Britain's entry into the Common Market? Also, has the federal government been in touch with EEC or British officials to determine the stance on whether regional development subsidies are in fact a legitimate form of help to industry without fear of facing a countervailing tariff?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I will do my best to answer this rather complicated question. On the first portion of it with regard to the Michelin case and others flowing from it, steps have been taken and others are being contemplated about which I hope there will be more publicity within a few days. As to whether we have had discussions with specific companies in British Columbia, I will have to look at the record on that. I know we are discussing the matter with the pulp and paper industry in general along with other matters related to the industry. The last part of the question regarding the EEC might be more appropriately addressed to the Minister of Industry, Trade and Commerce.

IMPOSITION BY UNITED STATES OF DUTY ON MICHELIN TIRES IMPORTED FROM CANADA—REQUEST BY CANADA FOR EXPLANATION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is addressed to the Minister of Industry, Trade and Commerce. Can the minister inform the House whether he has sent his request for an explanation of the special duty to the United States? If so, has he yet received a reply?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, the answer to the first question is yes. The answer to the second question is no.

IMPOSITION BY UNITED STATES OF DUTY ON MICHELIN TIRES IMPORTED FROM CANADA—INQUIRY AS TO MEETING WITH PROVINCIAL PREMIER

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a supplementary question for the Prime Minister. Can the Prime Minister inform the House whether he will soon be meeting with one of the premiers of the Atlantic provinces on this question? If so, what action will he take or what proposals will he make to the premier? Also, is the Prime Minister considering sending a protest to GATT concerning the American action on the special duty they have imposed against Michelin?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have no meeting scheduled with the premiers of the provinces collectively, but I do see them individually. As a matter of fact, I am seeing Premier Regan this afternoon. On the second question, we have, of course, protested to the United States. We made our views known before the action was taken and since.

* * *

PUBLIC SERVICE

AMENDMENT OF STATUTES AFFECTING EMPLOYMENT—LEGISLATIVE PRIORITY

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I wish to direct a question to the President of the Treasury Board. In view of the submission made by the Public Service Staff Association for amendments to the two statutes respecting employment of public servants and that amendment was mentioned in the Speech from the Throne, and in view of the statement of Mr. Claude Edwards and the concern of their membership about further delays, will the minister advise the House whether the amendments proposed in the Speech from the Throne will be introduced into the House by February 1, 1973?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I cannot do more than give assurance that amendments will be introduced this session. I will discuss the precise timing, with the House leader.

Mr. Baker: Will the minister undertake to consult with the government House leader to ascertain whether, with respect to priorities for legislative action, these amendments can be put in an improved position in relation to the position they apparently are in at this time?

Mr. Drury: Mr. Speaker, I am not too sure of the impression the hon. member may have with regard to the position in which they are, but I will talk to the House leader.

Oral Questions

AUTHORITY FOR COMPULSORY RETIREMENT OF EMPLOYEES BEFORE AGE 65

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, my question is also for the President of the Treasury Board. Will the minister indicate to the House what authority the government has to retire employees compulsorily prior to the normal retirement age of 65?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as I indicated the other day, there are a number of provisions under which public servants can be retired in advance of age 65. To cite one example, it can be done on medical grounds. There are a great many. I will advise the hon. member by letter on the others.

Mr. MacInnis (Cape Breton-East Richmond): The minister missed the key word in my question. My question referred to compulsory retirement or arbitrary dismissal prior to the normal retirement age of 65. What authority has the government to do this?

Mr. Drury: Mr. Speaker, I do not think the government has any authority to dismiss any public servant arbitrarily.

Mr. MacInnis (Cape Breton-East Richmond): I understand from the minister's reply that the regulation under which people were retired compulsorily before the age of 65 has been completely withdrawn?

Mr. Drury: Mr. Speaker, the regulation permitting deputy heads of departments to retire public servants on the sole ground of age between the ages of 60 and 65 has been completely withdrawn.

• (1140)

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I direct my supplementary to the Minister of Regional Economic Expansion. Inasmuch as the government no longer has the authority to retire employees compulsorily prior to the age of 65, on what ground can a man brought into this country who is here for two months pass a regulation, upheld by the government, requiring Cape Breton miners to retire before that age?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): I should like to look into all the details. The hon. member and I have had a number of discussions on this question. As soon as I have the answer I will let him know.

* * *

CANADA EVIDENCE ACT

SUGGESTED AMENDMENT TO COMPEL SPOUSES TO TESTIFY IN CHILD-BEATING CASES

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is directed to the Minister of Justice. In view of the fact that there has been an alarming increase in the incidence of child beating by parents, would the minister seek to amend the Canada Evidence Act to make spouses compellable and competent witnesses in trials involving this most heinous of crimes?

[Mr. Drury.]

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the question of amendments to the Canada Evidence Act and the criminal law is under study at present by the law reform commission but in a broader context. I shall certainly study the report of the commission with interest and will perhaps bring amendments before the House at that time.

Mr. Woolliams: What is your own attitude?

* * *

HOUSING

PROVISION FOR MUNICIPAL OFFICIALS TO ATTEND FEDERAL-PROVINCIAL CONFERENCE

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I have a question for the Minister of State for Urban Affairs. In light of the growing need for municipalities to become involved in discussions on housing between the provincial and federal governments, does the minister intend to urge the provinces to invite municipal officials to attend the conference arranged for January 20 so that there may be tri-level discussion of housing legislation?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, when I wrote to the provincial ministers on December 14 and earlier, in September I suggested to them that municipal representation should be included in their delegations.

AMENDMENTS TO NATIONAL HOUSING ACT—TIME OF INTRODUCTION

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I have a supplementary question for the Minister of State for Urban Affairs. On January 9 the minister indicated he would introduce certain amendments to the National Housing Act before the federal-provincial conference on housing scheduled for next week. Can the minister now tell us when these necessary amendments will be introduced?

Hon. Ron Basford (Minister of State for Urban Affairs): I stated that I hoped to introduce such amendments. It still remains to be seen whether I am able to meet that deadline or not. If I am not, they will be introduced as soon as possible.

CAPACITY OF MUNICIPAL REPRESENTATIVES ATTENDING FEDERAL-PROVINCIAL CONFERENCE

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, would the minister tell us whether the representatives of the municipalities will be at the conference as observers or will have a meaningful role and able to express their views and take full part in the talks? I ask this question because they are so involved in public housing and very often projects are simply dumped on them and they are left with the expense.

Hon. Ron Basford (Minister of State for Urban Affairs): I might quote the letter I wrote to the provinces in which I

said: "... For this reason I would welcome any municipal representative which you may wish to have in attendance." To the extent that municipalities are represented, they would be part of provincial delegations. A number of provincial delegations have indicated that they will include municipal representation.

PARTICIPATION IN CONFERENCE BY DELEGATES FROM YUKON AND NORTHWEST TERRITORIES

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I ask the minister whether he has made suitable arrangements for representation at, and participation in, these discussions by delegates from the Yukon and the Northwest Territories where housing problems are just as serious as they are elsewhere?

Hon. Ron Basford (Minister of State for Urban Affairs): Yes, Mr. Speaker.

Mr. Joseph-Philippe Guay (St. Boniface): Can the minister tell us whether an invitation has been extended to the Federation of Mayors and Municipalities, which, after all, would certainly cover the entire question.

Mr. Basford: The invitations were extended by me to provincial ministers.

An hon. Member: That makes the whole thing a farce.

Mr. Sharp: It makes it constitutional, doesn't it?

* * *

HARBOURS

TRANSFER OF ADMINISTRATION OF SMALL CRAFT HARBOURS TO DEPARTMENT OF THE ENVIRONMENT

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I wish to direct a question to the Minister of Transport arising from a press release issued by the Department of the Environment on December 15 last in which it is stated that a new principal component has been set up in that department entitled "Fisheries and Marine Services", headed by an assistant deputy minister who, among other things, will be responsible for the administration of small craft harbours. Has responsibility for the administration of small craft harbours been transferred from his department? If so, when, and under what authority?

Hon. Jean Marchand (Minister of Transport): I am not sure of the answer. I think it was transferred to the Department of the Environment five or six months ago, if my memory is faithful.

[*Later:*]

Mr. Barnett: I should like to address a supplementary question to the Minister of the Environment since the Minister of Transport seems to be so vague about the subject matter of my question. May I ask the Minister of Environment whether he can shed any light upon the subject matter to which I drew attention?

Hon. Jack Davis (Minister of the Environment): Yes, Mr. Speaker. Responsibility for the administration of small craft harbours was transferred from the Department of Transport to the Department of the Environment in March of last year.

* * *

CANADA PENSION PLAN

DISABILITY PENSIONS—REQUEST FOR STATEMENT ON DEFINITION OF "DISABLED"

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Would the minister undertake to make a statement on motions explaining exactly what is meant by the term "disabled" and the criteria to be fulfilled before a person is granted a pension on the grounds of disability? This is an urgent matter which has been causing a good deal of concern in the country.

Hon. Marc Lalonde (Minister of National Health and Welfare): I apologize to the hon. member; I missed the first part of his question. Would he mind repeating it?

Mr. Nesbitt: Certainly, Mr. Speaker. Would the minister undertake to make a statement on motions at the earliest opportunity describing the criteria to be fulfilled before a person can qualify for a disability pension under the Canada Pension Plan?

Mr. Lalonde: Mr. Speaker, I should like to look into this matter further.

Mr. Nesbitt: I would appreciate it if the minister would give urgent consideration to this question because many problems are being created for a number of people. It seems that under the present criteria a person must have lost both legs and both arms in order to qualify as disabled.

Some hon. Members: Oh, oh!

* * *

HEALTH

APPROVAL OF PILL TO CONTROL VENEREAL DISEASE

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of a report that street nurses are being used to dispense information on contraceptives, birth control pills and a pill advertised as being 98 per cent effective in rapidly curing venereal disease, would the minister tell us the name of this pill and whether it has been approved by the Food and Drug Directorate to be used in this fashion?

Mr. Speaker: Order please. It seems to me that this kind of question could very well be placed on the order paper. However, if the minister has the information readily available he might give it now.

Mr. Rynard: I should like to ask the Minister of National Health and Welfare whether this drug has been approved by the Food and Drug Directorate?

Hon. Marc Lalonde (Minister of National Health and Welfare): I will check into the matter.

* * *

ENERGY

ARCTIC OIL AND GAS—CONCLUSIONS OF CONFERENCE ON OFFSHORE DRILLING—COMPREHENSIVE REPORT

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, I should like to direct my question to the Minister of Energy, Mines and Resources. In view of the great concern felt in our country on the subject of energy, and in view of the fact that some 50 billion barrels of oil and as much as 300 trillion cubic feet of gas, some 25 per cent to 50 per cent of our country's total reserves may lie in the Arctic Islands, may I ask whether the conclusions of the secret conference which was held here in December on the question of offshore drilling in the Arctic will soon be published and whether the minister is now prepared to give the go-ahead and allow holders of permits to drill in offshore Arctic waters, particularly in the deeper waters of the Beaufort Sea? Will the minister also indicate to the House the last possible date when we can expect a comprehensive energy report?

• (1150)

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I am not sure what secret conference the hon. gentleman is referring to. If he is referring to the discussions with United States officials, they were confined to the question of insecurity of offshore supplies.

* * *

IMMIGRATION

REQUEST THAT VISITORS BE EXAMINED BY EXPERIENCED OFFICERS—EFFICACY OF BONDS

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, in light of the fact that illegal immigrants are still pouring into the country, would the Minister of Manpower and Immigration indicate whether consideration is being given to having the primary examination of supposed visitors done by an experienced immigration officer rather than by a customs clerk?

An hon. Member: Och aye.

Some hon. Members: Oh, oh!

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I appreciate the advice of the hon. member and I will certainly take his representation into consideration. While I am on my feet, Mr. Speaker—

Mr. Speaker: Order, please. We have just about reached the end of the question period. Perhaps we might allow the hon. member to ask his supplementary question. I might point out that the minister has been seeking the floor since the beginning of the question period and I will recognize him afterwards.

[Mr. Rynard.]

Mr. Beattie (Hamilton Mountain): Thank you, Mr. Speaker, for allowing me to speak in neither of the official languages.

Some hon. Members: Hear, hear!

Mr. Beattie (Hamilton Mountain): Mr. Speaker, is the minister satisfied that the present procedure whereby doubtful visitors put up cash or conditional bonds is the best system? I ask this question as it appears the illegal immigrants are forfeiting these bonds in very large numbers.

Mr. Speaker: The minister might like to comment briefly on the question. Perhaps the hon. member would allow me to suggest that a question asking for an opinion on the part of a member of the government is not quite regular. The minister might comment briefly and then he will have the floor for the purpose of raising the point of order he wants to bring to the attention of the House.

Mr. Andras: Mr. Speaker, the answer is no, I am not satisfied with all the procedures relating to this matter. We are contemplating some changes and we will be bringing before the House at an appropriate time some recommendations for improvement in the laws and administration which deals with the permission of visitors to come to the country.

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—ELIGIBILITY OF LOCAL IMPROVEMENT DISTRICTS FOR GRANTS

Hon. Robert K. Andras (Minister of Manpower and Immigration): On a point of order, Mr. Speaker, the other day in response to questions by the hon. member for Provencher and the hon. member for Meadow Lake I gave information which I now know, to my regret, was incorrect. I would like to remedy that error. It was in connection with the eligibility of local improvement districts for local initiative project grants. My information at that time was that they were considered to be extensions of provincial governments and therefore not eligible, and that this had been approved by all provinces in discussions before laying it down as a term. I am now informed that in both of the provinces of Saskatchewan and Manitoba by agreement between the federal government and the provincial governments local improvement districts are in fact eligible for local initiative project grants. I regret any inconvenience that this misinformation might have caused.

[*Later:*]

Mr. Speaker: Order, please. I believe the hon. member for Provencher is rising on a point of order.

Mr. Jake Epp (Provencher): Mr. Speaker, in light of the information just given the House by the Minister of Manpower and Immigration I should like to ask whether local improvement districts in Manitoba are now eligible, whether a public statement will be released to these local government districts that they are eligible and whether or

not their applications for local initiative programs are to be reconsidered?

Mr. Andras: Mr. Speaker, in respect of the answer to the first part of the question, I have just indicated that they are eligible and I regret, as I say, that the information I gave the other day was wrong. With regard to the second part of the question, I have already communicated with the appropriate provincial ministers of Manitoba and Saskatchewan within the last 24 hours. In fact, that is where the information and the correction arose, so they know. If a public statement beyond this statement in the House today would be of service or of benefit I would certainly be glad to make one. On the third point, projects that are in stream from local improvement districts, while eligible, will have to take their chances with other LIP applications of which we have, as I told hon. members before, very many.

* * *

REGIONAL ECONOMIC EXPANSION

CONSULTATION WITH EUROPEAN COMMON MARKET ON POSITION RESPECTING GRANTS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I rise on a point of order. I believe the Minister of Industry, Trade and Commerce was about to reply to a question of mine, pursuant to the suggestion of his colleague. Perhaps he might reply briefly to my question about the European Common Market and whether the government has been in touch with it and what their stance is in respect of DREE aid?

Mr. Speaker: Order, please. That is hardly a point of order but with the consent of the House the minister might be allowed to reply briefly to the question.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, with regard to DREE grants in the Michelin case, there has not yet been a discussion that I know of between my department and officials of the Common Market.

Mr. Speaker: Orders of the day.

Mr. Howard: Mr. Speaker, I rise on a point of order. I wanted to wait until orders of the day were called as I did not want to interrupt the question period. My point of order relates to the answer given by the Minister of Manpower and Immigration in respect of local initiative programs. A number of days ago I asked him why it was that applications from municipalities in British Columbia were postponed, put off and given the least consideration of any applications for LIP programs and the minister said he was not aware of that situation. I am wondering why he has not inquired into it and has not been able to give that information to the House.

Mr. Speaker: Order, please. That is hardly a point of order. I suggest to the hon. member that this is a question which might have been asked during the question period if the hon. member had been recognized, but because of the number of questions that were asked he did not have the opportunity of being recognized. I will note the matter and give the hon. member some kind of priority so he may pursue the matter further tomorrow. Orders of the day.

* * *

[*Translation*]

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed from Monday, January 15, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. Denis Éthier (Glengarry-Prescott-Russell): Mr. Speaker, let me congratulate you on your nomination to this high and distinguished post of our parliamentary system. The mover (Mr. Blais) and seconder (Mr. Blaker) of the Address in Reply to the Speech from the Throne have no doubt recognized the wisdom and impartiality of your decisions for the last two sessions in proposing that you be entrusted with the chair again.

[*English*]

I also wish to congratulate the hon. member for Halifax-East Hants (Mr. McCleave) on his nomination as Deputy Speaker and compliment the hon. members for Beauharnois-Salaberry (Mr. Laniel) and Mercier (Mr. Boulanger) on their reappointments.

[*Translation*]

I should be remiss, Mr. Speaker, should I fail to commend the mover and seconder of the Address in Reply to the Speech from the Throne.

I should also like to congratulate the new members of the cabinet and as agriculture in my constituency is very important I am very pleased with the nomination of the hon. member for Essex-Windsor (Mr. Whelan) as Minister of Agriculture. I am convinced that he will discharge his duties so well that he will gain the respect and confidence of all Canadian farmers.

Mr. Speaker, it is an honour for me to represent a constituency that was once represented by one of our greatest prime ministers, the Right Hon. William Lyon Mackenzie King.

I should like to take this opportunity to express once more to my fellow citizens of Glengarry-Prescott-Russell how grateful I am for the trust they put in me.

As I said, my riding is almost entirely rural, made up of family farms, several of which cover only 100 to 150 acres.

It is common knowledge that farmers find it difficult to survive. Whether they are in the dairy, agricultural or cattle-raising fields, their problem remains the same. We strongly believe that the prices they have to pay for feed grain are much too high.

I have even been told that the prices of concentrates for balanced feed have increased to the point where our farmers have to cut down on concentrates in those to the detriment of the quality of their cattle.

We believe that brokerage firms are taking advantage of our farmers whenever there is a strong demand for those products, particularly the concentrates.

I was pleased to hear in the Speech from the Throne that the government will be taking appropriate steps concerning feed grain which, I hope, will bring about better price control.

Concerning crop insurance, I also note that the government will assist provinces, which will allow farmers to benefit from a reduction in premiums.

I also appreciate that action will be taken to stimulate tourism in Canada. As my riding is situated between the St. Lawrence and Ottawa rivers and bordered by Quebec and the federal capital, space can readily be created there for development of tourist centres, in co-operation with the provincial government.

• (1200)

[*English*]

Mr. Speaker, with the present minimum wage it is almost impossible to bring welfare recipients back to work. In many cases they receive over and above what labour receives for a 40-hour week at the minimum wage. May I suggest as an incentive that the minimum wage be raised to $2.25 an hour.

[*Translation*]

Old age security pension plan improvements were announced and I hope that this will include a lowering of the retirement age to 60, especially for those who benefit from the guaranteed income supplement.

[*English*]

Since concern for the tourist industry was manifested in the throne speech, we would appreciate very much a helping hand for the organizers of the worldwide Glengarry highland games, for grants such as for the construction of additional seating capacity to accommodate the ever-increasing number of visitors at this annual event which takes place in Maxville, Ontario, either at the end of July or early in August and at which hundreds of pipe bands and athletes of Scottish culture from all over the world meet in competition. Record crowds of well over 25,000 witness this colourful event every year. May I take this opportunity to invite all of you to visit us at this great festival.

[*Translation*]

In short, I am amazed at the contents of the Speech from the Throne and I believe that all the other members of the House feel the same. Undoubtedly, some took the liberty of criticizing it, but I suggest that this is only from habit without even evaluating its contents and its beneficial effects for all Canadians.

I was under the impression that the duty of Her Majesty's loyal opposition was to criticize constructively, but I can only express my disappointment at seeing many members on the front benches notably the member for Northumberland-Durham (Mr. Lawrence), who dared speak without the approval of the Speaker, the hon. member for Prince Edward-Hastings (Mr. Hees) who continuously interrupts members speaking to the House, the right hon. member for Prince Albert (Mr. Diefenbaker), with all his parliamentary practice and former Prime Minister, who likes to waste the time of the House by speaking of phrenology, and of how he is proud and happy to have amongs them a 20-year-old member.

[Mr. Éthier.]

Mr. Speaker, the behaviour of the official opposition's veterans sets a very bad example for these young members of the House. I am persuaded that if Her Majesty had witnessed the behaviour of her loyal opposition, she would have asked that the word loyal be omitted.

[*English*]

After having witnessed all the unparliamentary behaviour on the part of the official opposition front benches I was greatly surprised to hear a radio commentator say that the Conservatives were really effective at the beginning of this twenty-ninth parliament. Either this commentator was not serious or there are two meanings to the word "effective", or else this is just a cover-up for their real ineffectiveness. On the same station I even heard the hon. member for Northumberland-Durham (Mr. Lawrence) using strong language and demanding that the government introduce legislation before taking the customary time to debate the throne speech. Is the hon. member suggesting that we do away with traditions?

[*Translation*]

On Sunday January 14, I heard the leader of the Quebec wing of the Progressive Conservative party, the hon. member for Saint-Hyacinthe (Mr. Wagner), repeat that Quebec more than any other province needed help from the federal government. During his election campaign, why then did he not object when candidates of his party made political hay outside Quebec saying that province had been privileged by the former minister of DREE (Mr. Marchand)? Why did the hon. member not reply to the question he was so eager to answer during the election campaign, namely what would his attitude be were Quebec to be given a separatist government? On television he replied that the question was hypothetical, but during the election campaign he did say that if Quebec demanded separatism, as a Quebecer, he would submit to whe will of the people. There is an example of irresponsible politics, for the guidance of the hon. member who claims to be a federalist, for a single amendment to the constitution would allow a province to separate. I ask the hon. members of the NDP and the Social Credit to beware of such irresponsible people.

I wish to congratulate the hon. leader of the official opposition (Mr. Stanfield) for having acquired the young MPs I have had the pleasure of meeting. To my mind, they are true gentlemen. Might I suggest that he make room, in front, for those gentlemen and room, at the back, for irresponsible members?

Mr. Speaker, I close by saying that I am proud of all the people in my riding especially because, back home, unity truly exists.

[*English*]

Mr. J. H. Horner (Crowfoot): Mr. Speaker, at the beginning of my speech I should like to congratulate you on having been elected to the high office which you hold. Having questioned your fairness in the past may I say now that at all times you were fair, that you honour your position, and that you lend great dignity and fairness to your rulings in the House of Commons.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): I would also like to congratulate the Deputy Speaker, the hon. member for Halifax-East Hants (Mr. McCleave). His respect for parliamentary debate and for this chamber will stand him in good stead in the difficult months ahead when he will have to preside over the House from time to time.

I would also like to congratulate the mover and the seconder, the hon. member for Nipissing (Mr. Blais) and the hon. member for Lachine (Mr. Blaker). It is an honour to them and to their constituents that they should be given this task and they did an admirable job.

Having said all that, may I say at the outset that the kind of speech I will make is one I really do not wish to make. It is one that brings me no real pleasure and, in fact, a certain amount of sadness because in my speech I will deal with western Canada. Why should I deal with western Canada? The Prime Minister (Mr. Trudeau) made a number of references to western Canada in the Speech from the Throne. He spoke about having a conference with the four provincial governments, and he spoke about some kind of industrial growth that should and may take place in western Canada in the years ahead. He wondered in the Speech from the Throne why the Liberals lost the west. I will try to explain why they lost the west and how they could perhaps capture it if they rethought their whole policy.

• (1210)

During the campaign I said that with three major changes in the Liberal party program and policies they could succeed. None of them had anything to do with the Official Languages Act or the fact that the Prime Minister (Mr. Trudeau) is from Quebec. The surprising thing about the cabinet reshuffle, the Speech from the Throne, and remarks made by ministers in this debate is that they do not show any change of heart. The Liberals have really not learned anything about western Canada.

Shortly after the cabinet reshuffle there was an article in *Time* magazine on the Prime Minister, in which he was reported as saying that the government's policies were good but the salesmen were poor. Now they are bringing in better salesmen to sell the policies that they believe are good. Mr. Speaker, the west did not object to the salesmen, although indeed the Liberals did have poor salesmen. The policies were wrong.

The Prime Minister visited western Canada in 1970 and talked about a particular farm bill, one that he still seems to have on his mind. He said it was a good bill but "the problem out here is that you have been listening to false prophets." I did not like being called a false prophet and so I remember that remark.

Many times Canada is likened to a marriage between the French and the English, between Ontario and Quebec. Western Canada came along after 1867, and we are not the children of that marriage. We do not want to be treated like children, to be seen and not heard. We want to take our rightful place and have some say on the direction in which this country goes and should go. We believe that ours is the most vigorous growth area in Canada. We demand our right to have a say on the direction in which we should go. The change in salesmen will not help the Liberal party one bit.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): The Liberals must rethink their basic concepts of western Canada. They must rethink their policies, and they must do this before the provincial conference mentioned in the throne speech takes place.

Speaking about co-operation the Prime Minister once said, with reference to the government, that it should meet the obligation to consult and not merely to inform. I hope he remembers that when he goes to western Canada to attend that conference. But by his cabinet shuffle he has not demonstrated that he is learning or rethinking any of the three policies I will mention in a moment.

What are the three policies that ruined the Liberal party and caused them to lose the west? Mr. Speaker, western Canada is not too far away from the pioneer spirit. Many familes and young people in western Canada still have a great deal of admiration for their forefathers who came out west and fought nature and the other hazards of life. They are proud of their forefathers' fight to own their own land. What did the Liberal party do to cause them to lose votes all across the west? They brought in a capital gains tax which makes it pretty difficult for a farmer to hand down his land to the next generation.

The average farmer is proud of his father's work in harnessing nature for his benefit. He wants to pass on his land to the next generation. All kinds of warnings were given about the capital gains tax. It was pointed out that it would affect the cost of farm machinery, the transfer of land and the basic herd. But the government plowed ahead with that legislation. In fact it introduced closure. That legislation has hurt western Canada, a region which has a lot of land and few people, but those people are proud of their land. That was a mistake and it cost the Liberals thousands of votes all across the Prairies. Unless they rethink that concept they will be in for more difficult times in western Canada.

In case hon. members ask why I say this I suggest that they read the CCH Report entitled "Farmers and the White Paper on Tax Reform," in the foreword where it states:

> Perhaps the single taxpayer group most dramatically affected by the government's white paper on taxation are the farmers of Canada. Whether by design—or through inadvertence—the farming community as it exists today faces virtual extinction—

Those are pretty strong words.

In the October, 1972, issue of *Country Guide* the president of the Agricultural Economics Research Council of Canada issued this warning about the tax changes:

> Failure to become familiar with tax management generally, and to do some important things now, could result in a farmer's family farm being killed within ten years.

Those are not the words of idle politicians. They are the words of factual men who know what they are talking about. All this has caused great panic in western Canada.

The blame rests on the government, on the Prime Minister and the members of his cabinet from western Canada who did a poor job of convincing the Prime Minister that the capital gains tax was wrong. I may say that the electors did a lot better job on October 30.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): The other basic thing people must understand about western Canadians is that those engaged in the agricultural industry love to produce. But before dealing with that I wish to mention one other thing not connected with the famous Bill C-176. One other concept that the Liberals failed to understand was that their tax reform legislation was hard on the oil and gas industries, on the resource industries in general. Mr. Mahoney, the former member for Calgary South, insulted the very people who sent him here. It is no wonder he did not come back. Any member of this House who forgets the people who sent him here should not come back. His was one seat that I could bet would be lost by the Liberals.

Another seat lost through Liberal ignorance was that of the former member for Medicine Hat and former minister of agriculture, a friend of mine who has a ranch in my constituency. Where did he make his mistakes? At the wish of the Prime Minister he attempted to pilot the famous Bill C-176 through the House. At that time, Mr. Speaker, I was accused of being a terrible person, a false prophet and everything else.

Was it I alone who blocked the passage of that bill? Recently the Prime Minister admitted on a radio show that even having got it through the House the Liberals suffered a defeat. They did not get what they wanted. They did not get the rigidity and the controls they wanted. As I say, western Canadians love to produce. They know they can produce. They want the opportunity to produce. It is born and bred in them. Hon. members opposite must understand that.

Westerners saw in Bill C-176 an attempt by somebody to harness their production, to regulate and control it, and perhaps even to hinder the free flow of their goods into the thickly populated area of eastern Canada in order to serve the 12 million people in Ontario and Quebec who should be able to enjoy their produce. Bill C-176 was wrong.

Was it a political move on my part? Some people have accused me of opposing the bill for political gain. Was it Jack Horner alone who opposed it? Mr. Runciman, who has accepted appointments from the government to serve on a number of committees, had great fears about that bill. He said so in his brief to the agricultural committee. The Liberals should have harkened. The late William Parker, a strong westerner, a strong Liberal, a former president of the Manitoba Pool, said the bill was wrong and, if passed as proposed, western Canada would be hamstrung.

The Liberals should have harkened to men like that. Debate on the bill dragged on for a year and a half. Some 50,000 coupons, the greatest coupon mailing ever, more than those received in connection with the white paper on taxation, landed in Ottawa from the three prairie provinces. The people there must have been stirred up about the bill. The Liberals should have dropped that bill in order to set aside the fears of western Canada. The late premier of Saskatchewan and his minister of agriculture, both Liberals, expressed fears about what the bill would do but the Liberals plowed on with it. The Prime Minister said it was a good bill and that the children out there had been listening to false prophets. That is what he said and we did not like it, Mr. Speaker. We demonstrated that on October 30.

• (1220)

What about the former minister of agriculture? Can you imagine the possibility of his winning after having been elected at one time as a Social Crediter, that group which is supposed to be to the right in our political structure? In Winnipeg on March 13, 1972, he made a speech which was reported in the Regina *Leader-Post* under the heading "Market Structure Said Need". In the article the former minister is reported to have said:

> Free trade is a great thing when it works, but unfortunately there aren't enough constraints within the free trade system for us to accept that this is the way marketing will be.

The article then mentioned the minister's recommendations and suggestions. That smacks of socialism to western Canadians. In Alberta we live next door to Saskatchewan and so we know what socialism has done there. We want no part of it, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Horner (Crowfoot): How could a former Social Crediter make such a suggestion? Had his basic philosophy changed? No, Mr. Speaker, he was a servant of those above him in the Liberal party—the Prime Minister and the hon. member for Saskatoon-Humboldt, our intellectual socialists.

Mr. Baldwin: With a lust for power.

Mr. Horner (Crowfoot): Mr. Olson was merely their servant and the people of Medicine Hat knew that and did not like it. They wanted him to serve them, not his masters in the Liberal party, so they rejected him on October 30. There were editorials like the one which appeared in the *Free Press Weekly* of April 17, 1971 headed "Cattle Double-crossed". There is still a bit of the old pioneer spirit left in western Canada, Mr. Speaker. A handshake is a handshake and a man's word is good. The people do not like someone who is suspected of double-crossing them so the former minister of agriculture was rejected.

I am sure there are many Liberals who have been tearing out their hair, wondering why the sales of wheat did not help them. In the 15 years I have been in Ottawa I have heard many easterners say that the man who sells the wheat reaps the political benefit, that all you have to do in western Canada is sell wheat. But why did the Liberals not reap the benefit? Why is it that the hon. member for Saskatoon-Humboldt came back from Saskatchewan alone, the only Liberal member representing the farmers there? One reason he came back was the $90,000 he spent; that sometimes helps. Part of his riding includes the city so perhaps those people were not aware of what was going on. What was wrong, Mr. Speaker? Surely this government want to know and is interested in changing its ways.

Two weeks before the election the hon. member for Saskatoon-Humboldt announced an increase of 30 cents a bushel in the initial price for wheat. The farmers were insulted, Mr. Speaker; that was their own money and they were going to get it anyway in the final payment. They said, "Does he think we are so stupid that he can bribe us

with our own money?" If the minister knew that the international price was about to increase—he should have known it three months before October 15 when he made that announcement—he should have had the courage and the confidence in the cabinet to take a stand and increase the initial price of wheat at that time. He lacked something; he certainly lacked any understanding of the farmers when he insulted them with an increase of 30 cents of their own money. Politically he would have been farther ahead to make the announcement after the election.

Mr. Stanfield: He was just imitating the Prime Minister.

Mr. Horner (Crowfoot): Yes, he is an intellectual socialist just like the Prime Minister. In my definition a socialist believes that someone has to make decisions for the masses and the masses will follow. An intellectual socialist believes he is so far above the masses that he can make the decisions and the masses will follow. But sometimes one who considers himself so far above the ordinary people forgets, and that is exactly what happened with the hon. member for Saskatoon-Humboldt and the Prime Minister in the last election.

What other mistakes did they make, Mr. Speaker? Yesterday the minister said that the Lift program had created freedom in agricultural marketing and that everything was now moving well because of it. In case anybody has forgotten what Lift is, it means "Lower Inventory For Tomorrow". When the election came along the price of grain was going up. At that time it was about $2.60 a bushel but the farmers did not have any wheat. Many of them had already delivered. During the campaign I drove to the elevators and the farmers told me that they had delivered the six-bushel quota and had nothing left to deliver except their seed for spring planting though they would have liked to be in a position to deliver wheat.

What did the Lift program cost the farmers? As the minister admitted yesterday, because of the restrictions placed upon them they grew 200 million bushels less wheat than previously. The price of wheat today is a little over $3 a bushel so any grade three student can calculate the loss to western Canada: it is $600 million through operation Lift.

Some hon. Members: Shame!

Mr. Horner (Crowfoot): Could the minister say that he did not know about the crop failures in Russia and China, that he thought Lift was a good program and now knows that he was wrong and ask for forgiveness? No, Mr. Speaker, he still says it was a good program. How can farmers be convinced of that when they have lost money on it? They are not so stupid, as the intellectual socialists found out on October 30.

What else did the minister do that was wrong? He attempted to bring in a grains stabilization bill. That was a failure and never got through the House. The whole concept was wrong; it began by trying to empty the elevators and to curb western Canada's desire to produce. The farmers did not like that at all. Operation Lift was a perfect example and they rejected it.

What does the Canadian Wheat Board have to say today? I have here a letter I received recently from the Canadian Wheat Board which was addressed to all grain producers. The letter inquires how much grain I will have for sale in the coming crop year and states:

> —every additional bushel of grain that can be made available will be needed.

The letter goes on to say that they do not have much confidence in the figures provided by Statistics Canada so they are approaching producers directly. I have been farming for 25 years but I never received a letter like this from the Canadian Wheat Board before. The letter states further:

> —we need a reliable figure before we can determine how much grain we can commit for forward sales to take advantage of the higher price levels.

In other words, Mr. Speaker, they are turning down sales today because they do not know how much grain they will have. That is an alarming letter, Mr. Speaker, and points out the fact that the concept of cutting off production in western Canada was wrong. We do not want the minister to go out to western Canada saying it was right. It was wrong and we will continue to reject it.

In a news release which I issued in December I said that the fixed price of $1.95½ should be the floor price and it should move upwards with the international price. I told the farmers that they were losing $30 million a year. The minister must have thought my statement was effective because the next day he issued a press release. It pointed out that the minister said the government is paying $57.5 million to assure that the farmer will receive $3 a bushel for his wheat. This was paid under an acreage payment.

• (1230)

There was a great deal of fanfare last January because the minister had finally made a tremendous breakthrough. This was suggested in an editorial in a western paper. The minister had now firmly established a two-price system for wheat and the farmers would get a fair return. What did this turn out to be? It turned out to be nothing more then an acreage payment. The minister fooled the weekly papers.

An editorial in the *Western Producer* headlined "Not Exactly A Reality" states:

> It appears we were somewhat hasty when we wrote the headline "Two-price system for wheat a reality" . . . in our February 3 issue. . . .
>
> What Mr. Lang did not say was that in an election year, there's a tendency to avoid any distribution of funds that takes in only part of a group, and that, we believe, would be the prime consideration when the decision was being made.

The minister fooled the wheat farmers. He did not help them at all. Another editorial was headlined "Two-price Or Two-face?". I said a while ago that in western Canada people still honour a man's word and a handshake. They cannot yet accept a doublecross or "two-price or two-face". We may be able to accept this some day, but not yet. I quote from this editorial:

> The Minister responsible for the Wheat Board happily proclaimed that the government "has finally faced up to an issue which confronted successive governments for 20 years." . . . This most recent announcement, however, shows that we are still following a policy of "Do nothing until you have to, then do anything to keep them quiet".

Is that not the way you treat children? We in western Canada no longer want to be treated as children.

The Speech from the Throne refers to two other matters which are going to be dealt with, crop insurance and an equitable price for feed grain. I wish to issue a word of caution and warning. I have thoroughly studied the Canada Grains Council report on the pricing of feed grain and what they refer to as the fair formula. This is not a saleable product in western Canada. If anyone wonders why it is not, I suggest he read page 9, chapter 3. It clearly explains how the fair formula will work. It sets up a great bureaucracy which the average farmer will not take time to understand or figure out. He will feel that the price of his grain is being subsidized and that it is not going to work to his advantage.

I also wish to refer to development at Vancouver. It is a well known fact that when the minister in charge of the Wheat Board was in Calgary he said that the government was going to spend money in Vancouver. He did not say how much or how they were going to do this.

I have an article which states that Mr. Hope of the Canadian Wheat Board suggests that something must be done in Vancouver as more storage is required. The minister in charge of the Wheat Board does not realize that in the past years the expenditures in Vancouver have been curtailed, not enlarged. The government must come up with a policy for the development of a port at Vancouver which will allow our grain to move freely through that port. There are continuing reports in western papers calling for improved facilities at the port of Vancouver. The Canadian Wheat Board is having difficulty moving grain through that port because of strikes, including one that is still not settled. This is certainly a disturbing factor in western Canada.

As I said at the beginning of my remarks, I regret that after being here 15 years I must make a speech dealing with one region of our country. I have outlined three basic policies which went wrong and I hope the government will correct its ways. Maybe people in western Canada will then vote Liberal again. If the government does not learn to understand this better than they have in the past four years and continues to treat us as children, we will continue to reject their party, no matter from what area the Prime Minister (Mr. Trudeau) may come or what official language he may use. It will not really matter. We will continue to reject anyone who treats us as children. We want to be equal partners and play a part in this great country of ours.

Some hon. Members: Hear, hear!

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I first want to take this opportunity to congratulate Your Honour on being re-elected Speaker of the House, not only because of your knowledge of House procedure but also because I have learned since accepting this office of your knowledge of agricultural problems in the constituency you represent.

I also want to take this opportunity to congratulate the Deputy Speaker. I have known him as a man's man in this House. I know he will do a good job. I have also known for quite some time the other officials who have been elected and the same goes for them.

[Mr. Horner (Crowfoot).]

I wish to thank hon. members for the good wishes they have sent me on my appointment to the portfolio of Minister of Agriculture for Canada. In those thanks I wish to include the members of the opposition. Some, even Members of Parliament, may be amazed at the number of letters, calls, visits, etc. that I received from many members of the opposition. I believe they were most sincere in their congratulations and offers of help to make this portfolio and department a successful venture. I also wish to thank the members on the government side for their good wishes, of which there were many.

I received letters from people I have known in agriculture and parliamentary organizations all over the world. I was utterly amazed to know that people all over the world watch to see who is going to be responsible for agriculture in Canada. Too often we take it for granted that agriculture is not all that important, but this has brought it closer to home for me and made me realize in a different way how much importance people in other parts of the world place on agriculture in Canada because of the great industry it is and the leadership it provides for agriculture in other parts of the world.

More especially, I wish to thank the electorate in my constituency for having placed their confidence in me once more in the past election. I shall try my best to keep their interests at heart while attending to the obligations of a minister of the Crown. I also wish to give special thanks to the Prime Minister (Mr. Trudeau) for having had the confidence and, if I may say so, Mr. Speaker, the courage—

Some hon. Members: Hear, hear!

Mr. Whelan: —to entrust me with the task of Minister of Agriculture for Canada. I am still new enough to this portfolio to be able to think it is a big challenge and still new enough to thank the Prime Minister for giving me the opportunity to represent the farmers from one end of the country to the other. There may be some who may find it rather hard to accept the fact that the Minister of Agriculture does not come from western Canada. However, I must point out that I received messages from all across Canada, from farm leaders, provincial ministers of agriculture and some premiers. Only one premier, and I cannot remember which province he represents, was not complimentary.

• (1240)

An hon. Member: Who was he?

Mr. Crouse: That brother of yours?

Mr. Whelan: I think he migrated from Nova Scotia to Saskatchewan 14 years ago.

I have lived on the farm all my life and have been an active farmer for most of my life, certainly until I was elected to the House of Commons. Those who are engaged in agriculture and who are also Members of Parliament know that being a member is a full-time job. One has no time left in which to engage in actual agricultural production if one is really doing the job demanded of a representative here. The part of Canada from which I come is the most productive of any in Canada. This is a fact of

which many people are unaware; possibly we ourselves are at fault for not yelling it loud and clear.

Many people think of Ontario as being strictly an industrialized giant. It is an agricultural giant as well; one might call it the giant of agricultural production in Canada. Farm cash receipts in 1972 in the province are likely to amount to almost $1.5 billion. Saskatchewan, this year, will be second highest in this respect. The situation is changing, if I understand it correctly; Saskatchewan is displacing Alberta, it seems, though there may be some Alberta members who will wish to disagree. However, these are the figures given to me.

Back in Roman days, Mr. Speaker, one of their old boys who had done a good deal of travelling round Europe came back to his capital and said "veni, vidi, vici". Well, I did some travelling around Canada at the end of last year. I did not conquer. I did something more. I listened and learned. Among the many things I learned was that farmers all across our land are basically the same. At the farm meetings I addressed in western Canada, when I said I was a minister of the Crown for Canadian agriculture, the Canadian Minister of Agriculture, they all responded in a more amazing fashion even than I had anticipated. They did not want me as an eastern Minister of Agriculture nor as a western Minister of Agriculture. They wanted me as a Canadian Minister of Agriculture working for the benefit of Canadian farm producers no matter in what part of the land they reside. They have more in common than the few differences which are continuously played up. They have more marketing problems in common, more production problems in common. They are competing, often, for the same domestic markets or for the same overseas markets. Differences which are brought about by circumstance or which are connected with historical habits have long since died, as far as I am concerned. All our farmers have the same desire for a stable income and they all face the same risks because of weather, disease and fluctuating markets. They are beginning to realize that some of their difficulties can best be solved by national planning, cooperation and mutual support through the assistance of their provincial governments and with the help of Ottawa.

I want to take this opportunity to thank my provincial counterparts for the courtesy they showed me on my first visit to them. I must say I found them extremely responsive and helpful, as I confirmed when I telephoned their offices to ask some of them for their opinions. It might surprise some hon. members to learn how many ministers in provincial governments answer their own telephones. I think it surprised the provincial people just as much when this minister dialed his own telephone to talk to them. I learned this from a businessman in control of a large corporation; he told me that when anyone got too big to dial his own telephone he was too big to hold the position he was occupying. As far as I am concerned, our calls in the future will be many. I intend to keep up this rapport with my provincial counterparts as long as I am Minister of Agriculture because I believe in working with them for the betterment of agriculture in Canada. Without exception they showed a good grasp of the agricultural situation in their own provinces. I feel we shall all be in a better position to improve the welfare of the farmer as a result of my having met not only the provincial ministers of agriculture but also a good number of representatives of farm organizations in the west, in central Canada and in the east.

I am pleased to report that the agricultural industry has experienced one of the most prosperous years on record. The trend began in 1970. It was strong in 1971, even stronger last year, and is continuing through 1973. I am also pleased to report that the farming community has made some gains in moving the industry closer to our goal of putting farm income on an equal footing with the rest of the economy over the past few years. We set a $2 billion trade export record in 1971; we set another record last year, and it looks as though we are going to set still another in 1973.

Some hon. Members: Hear, hear!

Mr. Whelan: Our agricultural industry has not only met the challenges of tougher competition, international monetary problems and stiff trade restrictions but it has actually improved on its own record.

We must recognize the importance of marketing and be bold enough to say so at a time when the industry sometimes tends to be inward-looking, paying most of its attention to domestic issues. The present government has begun this task with evident success. The statistics speak for themselves. The government has helped the industry to take advantage of new and expanding agricultural product markets abroad. The result has been a dramatic improvement in prospects for the success and maintenance of our family farms. Those who have charged the present administration with being too inactive should check the record; when they do, I think they will be forced to admit they are chasing non-existent ghosts. We have set records for exports. We are continuing to increase our exports. Further, we are continuing to add new products and new customers while negotiating better trade terms for our farmers. For example, as of January 1 last year we have added 10 per cent to the number of items which could enter the United States free of tariff, bringing the total up to 30 per cent. We have negotiated an important agreement with Australia which has already opened up a money-making market for cattle semen, and we have opened the door for imports of new blood lines for our beef producers. During my discussions with cattlemen's associations and others I have found them to be as happy a group of producers as I have found in any part of our nation.

• (1250)

New initiatives have also been taken to send specialists abroad to help the agricultural industry open new markets. The industry is making increased use of the $10 million market development fund available to it for extending markets abroad. I think they could take even more advantage of the money provided for these groups which want to develop their own markets under our guidance and assistance by taking part in this fund. There are many examples of success but I mention only these few as an indication of what has been taking place.

I must also point out, Mr. Speaker, that ever since I have become Minister of Agriculture prices to the farmers have improved considerably. I may not have had much to do with these changes in price but, as Billy Shakespeare said,

"There is a time and tide in the affairs of men, which, taken at the flood, leads on to fortune".

Mr. Gleave: You got your boat off the beach at just about the right time.

Mr. Whelan: That is what I encourage farmers to do this spring. I urge them to produce grain to beat the band this year, all types of grains. There is a word of caution which I put in at this point. I am purposely asking western grain producers to produce all the wheat they can produce, conscious of all this implies, and at the same time to make sure they produce even larger quantities of feed grains than they grew in previous years. Except for that reservation, my theme to producers, Mr. Speaker, is to produce grain for all they are worth and, by the way, I hope money lenders both east and west are listening. There is a clear message for them. The message is to have faith in Canada's agricultural producers and give them the backing they deserve, because I intend to do this as long as I am Minister of Agriculture.

Knowing the capacity and urge of Canadian farmers to produce, I feel it in my bones, Mr. Speaker, that farmers will grow and deliver record quantities of grain, both in the east and west. The government will sell record amounts of grain again this year. And let no one belittle the efforts made by this government to improve the meteoric rise in cash income gains made from grain sales these past two years.

Some Lady Zistras have looked into their crystal balls backward and suggested the country may lose future sales because our grain supplies have been reduced to manageable proportions. In the first place Mr. Speaker, those clairvoyants did not usefully forecast, for anyone, the drop in grain production in various countries round the world or the disastrous weather conditions in the USSR and India, or the calamities that took place in other nations last year.

Second, if anything, transportation of grain to markets has been our bottleneck and the record of improvement brought about by the assistance of this government speaks for itself. We set a shipment record in 1970, smashed that record in 1971 in spite of weather difficulties, and we are well on the way to doing even better this year. I have the utmost confidence but, as I stated before, some may say I am over-optimistic that they will do even better.

Third, these latter-day soothsayers condemn themselves out of their own mouths. They are actually suggesting that Canadian grain growers will not, indeed these soothsayers imply Canadian grain growers cannot, rise to the occasion of a market opportunity that is placed before them. That, Mr. Speaker, shows an appalling lack of knowledge of the productive capacity, the large capitalization, or the real, effective, down-to-earth, export confidence and know-how our Canadian producers possess. But most important still, these people fail to recognize the strong urge within each farmer to produce for all he is worth, given the opportunity to do so.

I would point out here that there is hardly a nation in the world where one farm worker produces so much for his fellow man. We could make a comparison with one of the largest nations that buys so much grain from us. In Russia, for instance, one farm worker only produces enough food for two of his fellow men. In Canada, one farm worker produces enough food for 50 of his fellow men. We take this for granted and we accept it. Many of these countries that do not have the system we have, do not have the creative ability we have and do not have the incentives we have, only wish that they could create some of these in their own nations so they would be in a better position as far as food for their own people is concerned.

Indeed, a farmer is leery of believing in the dream he may never be able to realize. Well, it is here, Mr. Speaker; his dream has come true, the opportunity to produce all the grain he can produce for good markets at acceptable prices. I know as a farmer that I do not need to tell fellow farmers all this. They sense the opportunity when it comes. But farmers like to be reassured and that is the first reason I am going on at length about this situation. I am also stressing the point in the House now because the legislators of this land should be spared the humility of underestimating the drive, initiative, optimism and resourcefulness of Canadian producers. I take my hat off to my fellow farmers for their courage, their endurance, ability and productiveness. God willing, Mr. Speaker, the harvest of 1973 in Canada will confound the critics who have little understanding of the farmer's urge to produce, even if the critics hail from rural or rural-town Canada.

The government has done a number of things to improve the quality of life in rural Canada. The Farm Credit Corporation loans policy has been changed with the proclamation of amendments to the Farm Credit Act. Young farmers under the age of 35 have benefited substantially by being able to borrow under the new conditions of Part III of the Farm Credit Act. May I call it one o'clock?

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Whelan: Mr. Speaker, when we adjourned I was speaking about the Farm Credit Corporation. Under the supervised loans program, young farmers may borrow up to 75 per cent of the appraised value of land and chattels up to $100,000, and if their managerial ability is considered to be above average, loans may be drawn up to 90 per cent of their farm assets. Those are realistic loan conditions repayable over 30 years. These conditions are a witness to the faith that this government has in the ability of our new breed of young farmers today. The effort made by the Farm Credit Corporation to make loans available to younger farmers has borne fruit in the last crop year. There has been a shift, an increase, of 1½ per cent in loans made to people under the age of 35 between 1970 and 1971, and 1971 and 1972. The shift is evident at the other end of the scale in that, out of a total number of loans made, there has also been a shift of 1½ per cent decline in the number of loans made to people over 55 years of age.

I have some very strong views on the Farm Credit Corporation, on what it can do and what it has done as well as on what it should be doing. If any hon. members have suggestions as to what they think the Farm Credit Corporation can and should be doing to help young farmers and farmers in general, I would appreciate hearing from them. The changes will help Canadian farmers to develop more profitable family farms and I have under active consideration, as I stated, methods to improve still further the corporation's loan policy to the advantage of our producers, but I am willing to listen and accept good suggestions as to how this can be achieved.

Another program, the exhibition loans program to help agricultural societies to borrow money at very attractive interest rates over a long term payment period, is being continued. This policy has been much appreciated by those who wish to put up buildings that can be used at fall fairs and exhibitions and, equally important, which can be used for functions right through the entire year. I might add, for those who are interested in what is being done in some parts of Canada, that I met a group from western Canada this morning. They are putting up one of the best exhibitions of livestock that I have ever seen a new young organization put up. I think we should do everything we can to encourage this type of program. It helps the urban people realize what the rural people are doing in Canada.

An important new program to improve life in rural Canada is the small farms development program. The last of the programs I have signed on behalf of the federal government has been with the province of Nova Scotia. Alberta and Ontario have already implemented the program and British Columbia, New Brunswick, Prince Edward Island and now Nova Scotia, have signed agreements.

Mr. Stewart (Marquette): What about Manitoba?

Mr. Whelan: These programs may not be what everyone would desire, but again I am open to further suggestions on how we can improve them for all of Canada. I am hopeful that the remaining four provinces will join in the near future. If they do not, we have the authority to provide these benefits for those farmers under a federal program if their province does not wish to participate in the program. The discussions with the province of Quebec on this subject, which bogged down a little, have, I am pleased to say, been put back on the track with every indication that we will come to a mutual understanding. I might say that one of the best discussions I had on my trip across Canada was with my counterpart in the province of Quebec, Mr. Tuppin. He understood the problems, he presented his viewpoint in a factual way, and I am sure that we were not far apart in our positions on many issues that have confronted farmers in the province of Quebec.

The Canadian agriculture industry continues to become more specialized every year and, because of that, this government continues to support the industry and farmers through research programs in the Department of Agriculture which has the reputation for doing some of the finest research work in the agricultural world. I do not think that even our own citizens are aware of this. They are even some events taking place of which many members of the House are not aware, and every day I am learning something new that is going on in agricultural research, either in livestock, grains or horticulture. Many of us are not aware of what is going on because not enough is being said, and what is being said is not being said loudly and clearly enough.

As a result of our support, Canadians farmers have achieved a remarkable record of performance. They not only produce some of the best farm products in the world, but they do it more efficiently. All of us in the House, and hon. members from rural communities in particular, realize that it is not always smooth sailing and that in farming there are many problems which fall beyond the scope of any individual farmer, problems which can more properly be handled by government. It is for this reason that the government made hog deficiency payments of up to $1,000 per producer to offset the pork market glut of 18 months ago, caused mainly by heavy production in the United States.

Support for the dairy industry has been continued and was increased during this dairy year, taking into account the increasing cost of production and the improved market conditions. The leadership of the federal government, in stabilizing the dairy industry, has been very successful and this program has paid off both for Canada and for dairy farmers. It has held production and incomes at reasonable levels. Without this support, our industrial milk producing industry would have been bankrupt long ago, thus creating a severe loss not only for our dairy farmers but for all Canadian consumers. There are some who complain about the 17 days supply of butter that we will have to import this winter to supply the Canadian consumer, but I would remind those people that it is better to be in that position than to have a small surplus bearing down heavily on the price of all the dairy products and consequently on the total income of all producers across the country.

In my opinion, the National Dairy Commission is one of the most efficiently operated marketing organizations in Canada, and one of the things that I specifically like about it is its control over imports. I like the way it operates and the way in which it brings imports into Canada when they are needed and puts them on the market at a price that the consumers can afford to pay. At the same time, the actions of the Commission do not depress the price to the producers but provide stability to the industry. When one checks the price range of the dairy products in the last four years, one realizes that if all other parts of the agriculture industry were run in this fashion, inflation would not be as rampant as it is today.

• (1410)

The federal government intends to continue its support of the dairy industry. More than 90 per cent of our industrial milk production now comes from provinces which have entered the market sharing quota program because of the agreements with the prairie provinces this past year. I would also note, Mr. Speaker, that the Canadian Dairy Commission has been quick on the draw to take advantage of the situation of skim milk powder shortage in the United States. This quick action has allowed Canada to supply part of the American requirement at

favourable prices to our milk producers. This was done by tender.

The disaster aid program, put together jointly with Quebec and Ontario, has added up to one of the biggest aid programs ever for farmers experiencing losses due to wet weather. The farmers of the Peace River area of Alberta and of British Columbia have been offered a similar program of help through the co-operation of their provincial governments. The programs of assistance are not entirely alike because in western Canada there are already such programs as the PFAA, the Grassland Incentive Program, and advance payments on unharvested grain, programs tailored for different circumstances.

Crop losses and disasters due to weather are not new to agriculture. They are a part of the natural risk of farming, and I think most farmers accept that fact. But just the same they are disasters, and every government in every nation tries to plan to offset the difficulties that these create. In Canada the federal and provincial governments have worked for many years to develop a crop insurance program to overcome these problems, and to offer some level of security to farmers. We have had several years of experience with the crop insurance program, and we have had recent experience with the disasters in the Peace River area, eastern Ontario and western Quebec.

Mr. Deputy Speaker: Order. I regret to interrupt the minister but the time allotted to him has expired. He could continue with unanimous consent.

Some hon. Members: Agreed.

Mr. Bell: The minister can certainly take a few more minutes to finish. However, we are making an effort to have regular members finish in 20 minutes.

Mr. Deputy Speaker: The Minister of Agriculture.

Mr. Whelan: These problems concerning crop insurance are hard to overcome. In view of these difficulties I believe it is time to re-examine the entire crop insurance program, to set out goals firmly in mind, and to develop a better program. During my trip across Canada, there was not one provincial minister of agriculture who did not bring this to my attention. They want the real principle of insurance embodied in crop insurance. They feel it is not in the program at the present time.

Again, I am open to suggestions from anyone who has any ideas on how we can improve the crop insurance program. I have already received some ideas from hon. members, and I intend to use them when bringing forward new legislation. As indicated in the throne speech, Mr. Speaker, the House will be asked "to amend the crop insurance act to allow the government to reimburse provinces to a maximum of 50 per cent of premiums paid under contracts of insurance, thereby reducing costs of insurance to individual farmers." As I have stated, I, and I believe the farmers are willing to go further. I am hopeful that an acceptable proposal can be worked out with the provincial departments of agriculture and with farmers so that we can come up with a crop insurance scheme which will be popularly acceptable to the farming community and will be along true insurance lines.

Because we have kept our ear to the ground and acted to help producers across the country, the government implemented the fowl slaughter program which quickly brought egg production back in line with demand, and allowed the establishment of the first national farm products marketing agency. We have also brought about changes in the rates of feed freight assistance to offset changes in cost, introduced a potato support program which helped the Maritime growers to overcome a difficult period of surplus production, and continued the federal government support for the sugar beet industry.

In the grain and oil seeds marketing system the number of changes introduced since 1968 have culminated in the success of our marketing effort, and have proven the wisdom of the changes made in the regulations. But we do not plan to sit still in the coming year. Although we already have a new set of wheat grades, a new quota delivery system, a grassland incentive program, improved transportation records at the Lakehead and Vancouver, and many other improvements, still further improvements are being considered for the coming year.

Hon. members who may not be familiar with the subject should check their old agriculture committee reports and see what we recommended six years ago to improve grain handling facilities both on the coast and in the St. Lawrence Seaway. If they do, they will realize that hon. members at that time had futuristic ideas and attitudes.

When talking about the export records that have been set, I do not wish to leave the impression that it was the government that set these records on its own. It took a great deal of co-operation between government and the entire grain producing, transporting, insuring, shipping and exporting industries. It required gumption to find the weak spots, identify them, acknowledge them, and then move to make the changes that brought about the desired improvements. I hope this co-operation will continue. Indeed, recognition of the validity of this approach has been indicated by the establishment of a new branch within the Department of Agriculture to try the same formula with other commodities, commodity groups, and sections of the agriculture industry.

One of the major tasks of the new food systems branch concerns the feed grain industry. Right now we are talking with the industry about the new feed grains policy for Canada, taking into account the many changes made in production, transportation, international markets, and our own domestic livestock industry needs. Again, as indicated in the Speech from the Throne, the government supports the principle of an equitable relationship of prices of feed grain to livestock feeders in various areas of Canada. It is the intention of the government to implement, before the next crop year, procedures that will insure the optimum development of the feed grain and livestock industries within Canada.

There are many things I could say about the agriculture industry, Mr. Speaker, but I realize that if I said all that I have written here, I would take up more than my fair share of the time of the House. However, I do wish to take a few more minutes to complete a few points.

One of the biggest changes in agricultural policy introduced by the government has been the passage of the National Farm Products Marketing Act. I am convinced

that national marketing agencies hold the key to major improvements within the agriculture industry, and will enable farmers to increase their income considerably. It is too early to judge the success of this legislation, but I am convinced that in years ahead we will look back and approve the persistence and foresight shown in having this idea put into the law of the land.

I want to take this opportunity to express my appreciation to the group of leaders who have been chosen to head the National Farm Products Marketing Council. Their leadership and tact have already done much to convince the doubters and sceptics that national marketing agencies can be a good thing and should be given a chance. The first national marketing agency, the one for eggs, is just now getting into operation. As this new group of men take up the challenge I am sure many farmers will find that national marketing agencies have a great deal to offer them, and that the trade as well as consumers will find these organizations to be to their advantage. I expect that we will have other national marketing agencies in operation before the end of the year. I have received notice from turkey and broiler producers that they wish to have a marketing plan, and before long they will want a national inquiry into the merits of such a plan.

In summary, Mr. Speaker, the agriculture industry is certainly in a much stronger position today than it was four years ago. The leadership, policies and programs initiated by my predecessors in this portfolio have had a great deal to do with the turn around, the better fortunes, and the good outlook for the industry and its producers. Problems and challenges remain to be tackled. I do not intend to rest on the achievements of my predecessors but will take up the challenge from here. There are great potentials for Canadian agriculture, and I am confident that we have the policies and programs which will help Canadian farmers to reach their full potential.

Because farming and the food industry form only part of the fabric of Canadian life, the Minister of Agriculture does not have a czar's influence even in his own area of jurisdiction. But I can assure hon. members that this minister will defend farmers' interests in this country with all the political skill that farmers are reputed to be able to muster, and as a member of the cabinet I will see to it that this is done within a framework of general conditions favourable to Canadian consumers.

Some hon. Members: Hear, hear!

• (1420)

Mr. Reg Stackhouse (Scarborough East): Mr. Speaker, this is the first time that I have had the honour of addressing the House of Commons, an honour that I am sure all Canadians would prize. Like many other members who have spoken in this debate, I should like to begin by joining in an accolade to you and your associates for the way in which you are presiding over the affairs of this House.

We are here to debate the Speech from the Throne and I should like to begin by complimenting its authors, both seen and unseen, for they have produced a remarkable document. However, I am sure they would agree if I were to suggest to hon. members opposite, that with a little imagination we could think of ways in which it might have been improved. This afternoon I should like to suggest a few proposals which might have been included.

For example, Mr. Speaker, the Speech from the Throne might have said something such as this: "The government will try to reduce unemployment in Canada by giving a job to every defeated Liberal candidate." Or, it might have said something such as this: "As a contribution to Canadian culture, the government will commission a national film board documentary on the election. It will be called "How the West was Lost". Or, "The government will authorize a CBC television serial: one part to be about the Prime Minister (Mr. Trudeau) in 1968. It will be called; "How to Succeed in Politics Without Really Trying." The second part will be on the Prime Minister in 1972 and it will be called: "How to Try in Politics Without Really Succeeding".

Some hon. Members: Hear, hear!

Mr. Stackhouse: Or, "The government will attempt a bold innovation in politics: Liberal ministers and Conservative policies."

Instead of "fuddleduddle" we now have "flip-flop". In the throne speech the government "flipped", because in the election the government "flopped".

Some hon. Members: Hear, hear!

Mr. Stackhouse: None the less, the throne speech is a remarkable document. It expresses the politics of "something for everybody"—or almost everybody.

It is not clear what the government intends for the kind of citizen about whom I want to speak mainly—the middle Canadians. I have the privilege of representing Scarborough East. With 87,000 electors it is one of the largest ridings in Canada and represents a "mix" of the great diversity one finds in the Canada of today. Scarborough East is totally within metropolitan Toronto, but it still has farms as well as high rise apartments and residential neighbourhoods. Most of its people are of British ancestry or origin, but it also has large numbers from every part of Europe, from Asia, from Africa, from the Middle East, from Latin America, from the Caribbean. Many of its people are young and over 25 per cent are in school, college or university. However, the riding includes a growing number of senior citizens.

With all this diversity, however, there is something that the people have in common. Most are what can be called "middle Canadians"; they are not affluent, not impoverished, but are earning enough to be self-supporting; they are not "fat-cats," not "bums," but are working people.

The Prime Minister has professed to be concerned, and rightly so, about alienation—alienation of the west—even as he has been about alienation of Quebec. I should like to put it to the House that we need to be equally concerned about another kind of alienation. There is in Canada today not only regional alienation but sociological alienation. For many middle Canadians there is a growing unease about the direction our society has been following and the direction this government has been leading.

I should like to suggest, Mr. Speaker, that this kind of alienation which many people are experiencing is partly

due to the way in which the government seems to have become removed from the people. Government in Canada has become of such behemoth proportions, and seems so complex in its proceedings, that the average person can say of the government it is his government in name only. One way in which the government of Canada might come closer to the people is by taking steps to open membership in this House of Commons to more and more Canadians.

One of the difficulties that people find when standing for election to the House of Commons is that they usually have to give up their jobs. This imposes upon their families a financial burden that most men and women do not feel justified in asking. I would suggest that we need to reform our election practices so that membership of this parliament can be sought by people of all occupations. If parliament is to be truly representative it must be the nation in small. It must be representative of all religions, races, ethnic origins, languages and so on, but it also must be representative of occupations. Parliament has been dominated too long by too few occupations. I suggest that we should consider a proposal that parliament enact legislation requiring all employers to permit employees with two years seniority to become candidates without fear of losing their jobs. Employers would be required to give such employees leave of absence during the election campaign, such leave to be without pay. Employers should be pledged to grant leave of absence without pay to any employee elected to the House of Commons. Should an employee seek re-election after one term he or she would be deemed to have resigned since it could be interpreted that he or she had begun a new career.

I put it to you, Mr. Speaker, that this kind of obligation is comparable to what was required of employers during wartime when they were expected to keep jobs open for employees who served with the armed forces. If we can require employers to make this kind of commitment during the war to those who would serve their country, surely we can do it in peace. Parliament should not be primarily a place of privilege but a vocation of service open to many.

The alienation of middle Canadians is accented by the way social forces make the local community and single individual seem insignificant. Much is said in this House about participation, involvement, consultation, but often more is said than is done. It is frequently the tendency of government to announce first and consult later—maybe. For example, last week the construction of three limited dividend apartment projects in Scarborough was announced. They are to be funded by the federal government. Community associations are concerned about this, not because they reject their social responsibility to low income citizens but because they are concerned about the impact of high rise building on family neighbourhoods and about the ingress of large numbers of children in such areas with already limited recreational and service facilities. When one Ontario Housing corporation project was proposed early last spring, a protest meeting assembled 1,000 ratepayers to voice these concerns, and the federal government take them seriously. The Ontario government listened to these people and the project was stopped. The government of that province has also initiated a study of the future of public housing in Ontario.

[Mr. Stackhouse.]

Mr. Speaker, I propose that the federal government should initiate a study of public housing in Scarborough. This study should involve all three levels of government and aim at developing more effective ways of meeting these housing needs than having the people together in buildings that often soon come to be looked upon as ghettos. Scarborough has about 15 per cent of the population of metro Toronto but about 33 per cent of the Ontario housing located in metro plus the limited dividend apartments. These housing projects, being partially or wholly financed from federal funds, show the great federal involvement in public housing in this municipality. I put it to the House that before any more projects are undertaken in Scarborough the federal government should invite the province and municipality to co-operate in a study that would indicate the best direction to follow in future. Part of the value of this study would be the demonstration to the community that it has a voice which is heard and is taken seriously.

• (1430)

Another reason many middle income Canadians feel alienated from society results from the development of a permissive approach to life. There is a permissiveness abroad that they often seem to believe is encouraged by the government. What the middle income Canadian wants is the rule of law to be respected. Civilization demands this because a civilization is a society that has learned to live together under the rule of law. Western society has come to take that rule for granted, but one of the results of urbanization has been the decline of that rule. In the United States the streets of the city are emptied at night by fear. Fear turns a key in every door and people lock themselves in their homes as though they were prisoners in cells. That can happen in Canada, too. I put it to you, Mr. Speaker, that we need a "firming up" in our administration of law.

Some hon. Members: Hear, hear!

Mr. Stackhouse: A bail system that allows thugs to commit violence while awaiting trial, a parole system that permits offenders to obtain one parole after another, a criminal code that says the life of the victim may be taken but not the life of the murderer—this is not the way to build confidence in the law. Justice must be tempered by mercy, but mercy should not be confused with sentimentality.

The alienation of wide segments of middle income Canadians from the government is increased by certain economic factors as well; for example, taxation. The graduated income tax was based on the concept of distributive justice—the belief that the strong should bear more of the burden than the weak. However, in an inflationary economy the graduated income tax has become a way by which middle Canadians are being penalized for trying to keep abreast of inflation. When they are successful in raising their dollar income to meet the decline in the dollar's purchasing power, they find themselves taxed at a higher rate. This often means not only that they must pay more tax dollars but, also, that a higher percentage of their income must go to the government. They thus find themselves robbed of much they had gained. What they thought was progress turns out to be a penalty.

We need a tax reform, Mr. Speaker, that will put the graduated income tax on a constant dollar basis. This would be a reform that would restore initiative to middle Canadians who have begun to wonder if it makes sense any longer to work harder, to strive more and to climb higher. When I urge that, I am not pleading for concessions to an economic elite. I am urging justice for that great mass of Canadians whose pay deductions are mounting so high that they wonder if Canada has become a country where effort is penalized instead of rewarded.

Some hon. Members: Hear, hear!

Mr. Stackhouse: For example, I am thinking of a small businessman with whom I discussed this entire question. He told me that on Saturdays he cannot persuade his employees to work for him except, and I use his words, "as an act of charity." They say to him that after they have paid their taxes for the overtime, it really does not pay them to work on Saturday. That is typical of what one hears from Canadians right across the land. It is clear that we need a tax reform that will save Canadians from the unjust, confiscatory, legalized exploitation that our income tax has become.

The same must be said about inflation. John Kenneth Galbraith claims that the modern industrial state has to choose between the two evils of unemployment and inflation. Our government, Mr. Speaker, has resolved the dilemma. It has opted for both. This holds true not only in the instance of food prices which are of concern to everybody but, as well and equally, in the instance of housing. Housing, which middle income Canadians at one time considered a right is now a luxury which many can never achieve. For example, for every six families in Toronto who could buy a house ten years ago, only one can do so today. In 1961, the average new house cost approximately $17,000 and almost 15 per cent of families in the area could qualify for a mortgage. In 1971 the cost of a new home has risen to a price in excess of $40,000 and slightly over 2 per cent of families can qualify. The high rise apartment offers no solution either, since whether a family is buying a home or renting an apartment the cost for that housing can take up between 30 and 40 per cent of income. Indeed, I have letters from people in my riding who claim they are paying almost half their take-home pay in rent. At the same time, the government persists in collecting a sales tax on every item of material used in housing. Thus, at a time when working people should have their load made lighter, they find the government of their own country adding to their burdens.

Concern about inflation in food prices and housing costs, however, should not divert us from being concerned about inflation in the cost of government. The cost of government is now growing at a rate that is 50 per cent higher than the rate of growth enjoyed by the gross national product. The cost of government is thus increasing at a rate greater than that which the economy can absorb. In 1965 the government's share of the gross national product was 30 per cent; in 1971 it had risen to 37 per cent. If this rate of increase is to keep up we can expect that out of every dollar's worth of goods and services produced by the Canadian people, 40 per cent will go to some level of government.

If we are committed to combatting inflation, we must combat the cost of government. We must avoid those pressures referred to by the proverb, "the appetite grows with eating." The more the government does, the more it intends to do. The more it spends, the more it will spend. When we consider the way in which middle income Canadians are being obliged to carry the heavy burden of confiscatory taxes and increased prices as a result of inflation, it is small wonder that so many of them find themselves feeling as the mythical Sisyphus must have felt.

According to the story, that mythical figure was sentenced by the gods of Hades to a unique punishment. He had to push a great rock up a hill. It was a big rock and took all his strength to push up; however, when it reached the top, it rolled back to the bottom and Sisyphus had to start all over again. Middle income Canadians are beginning to feel just like Sisyphus. They are in the same plight. Somehow, they just cannot reach the top and stay there; they just cannot keep ahead of the demands of taxation and the penalties of inflation. So, we find that along with feeling alienated from the government, and its policies which have made them unable to keep up with their commitments they find that they cannot meet the pressure of general economic forces upon them. As a result they are beginning to wonder if their society is worth while. I hope, Mr. Speaker, that in the kinds of policies and legislation that this parliament will enact we can say to those people who have done so much to build this country that we are with them, that we are on their side and that we will endeavour to meet their needs and fulfil their aspirations.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I join with the other speakers who have preceded me in adding my congratulations to Mr. Speaker and Mr. Deputy Speaker for the resounding vote of confidence which they received in being elected to preside over our deliberations. I commend the government for nominating a member of the official opposition for the post of Deputy Speaker. I hope that this will constitute a precedent for future parliaments. I wish to congratulate the mover and seconder of the Address in Reply to the Speech from the Throne and to commend them for the manner in which they have discharged their duties. I am sure their constituents are proud of their performance.

This first session of the twenty-ninth parliament finds the House of Commons meeting in a most sensitive situation. The recent election resulted in a stalemate in which no party has been given a clear mandate to govern. Consequently, this is a parliament of minorities. This House has two options, either to bring about an immediate election or to attempt to work out government by consensus. I want to opt for the latter course because I believe that a parliament of minorities constitutes a challenge to the statesmanship of all the parties and to every member of this House.

• (1440)

In my opinion, there are two compelling reasons why an immediate election would probably not solve our problem. The first is that the vast majority of Canadians do not want an immediate election if it can be avoided. Early

in December I sent out a questionnaire to every householder in my constituency. While the returns are still coming in, of the many thousands that have been received, less than 10 per cent gave it as their opinion that an immediate election should be held. Interestingly enough, on the question as to which of the major parties they would like to see form the minority government, 35 per cent plus a fraction favoured a Conservative minority government, 35 per cent plus a decimal fraction favoured a Liberal minority government and 28 per cent and a decimal fraction had no preference whatsoever.

Mr. Knowles (Winnipeg North Centre): They couldn't tell the difference.

Mr. Douglas: The second reason I think an immediate election would not solve our problem is that there is no assurance whatsoever that if an election were held in the next two or three months, the results would be substantially different from what they are at the present time. There might be a different political party with a slight numerical majority, but I doubt very much if any party would have a clear majority in the House of Commons.

We ought to reconcile ourselves to the fact that we are likely to have a multi-party House of Commons for many years to come. It is significant that in the past 15 years we had only two majority governments and four minority governments. Some members might yearn for a return to the two-party system, but the returns from the last election indicate we are not going to have this for some time. We had the two-party system from confederation to 1921, with the exception of some independent and farm members who were elected from time to time, but the two-party system broke down in the 1920's. It broke down because both the Liberal and Conservative parties did not represent any fundamental difference in political philosophy.

Some hon. Members: Hear, hear!

Mr. Douglas: Because both of them spoke for the privileged groups of Canada, most of the elections were fought on the basis of racial, regional and religious differences. That was responsible for most of the national disunity we find in this country today.

In the 1920's we began to see the break-up of the two-party system. In 1921 we saw the emergence of the Progressive party, the United Farmers of Alberta and the Independent Labour Party, all of which were represented in the House of Commons at that time. In 1935 the CCF sent its first contingent to parliament. That party, and the New Democratic Party which succeeded it, has continued to secure an increasing measure of electoral support. It may well be that the day will come when there will be a political realignment in Canada and we will develop a two-party system such as has been developed in many other democratic countries. When that time comes, it will be a two-party system based on an ideological polarization with the parties representing on the one hand those who desire to retain the present corporate controlled society and, on the other hand, those who desire to establish social democracy in Canada. In the meantime, we must face the situation as it is and reconcile ourselves to the fact that we have a multi-party system and that it does reflect the views of the people who sent us here. Minority governments may be uncomfortable and inconvenient for politicians, but they do reflect the views of the voters and they challenge us to make parliamentary democracy work in the present situation.

In a recent editorial, the editor of the Ottawa *Citizen* wrote, and I quote:

> Minority government is a nightmare for civil servants. It is hell for politicians. But it can really be quite good for people.

Some hon. Members: Hear, hear!

Mr. Douglas: Government by consensus may present some difficulties, but it also provides some significant advantages. It means that whatever government is in office must be more sensitive to public opinion and more responsive to public need. Whatever the problems of this parliament, they are in many ways better than the arrogant government we faced in the last parliament which turned a deaf ear to every plea and showed a callous disregard toward the most glaring needs of many Canadians.

Some hon. Members: Hear, hear!

Mr. Douglas: Government by consensus makes possible the opportunity for better and more progressive legislation. No government is the sole repository of all wisdom. If a parliament of minorities makes it possible to amend legislation or reject legislation if the majority of the members so decide, this is all to the good. In the final analysis, members of this House are accountable to their constituents. If the majority of them are dissatisfied with legislation, it is a safe assumption that this represents the views of the people who elected them.

Some of the most advanced legislation placed on the statute books has emerged from parliaments in which no party had a clear majority. The Mackenzie King minority administration in the 1920's produced such things as old age pension legislation, reduction in tariffs, adjustments in freight rates and long overdue legislation to deal with grain deliveries in western Canada. The Conservative administration, headed by the right hon. member for Prince Albert (Mr. Diefenbaker), in 1957-58 was much more progressive and forward looking than the administration which he headed from 1958 to 1962 when he had the largest majority of any government in the history of Canada.

Some hon. Members: Hear, hear!

Mr. Douglas: The late Right Hon. L. B. Pearson headed a minority government in 1963 and again in 1965. Those two parliaments produced such legislation as medicare, the Canada Pension Plan, the Canada Assistance Plan, the National Labour Code, the new broadcasting act and a distinctive national flag.

Some hon. Members: Hear, hear!

Mr. Douglas: I am not suggesting that minority government is an ideal situation, but I do contend that it is not a disaster. It can result in beneficial legislation which represents a consensus of the convictions held by members of this House.

The Progressive Conservative members have been highly critical of the position taken by the New Democratic Party in refusing to defeat the government in this debate on the motion in reply to the Speech from the Throne. The members of the New Democratic Party have, after very careful consideration, decided unanimously to follow the logical course of giving to whichever party had the largest number of seats in the House an opportunity to present its program to the House of Commons with the clear reservation that if the legislation which was presented failed to live up to its advance billings, they would vote against the government. I was disappointed by the frenzied attack which the Leader of the Opposition (Mr. Stanfield) made on the leader of this party, the hon. member for York South (Mr. Lewis). The Leader of the Opposition revealed a hunger for office which fails to take account of political realities. He wants us to put him and his colleagues on the treasury benches despite the fact that they failed to get a mandate from the electorate, and that, if anything, their policies with respect to such issues as unemployment, economic growth, price stability and pensions are even more vague than those of the government.

• (1450)

Some hon. Members: Hear, hear!

Mr. Douglas: If the Progressive Conservative party had secured more votes than the Liberals, and secured more seats in this House, we would have given them the same opportunity to present their program as we are now giving to the Liberal party. And if the Progressive Conservative party is called upon to form a government during this parliament we shall give them the same opportunity as we are now giving to the present government, that is, the right to present their program and show whether or not they intend to put that program into effect.

Mr. Knowles (Winnipeg North Centre): Then, the Liberals will be saying nasty things about us.

Mr. Douglas: The taunts of some Conservative members are really unworthy of them. The Leader of the Opposition said the other day:

A marriage of convenience has been arranged between the two parties, a union achieved by cynicism on the one hand and by sheer fright on the other.

Mr. Nowlan: Right on.

Mr. Douglas: I want to tell the Leader of the Opposition that I am neither cynical nor frightened. The right hon. member for Prince Albert (Mr. Diefenbaker) says the Liberal government sits there by the grace of the New Democratic Party. Need I remind him that in 1963, when the Social Credit party moved a motion of no confidence based on a motion calling for debt-free money which was supported by that agile chameleon known as the Liberal party, the New Democrats voted against it and kept the right hon. gentleman in office for a few more weeks. It is true that some time later we supported a no-confidence motion when it became apparent that the government was disintegrating from within, because they had not only failed to secure any organic agreement with any other party they had failed to establish agreement within the cabinet itself. This is why it collapsed.

In the course of this debate several hon. members, in particular the hon. member for Yukon (Mr. Nielsen) talked of the NDP being "in bed" with the Liberals.

An hon. Member: Must be hard up indeed!

Some hon. Members: Oh, oh!

Mr. Douglas: I want to ask hon. members in the Conservative party whether, if, by the fortunes of war, they were occupying the treasury benches—and they might well do so in the coming months—would they expect us to vote against a Speech from the Throne presented by them merely because we were frightened the Liberals would taunt us by saying we were in bed with the Tories?

Mr. Basford: No answer at all from over there.

Mr. Douglas: We have a much more serious task before us in the House of Commons than to play partisan political games. So if parliamentary democracy is to work, we must demonstrate to the country that parliament is capable of governing. In our opinion this means giving to the party with the largest number of seats and votes an opportunity to present its program and sufficient time for it to be determined whether that program will be reflected in specific legislation and effective fiscal measures. If the measures promised in the Speech from the Throne fail to materialize we reserve the right to vote the present government out of office.

The right hon. member for Prince Albert has drawn attention to the Prime Minister's statement that if this government is defeated on some fundamental issue he reserves the right to go to the country. But the NDP has made clear its belief that whatever the constitutional position may be the Prime Minister has a moral obligation, in the event of being defeated, to ask the Governor General to call upon the Leader of the Opposition to form a government. The constitutional right of the Prime Minister to ask for dissolution would apply whether his government were defeated on the issue of the Speech from the Throne or on any other matter which he considers to be a question of confidence. Ever since the controversy between Mackenzie King and Lord Byng it is doubtful that any Governor General would refuse to grant dissolution to any Prime Minister. The question is not really an argument about constitutional rights; it is one concerning moral obligations, and it should be remembered that in the final analysis the last word will lie with the Canadian voters. I am convinced that if the present government is defeated during this session, asks for dissolution and goes to the country without recommending that the Leader of the Opposition be called upon to form a government, the voters will make their views known in no uncertain terms.

May I turn, now, to the Speech from the Throne? This document represents the greatest about-face in Canadian history. It contains many laudable and desirable national objectives. But most of all it demonstrates that a kick at one end of the spine can have a most stimulating effect upon the other end.

Some hon. Members: Hear, hear!

Mr. Douglas: At long last the government recognizes that unemployment exists. Before the election, the Prime

Minister couldn't see any unemployed—only frauds and cheats. He spent much of his time blaming the unemployed for being out of work and telling them there were plenty of jobs. The government has learned, somewhat belatedly, that the cost of living is increasing at a fantastic rate. Before the election the Prime Minister was saying it was good for the farmers and the Minister of Finance blamed rising food prices on the weather. This comes well from a government which, only a few short years ago, was paying farmers not to grow wheat, with the result that today we face a shortage—last year, too, they paid farmers to kill chickens, with the result that there is now a shortage of eggs. Apparently they do not realize you must have chickens in order to get eggs.

Mr. Whelan: We have enough eggs, too. Don't kid yourself.

Mr. Douglas: In his speech of penitence, the Prime Minister said that although the government had made mistakes they were not sins of omission. He is wrong. The wrath of the Canadian people was not directed against the government's mistakes. All governments make mistakes. It was directed against the fact that the government ignored the plight of many Canadians and showed a callous indifference to their sufferings.

Some hon. Members: Hear, hear!

Mr. Douglas: Members opposite are only practising self-deception when they talk, now, about an English backlash or find some other excuse. The real test of the Speech from the Throne will lie in the answer to this question: what realistic measures will the government take to reach some of the admirable goals it has outlined. Two policy areas are designated to receive major concern. The first has to do with economic policy and the second with social policy. I shall deal with economic policy briefly. The first of these declared intentions is to expand job opportunities. We welcome these measures but I believe it can be said that some of them are too late, and also that they are too little.

• (1500)

The minister said we will not have the final decision in respect of approving many of the projects under the Local Initiatives Program until January 19. How much time will that give those who are sponsoring these programs to provide for jobs? The program of winter works to assist provinces and municipalities was announced the middle of December. The premiers asked for that program as far back as August and the Mayors and Municipalities Association asked for it last June. Any premier or mayor of a city will tell you that if they are to have any work and wages program for sewage disposal plants or do any kind of public works they will need several months in which to prepare their plans, call for tenders and allot contracts. The program is not only late, it is too little. The Local Initiatives Program involves $165 million, but the minister says the number of applications would cost $400 million. This means that more than half of the projects will have to be thrown out. The winter works program, which is part loan and part grant is to be $350 million spread over three winters. Only about $60 million to $70 million will be available for this winter. For the province of British Columbia the allocation for the three year period is $37.3 million. Vancouver Island alone would need $37.3 million if it is going to have over three winters an adequate working wages plan that will put people to work. It is not that there is a lack of work. When you think of the millions we are spending in handouts to corporations and think, on the other hand that there are very large cities in Canada which are putting inadequately treated human sewage into rivers, lakes and coastal waters and the price we will have to pay to clean up this pollution in the future, there should be no difficulty in finding projects and no difficulty in finding the necessary money to put these projects into effect.

The second program the government discusses is that it is going to promote stable economic growth.

An hon. Member: It better not smell.

Mr. Douglas: The Prime Minister said the Minister of Finance and the Minister of Industry, Trade and Commerce (Mr. Gillespie) would discuss this. I listened to both those gentlemen very carefully and they told us in turn that we would have to wait until we heard the budget. In the Minister of Finance's speech I gathered that the government is still committed to the belief that grants to corporations and accelerated writeoffs are the answer. I say this policy has already failed, failed demonstrably and failed dismally. What this country needs are fiscal measures to redistribute income and to provide increased purchasing power to the low income group so as to increase aggregate demand. Unless the government moves in this direction all its talk about promoting economic growth will be a mirage.

The third area of the government's economic policy has to do with reasonable price stability. Again, I listened to the Minister of Finance very carefully. He eloquently depicted the dire consequences of rising prices, as though that were needed, since every person is feeling the pinch of rising prices. He failed completely to prescribe any solution or indicate any definite measures the government is going to take to promote price stability. The only proposal the government has put forward either in the speeches of the minister or in the Speech from the Throne was the appointment of a joint committee on food prices. This could turn out to be nothing more than a stalling device.

Members of the last parliament will recall the joint committee we had on consumer prices. It was appointed on March 15, 1966 and reported to the House on April 25, 1967. To the best of my recollection the report was never debated and never passed. I suggest that a joint committee will be a useful exercise in getting some information for members, but such a committee has neither the time, the expertise nor access to the books of food processing companies and chain stores to get the kind of information necessary. In addition, it is difficult to study food prices in isolation. The price the farmer gets for food can only be considered in the light of what he is paying for his machinery, the interest rate he has to pay on his mortgage and the price he must pay for the supplies he purchases.

We in this party have been advocating for several years that what we ought to do is establish a prices review

board with authority to examine the books of various companies and to ascertain which price increases are unwarranted. Such a board ought to be armed with the legislative authority to stop price increases where it finds they are unjustified and, where necessary, to roll them back. Only a prices review board would have the time and expertise to study all the relevant data which this House must have if we should decide later to move into some type of selective price controls.

The fourth area of economic policy referred to in the Speech from the Throne is the need to ensure that all regions benefit from prosperity. The government's announcement is that a conference is going to be held with the western provinces. This is a long overdue recognition of the need for building an economic base under the western economy. Such a conference could mean a great deal or it could be merely an exercise in futility. This conference will be meaningful only if the government of Canada is prepared through the Canada Development Corporation or through any of its other agencies to generate a large accumulation of capital to enable the western provinces to transform their raw materials into processed and finished products. British Columbia, as an example, has all the potential for a steel industry, for copper refining and smelting and for a shipbuilding industry. What it needs is the necessary capital generated and leadership given. If that comes out of this conference the conference will have been worthwhile.

Let me say in conclusion these few words. The Prime Minister says the government has made some mistakes. That makes it unanimous. We in this party are not granting the government a pardon but only a reprieve. Our vote is not a vote of confidence but it is a carefully considered decision to give the government an opportunity to demonstrate that the programs set out in the Speech from the Throne are more than a collection of pious hopes. This government has a chance, if it will take it, to show that it has learned some lessons from the election of October 30 by carrying out a series of dynamic programs to provide jobs, to promote economic growth and to provide a reasonable degree of price stability. At the same time, this House has a chance to show that parliamentary democracy can work by supporting the government when it delivers the goods and by changing it when it fails to do so. That is the challenge which faces the Twenty-ninth Parliament of Canada.

Some hon. Members: Hear, hear!

Mr. H. T. Herbert (Vaudreuil): Mr. Speaker, one of the real pleasures for me in my short time in this House has been the opportunity to meet the Speaker and watch him execute his onerous duties. Many of us could take a lesson from him in control and deportment. We are, indeed, very fortunate to have a man of his calibre among us. I extend my congratulations also to Mr. Deputy Speaker who has already demonstrated those qualities which are so essential to the efficient control of the House. I want to add my voice to the many sincere congratulations that have been offered to the mover and seconder of the address in reply. They have demonstrated the new approaches and abilities which are being brought into our deliberations.

• (1510)

I am particularly anxious to emphasize by repetition two paragraphs from the remarks of the hon. member for Lachine (Mr. Blaker). In reference to our two founding language groups, he stated:

> My colleagues and I from the province of Quebec have not come to this House of Commons to preside over or take part in any discussion as to the right of either language group to address itself to and to communicate with its federal government in the language of his choice. It is not a matter to be discussed. It is a matter of right.
>
> It is not a privilege to be accorded by one government or another, it is an absolute moral and legal right on the part of French Canadians, just as it is on the part of English Canadians, to make use of their language when communicating with this government.

Coming as I do from a county that is representative of both cultures, I have been pleased that the leader and members of my party have spoken out so strongly for the kind of Canada in which my family and I want to live. I cannot claim that the following words are original. However, I attach such importance to the subject that I am going to repeat them here.

The subject of national unity is treated by many members on the other side of the floor with cynicism and apparent distaste. It not only is a subject for active discussion, but must continue to be for as long as there remain bigots or those who try to divide our country.

We have, for as long as I can remember, tried to point out to "les Quebecois" that they did not need to fear English power, the English majority. The Quebecois have been encouraged to take their rightful place in the government of this country, helping to make decisions, whether they be matters of greater or lesser concern to the east, the west or the centre. We should not and we will not speak for the rights of one group if we cannot obtain the respect, the understanding and the active support of the rights of the other group.

Some hon. Members: Hear, hear!

Mr. Herbert: As an individual, I am blessed with the opportunity to enjoy the best of our two cultures. My wife and I have many different points of view. We do not pretend that those differences do not exist by closing the door on discussion.

The members facing me must be naïve indeed—and I use an intentionally gentle expression—if they suggest that the question of separatism or the subject of language power is unique to the province of Quebec. Only this past week, most of you must have received the hate literature which stated that:

> We are essentially again in the throes of a second Papineau rebellion, the object of which is the establishment of French power in Ottawa.

My regret is that this subject appears to polarize along party lines. I plead with every true Canadian to treat all differing opinions and minority groups with the true respect and understanding that will enable everyone to live as real equals.

My county of Vaudreuil is surely as representative of the peoples of this country as any can be. The more affluent, the less affluent, the city businessman, the farmer, all enjoy living in a county bordered on one side

by the picturesque, if polluted, Ottawa River and on the other by the mighty St. Lawrence. Those of sufficient means can enjoy golfing, yachting, tennis, curling and equestrian pursuits, including the colourful if controversial hunt. For others, their leisure time can be filled with swimming, skating, skiing, hockey, baseball, camping and the enjoyment of our parks and woods. Our sugar camps bring visitors from afar, including the United States. We in the county of Vaudreuil are fortunate to be able to fill our leisure time in a variety of ways not available to everyone in this country.

I have had the good fortune to travel in many lands and consider myself lucky to have been able to live or work in all the provinces. From the rugged east coast to the beautiful gardens of Vancouver Island, we surely have no difficulty in extolling the wonders of a country that has such a variety of scenery and ways of life to please every taste. The breathtaking beauty of the fall colours in Nova Scotia, Niagara, the Quebec winter carnival or the Calgary stampede, Lake Louise and the magnificent Rockies, in every province and territory we can speak with pride of our favourite and distinctly Canadian attractions.

I want to quote an extract from a publication of the federal office of tourism. It reads as follows:

> The more the traveller travels, the wider his horizons become. Travel brings people together, adding to each an understanding that wasn't there before, and making tourism a powerful agent for bridging the social gaps that exist within countries. We especially need this in a country as staggeringly vast as Canada, where regionalism and isolation would be problems even without the added differences of language and culture.
>
> Canada was born rich. We have a natural environment that's spectacular to look at, easy to live in, and a pleasure to visit. We have wilderness for outdoorsmen, water for swimmers and snow for skiers. We have cities to stimulate, culture to appreciate, and countryside to contemplate.

This is one excellent reason for claiming that our land is strong. This is why we should raise our heads with pride, because we have a product that we believe in and that we can go out and sell.

I want to speak for a few minutes on what some may consider the more practical side. More than 20 years ago my company was building low cost detached houses in Montreal that were selling for $8,500. Today in my county of Vaudreuil, well constructed three bedroom detached houses can be bought for less than $14,000. That is an annual price increase of less than 2 per cent.

I am aware of what has happened to construction wage rates, and for many trades the increases are fully deserved. Modern techniques tend to balance field labour cost increases and each year the problems of winter construction become less. The present rate of house construction is setting an all-time record, and the projections for industrial and commercial construction indicate a healthy construction industry through the rest of this decade. That does not suggest to me a weak economy.

In the Speech from the Throne we read of "encouragement to investors to make more money available to meet housing needs". This money must be available at reasonable interest rates and much of it must come from our banks. The relatively small amount of competition that exists in the Canadian banking system tends to make banking less efficient and interest rates higher than they need be. A ceiling on interest rates should be re-imposed. This move should encourage greater lending in the house mortgage field. We should also consider whether permissible dialogue between managers of different banks does not contravene the intent of the Combines Investigation Act.

I should like now to turn to the food industry. We have seen in the past years an increased efficiency in food production and retailing that has kept the average annual price increase below the increase in the cost of living index. During this period the corner grocery store has found it increasingly difficult to compete with the big chains, and I believe that a renewed effort must be made to help this type of small, family business. Efficiency and price level must not be the sole criteria for survival. The small enterprise is a cornerstone of our nation and the need to give these businesses special tax consideration is included in the proposals of the Minister of Finance (Mr. Turner).

However, there must not be any inference here that I have any sympathetic feelings toward the suggestion of the hon. member for York South (Mr. Lewis) that we should increase the tax burden of the big corporations. Investors in large companies expect a reasonable return on their investment. If the tax load on the food retailing industry is increased, then automatically this increase will be passed on in prices and those who will suffer most will be the poor, those with low incomes. Or does the hon. member for York South suggest that along with the increased tax bite he would impose price controls? Naturally, while he is imposing price controls he would also introduce wage controls.

• (1520)

I trust he listened to the remarks of the hon. member for Prince Edward-Hastings (Mr. Hees). I quote:

> I have been told by top leaders of management and labour right across the country that if the government introduces guidelines designed to keep the annual rise in prices to between 2½ per cent a year and 3 per cent a year, and makes it very clear that mandatory controls will be introduced if these guidelines are not obeyed, both management and labour will have no alternative but to obey these guidelines.

Did the hon. member talk to the same leaders of labour to whom I have been listening? Someone appears to be dreaming, in colour!

I want to make a brief reference to agriculture. As with the small commercial business, so must the family farm be considered an essential part of the Canadian economy. Our farm policy is to give equal consideration to all farmers be they from the west or the east. Adequate price support programs, quotas that will take into account seasonal variations, even though this results in surpluses and subsidies to avoid price increases to the consumer will all encourage an industry that is seriously affected by the agricultural support programs of foreign governments. I also believe that a stepped up program of assistance for research at the university level will help rekindle the interest in agriculture which is necessary for the replenishment of the diminishing farm labour force.

I was referring earlier to the speech by the hon. member for Prince Edward-Hastings. I want to comment on the continuing references to the 3 per cent tax change. The 3

per cent tax decrease was instituted as a stimulus to the economy. Anyone doing any Christmas shopping this year would have found it difficult to believe that Canadians were buying less because of fears of a tax increase in 1973. As an example, the sales of toys were reaching new highs and three weeks before Christmas many well known quality products were already sold out. During this buying spree few people thought of our economy as being weak.

The hon. member for Prince Edward-Hastings has been espousing many of the past tested Conservative theories that have produced down-turns in the economy of our country. He makes reference to our unemployed. We will soon be considering changes in the legislation affecting the Unemployment Insurance Commission. It will be very easy to reduce the numbers by changing the eligibility qualifications. Full employment appears to be the objective of all parties. Let us not play politics with the figures, or try to take away from anyone the right to a minimum standard of living.

However disappointing the unemployment figures have been and are, the moneys paid to these persons, those of the greatest need, have been visibly injected into the economy. We have heard discussion of the work ethic. Let there not be an over-reaction that could result in unnecessary suffering and humiliation of the real needy.

A popular subject in the last few days has been old age pensions. There is a genuine need for increased payments, but I sense that much of the promotion is more with an eye to vote getting. I wonder how many of those who have talked of the problems of our elderly citizens have actively promoted and assisted in the use of those existing programs which are designed to make our mothers and fathers a little happier. Persons on pension can be helped by increases. They can also be helped by making it easier for them to live comfortably on the moneys they receive. How many of us have encouraged the building in our counties of homes for our senior citizens? How many of us have actively promoted the New Horizons program?

Mr. Speaker, since I entered this House a few days ago I have been described as "weak-kneed", "bleeding heart", and one of a "new gaggle of Liberal backbenchers that sprung up, as it were, like mushrooms in the nethermost corner of the House". I believe that many of us are guilty of using varying degrees of epithets in time of stress, but anyone using such language in what is presumably a prepared speech not only indicates his own inadequacies but does grave discredit to this House. I do not really object to being called wet behind the ears by the right hon. member for Prince Albert (Mr. Diefenbaker), but I would point out to him that many new members bring with them a length and depth of business experience that he could not possibly have, unless he is very much older than he looks.

[*Translation*]

Mr. Speaker, more than half the citizens of the riding of Vaudreuil are French-speaking. I am therefore extremely proud of the results of the last elections: they are a good example of the relations that can exist between our two cultures.

[*English*]

Mr. J. R. Ellis (Hastings): Mr. Speaker, as a representative of the historic riding of Hastings I approach this, my first speech in the House of Commons, with not inconsiderable trepidation. I have listened carefully to my peers and their speeches, both maiden and otherwise, and I sense a number of trends.

It is obvious that it is traditional to praise the Speaker of the House in one's opening speech. I wonder if in the past, at some time or other, members on one side of the House may well have choked on their words of praise. In this House, however, it is abundantly obvious, even in the short time that I have been here, that we are blessed with a Speaker of complete impartiality, outstanding wisdom and charming grace. I regret to presume that all the fine qualities of the Speaker may well be strained to the limit in this particular parliament. The choice of the Deputy Speaker leaves little doubt of the high regard of the House for this gentleman. Again, I am confident of a choice well made. I congratulate the hon. member for Halifax-East Hants (Mr. McCleave).

It is also customary to dwell for a moment on the qualities of one's riding. For my part this is not difficult. I have had the distinct pleasure, as I am sure most of my hon. colleagues have had, of travelling the length and breadth of Canada many times. It is my considered, objective opinion that that part of southern Ontario bordering on the beautiful Bay of Quinte and reaching into the highlands of Hastings is unexcelled.

From the beautiful rolling farmlands of the south, where every conceivable fruit, vegetable and grain is harvested, to the rugged, rocky beauty of the north, the people are universally alike. They, if any, are typical Canadians exemplifying the hard working, good living principles that have made this country strong. Originally of United Empire Loyalist stock, the strong strains of English, Irish and Scotch are fully integrated with new Canadians from every country in the world. Belleville, the county seat, is a veritable gem of a small city where employment of every sort is found, including the head offices of many national and international companies. And yet one can always go home for lunch, or within ten minutes be on the golf course, sailing on the bay, skiing in the winter, or just enjoying the fresh air of the beautiful countryside.

Historically my riding has supported the Crown. In 1836, in one of the first elections in which John A. Macdonald took part, history records that the area went solidly Conservative, and in 1851 at fairs and rural hustings in the counties around, the incredible Macdonald legend began to grow. In 1838 a regiment from Hastings assisted others from counties to the east to repell invaders from northern New York. To this day, the regiment continues that proud tradition. Over the years the riding, despite frequent boundary changes, has been well represented and never better than by my predecessor, Mr. Lee Grills, the friendly milkman. I am pleased to report that Lee is recovering from his recent accident and I convey to his many friends in the House and to you, Mr. Speaker, his good wishes. This is the area, then, which I now represent, and about which frankly, I am deeply concerned. I am

concerned that the bureaucracy of the government is at best, unaware that this part of Canada exists.

• (1530)

I am concerned on behalf of the farmers of the area, and I intend to take up this matter with the Minister of Agriculture (Mr. Whelan). I know that the huge grain growers of the Prairies and the fruit growers of both the Okanagan Valley in the west and the Annapolis Valley on the east, represent much larger blocks of power, but the mixed farming areas of central and southern Ontario are still the heartland of Canada. Many of these farmers rely on cheques from the federal government through the milk marketing scheme for a steady income and when these cheques are from six to eight months in coming, it constitutes a considerable and unreasonable hardship. There is absolutely no excuse for this slip-shod approach. Certainly, if the employees of the Department of Agriculture, who are responsible for checking the statements and preparing the cheques, had to wait for six to eight months for their weekly income, the situation would change quickly.

While I am rapidly learning as much as I can about agriculture and, in fact, about all of the aspects affecting the life of this great and wonderful riding I represent, my background is primarily commercial and industrial. It is for this reason that I am going to direct my remarks primarily to criticism of the government's performance in this area.

A major agency of this government, which renders a distinct disservice to the people of Canada, is the Industrial Development Bank. It represents an injustice to anyone interested in the industrial development of Canada. I contend that this body does as much to encourage the sale of our industry to the United States as any combination of other factors in the country.

While I am aware of a number of instances of this treatment, including one inflicted on a colleague on this side of the House, I refer particularly at this moment, to one of the largest non-United States-owned manufacturing industries in the city of Belleville, one of only two pre-cast concrete producers not owned by a major cement company in Ontario. As a direct result of a snail-like, suspicious, typically civil service approach by the Industrial Development Bank to this company, the company is now a fully owned subsidiary of a United States giant. The company had within it, and still has, all of the prerequisites for Industrial Development Bank support. In addition, it has a vital, young, competent management team of Canadians. I can, and will if necessary, name the company and others to prove my point that this particular form of bureaucracy has caused many companies to be sold to the United States or driven to bankruptcy.

An analysis of the eight year loss experience of the Industrial Development Bank from 1964 to 1971 with a portfolio of over $366,000,000 indicates losses of less than one-fifth of one per cent. This alone proves that the Industrial Development Bank as a lender of last resort, in a supposed high risk lending position, has failed to justify its existence. Industrial Development Bank's interest rates are nothing short of usurious unless commensurate with substantial risk. This risk has been consistently avoided at the direct expense of Canadian businessmen. The bank takes far too much security relative to its lending position, basically mortgage funds, taking as it does, life insurance, personal, family, and affiliated company guarantees and a floating secondary position after existing creditors' requirements. Lending conditions are far too stringent. Businessmen require flexibility in order to meet changing demands and should not be precluded from running the business which they know best. The government assumes wrongly, that tight controls, which are in the interest of Industrial Development Bank, will prevent fraud and offset inept management.

In practice, inflation alone has protected IDB's mortgage interest even in otherwise rapidly deteriorating situations. The overly severe limitations are known to other suppliers of credit, such as banks, finance companies and normal suppliers, who often react negatively to IDB's presence and begin to build extra protection into their lending based on past experience with IDB. Firms have been forced into bankruptcy solely by IDB's presence and the resulting inflexibility of the borrower. The IDB, to say the least, has not kept up with the changing requirements and sophistication of borrowers. It is geared to servicing the traditional small customer, such as motel, restaurant and garage. This, in itself, is not wrong, but the system assumes inept and dishonest management; inadequate, untimely and unorganized financial information and lack of control over resources and personnel.

The IDB is completely unprepared to service a customer of any size with demonstrated ability. The bureaucracy cannot adapt to such a customer and frustrates rather than encourages. The Board of Directors, heavily weighted as it is by civil servants, and lawyers, just does not have the background to properly assess loans brought before it by its senior management. They rubber stamp automatically and with good reason, since the lack of imagination by senior employees in this agency allows them to only look at those proposals that are iron-clad. They know full well that their security is such that they can invariably regain their investment through bankruptcy proceedings. This, in my opinion, is a travesty of business and bears no relationship to the original intent of the IDB. It would be a highly interesting exercise to have a small team of knowledgeable Canadian entrepreneurs search carefully through those applications that never reach the board. I am confident that in this list you would find enough talent and know-how to build a viable, healthy, Canadian industrial and commercial community.

In the case to which I refer specifically, the company met and exceeded every criteria set out by IDB. The IDB took 236 days to approve funds that were short by two thirds of being sufficient to do the job. A quick reply, even if an unequivocal refusal, would be better than the hand-wringing indecision up and down the hierarchy. In this case, even though the amount finally offered was far too little and in no way reflected the strength and potential of the company, it would likely have been accepted, had it been offered in time. In fact, the IDB continues to advertise for new customers and actively solicit new loan applications through speeches, advertisements, new offices, glossy brochures, and expensive annual reports, even when the existing system cannot produce authorization in anything resembling adequate time. Any loan applications would be unlikely if the applicants knew the

true timing of negotiations through to the actual release of funds. There are times, as any good businessman knows, when a decision must be made quickly. By involving everyone in every detail of every file as the information flows up through the levels of hierarchy, by avoiding responsibility and rationalizing indecision, the IDB creates unemployment for Canadians.

Just as the departments which I have mentioned inflict their bureaucracy on the farmer and industrialist, I am even more disturbed with the major affliction of people of every walk of life, the Unemployment Insurance Commission! I am concerned here, on behalf of many Canadians, but since the regional office of Ontario, containing as it does, the much blamed computer which sends out the cheques, is located in Belleville, I am more particularly concerned.

First, I am concerned with the act itself; the anomalies contained in this insidious welfare document are legion. To record them all would be useless. I am confident that the members of the back benches on the government side of the House get quite as many calls as I do complaining of the inequities of the legislation and expressing frustration at the service received. They are aware that the system is constantly being abused, and that there are families who regularly receive over $600 a week from the commission as well as people whose income is in excess of $25,000 who are drawing hundreds of dollars in sick benefits. At the same time, there are people who, after contributing for a lifetime into the program, are temporarily out of work but, are unable to collect any money from the commission, or as in one case in my riding, less than $200. I cannot, do not and will not, blame the employees of the regional office in Belleville for these sins. Nor will I countenance any such criticism from my colleagues in the House. The blame belongs within the commission. I want to stress this as strongly as I am able. From the top down, there is little or no direction. Instead of consolidating and improving the operation, changes are being made continually.

Let me outline some of the historical problems. At the time of the conception of this act, the then chairman of the commission, Mr. Jacque DesRoches, was new to the commission. He had no commission experience from which to draw and so he leaned on Mr. Guy Cousineau. Mr. Cousineau had experience in the commission and had access to many high priced consultants for assistance. Mr. Cousineau could be called the chief architect of the document, its chief planner, the word-smith who fabricated the nonsense that eventually became legislation. Mr. Cousineau also prepared the model from which costs were projected. I suggest that those estimates were as false as the model and reflect the idiotic terms of the act.

• (1540)

When the act was ready for implementation, the new building was constructed in Belleville. The computers were ordered and installed. Then, the trouble began. The programs for the computers were not ready and, therefore, had never been tested. The computers themselves had not been tested alongside the existing manual methods. Amidst all this confusion the new act was introduced and put into effect; but where was the architect? Where was Mr. Cousineau? Why, Mr. Cousineau was nowhere to be seen. He had quietly slipped out of the department and was now a senior official in the treasury department. I have no idea how the plan could be expected to operate properly when the man who designed it was not even in the department.

I do not need to dwell on the catastrophic results, but I wonder how many are aware of the other costs. Mr. DesRoches initially tried to stay within the budget set. He is no longer chairman of the commission. Now, we have Mr. Cousineau back with us as chairman, and the problem that was terrible but improving-to-bad is on its way to becoming terrible again.

Belleville was chosen, in part, because the availability of capable help at the wages paid was infinitely superior to the situation in Toronto. In Toronto, as fast as key punch operators are trained they are stolen by large insurance companies and others. The life style of the people of Belleville and the surrounding counties proved attractive to some senior staff and soon, with co-operation in all areas, the Belleville office began to be more efficient. Due to the problems connected with the act itself, almost twice the staff projected was required. Temporary space had to be rented. There is now a move afoot to reduce the effectiveness of the Belleville office and, indeed, perhaps to move a good part of it out of Belleville. The regional director of the commission responsible for Belleville does not even live in the area; in fact, he visits Belleville infrequently. I would be interested in knowing, and I intend to ask the question, how he justifies trying to manage a multi-billion dollar pay centre by remote control, especially at a time when problems are still rampant. I would also be interested in knowing how the regional director justifies an expense account while staying in Belleville and, in fact, a chauffeur to drive him back and forth when he should be residing there. I assure the gentleman that it is a delightful place to live.

A very serious concern to me at present is the removal of personnel out of the UIC office at Belleville. The latest to go is the public relations officer and his staff. The reason given is that in Toronto the public relations man is closer to the major media. This may be so, but what does he tell the media when he is so far away from the action himself? We were blessed with a fine man in the position who had integrated into the community well, and I am confident that he did not really want to leave. I find it difficult to understand the rationale for moving him when the public relations officer for the Maritimes, working as he does out of Moncton, adequately handles Saint John, Halifax, Fredericton and St. John's. The public relations officer out of Winnipeg does equally well in handling Regina, Saskatoon, Edmonton and Calgary. The personnel director also has been moved to Toronto and now commutes to Belleville once in a while.

How these people and their staff can properly operate one of the most important dollar distributing projects of this government by remote control is completely beyond me. How can they, for example, consult with the chief insurance officer or other senior staff still resident at the centre in Belleville? How can they have any idea of what is happening? I am aware that there is now a movement to remove yet another division from Belleville. I suggest to the members on both sides of the House that this one will

effect us all equally. The division in question is the ministerial secretariat, the one that looks after all the complaints that you and I send in. Should this division be moved to Toronto, you can appreciate the type of service you will get then. At least now, when complaints come in, you can be sure of getting an answer. What the service would be with one hand separated from the other by 120 miles I leave to your imagination.

At one time we had the UIC training centre for all of Canada in Belleville at the local Loyalist College of Applied Arts and Technology. It was working in an excellent manner. This is no longer the case. As an aside, I point out that the Bell Canada engineering school for all North America is in Belleville and is used by engineers from almost every country in the world.

I am concerned also about the cost of the operation of the commission. I am aware of questions on this subject on the order paper. I look forward to these answers with anticipation. I predict that the cost of administration will be 60, 70 and 80 per cent over the projected budgets for 1969-72. The cost of HMCS *Bonaventure* will look like the price of a toy canoe compared to the overexpenditure in the administration of this department. I suggest also that the changes proposed in the act by the minister are far too little and far too late. I suggest finally that the changes requested in the rate structure will not, in fact, balance the cost of the program. They give a false picture to the public and more funds from the general purse will be required.

Is it any wonder that morale among the staff at the UIC offices not only in Belleville but across Canada is at an all time low. Many senior executives from managers on up, are absent due to illness or other excuses or are on long term leaves at full salary. Others have been shuffled about, leaving no cohesive managerial sequence. Surely, there is a crying need for a complete investigation of this commission. I demand of the Minister of Manpower and Immigration (Mr. Andras) that he hold a complete investigation publicly before the standing committee and clear the air on this matter. I have outlined only some of the problems; others would soon become evident. I have named senior members of the commission. This government, however, must accept the final blame. The previous minister gave us a great dissertation on the act just last week. To this I say, balderdash. It deserves no further mention.

These, for the moment are my chief concerns. There are many other areas which I feel deserve similar attention and I intend to devote myself to them. I have been told by older hands that I will burn myself out fighting the system. I have no desire to fight anything. I am determined to obtain for the residents of Hastings riding an efficient, reasonable and commonsense response from the people employed to serve them in the federal government. This is not a new approach perhaps, but one not likely to be achieved under the present administration. Perhaps we may even change that also.

Mr. Paul E. McRae (Fort William): Mr. Speaker, it was with a great deal of pride that I took my seat for the first time in the twenty-ninth parliament as a member of the House, and I am grateful for this opportunity to speak today. As the right hon. member for Prince Albert (Mr. Diefenbaker) suggested, I am wet behind the ears. I find that there are many strange customs that one must become accustomed to in the House. Some of them, I think, are excellent and I like them very much. For instance, I like the idea that the House as a whole addresses Mr. Speaker and speaks to him collectively. Yet, I find it rather strange that all the members should congratulate the Speaker on his election. I feel that we should congratulate the members for their widsom in selecting such a fine person as Mr. Speaker, a person who has such knowledge, such objectivity, fairness and, above all, a sense of humour. I am also very much impressed by the role of the Deputy Speaker and was impressed by the manner in which he was selected.

[Mr. Ellis.]

May I also congratulate the mover and seconder of the Address in Reply to the Speech from the Throne. I was impressed by what they said and also impressed by the fact that the mover was a French-Canadian from Ontario and the seconder an English Canadian from Quebec. If we are not one nation, we are nothing.

I am also very pleased to note that each one of us is given an opportunity during this debate to speak about our own section of Canada. I was pleased that the debate was not cut off, as proposed in an amendment. It is very important that we, especially the new members, get to know the problems of people in other parts of Canada. This is a massive country. Unless we hear all members speak, it is very difficult for us to understand the problems of the rest of the country.

• (1550)

I have observed that there are some massive divisions within this country. One member spoke of five different areas. These divisions give me some concern. I wish to talk about a sixth division in this country. There are two dividing lines which, in a sense, divide but which also unify. There is a patch of green that stretches from the Queen Charlottes through Prince Rupert, Prince George, Peace River, The Pas, Thunder Bay, Sudbury, Timmins, Rouyn, Noranda, Baie Comeau, Chicoutimi, Rimouski, Bathurst, N.B., Twin Falls to Cornerbrook. Some call it mid-Canada. Others call it the boreal forest of the north. It does not matter how you delineate it.

This is the stretch which is the heartland of Canada, the very center of this country, an area that can bring unity to this country. There are many variations within this part of Canada, but there are many things that are the same. We are the center of the greenbelt. The forest north, the forest product industry, the pulp and paper industry and the lumber industry are centred in this area. People working in these industries have many of the same problems. The hon. member for Témiscamingue (Mr. Caouette) talked about the closing of the CIP plant. Living in this particular area of Canada, this also affects me.

We are at the center of the mineral wealth of Canada. When we talk about energy problems, we talk about the problems of the heartland or middle part of Canada. We have most of the ground water. When people in this area are concerned about water diversion, they are concerned because they know about the ground waters in the center of Canada. This is an area of great natural beauty with a great potential for tourist growth. We are a people who

are free. We are used to distance, travel and movement. There are a great variety of peoples in this area. Most of the native people in this country live in this area. I have been very close to the native people in this country through marriage and many years of experience. I know the kind of problems they face.

There are many problems in mid-Canada. This is not the growing south and not the exciting far north, but the heartland of Canada. I must list some of our problems. Perhaps the most important is absentee ownership, the fact that things are always being done to us, not by us. We are the centre for expertise. Groups of experts are always telling us how to do things.

I wish to congratulate Mr. Richard Romer on his notion about the mid-Canada corridor. However, although there was much good in it, we did not participate in the planning. A partial explanation of this situation lies in the fact that we are absentee-owned and managed. Although I cannot put my finger on the figures, a survey that was conducted indicated that 50 per cent of the large industry in this area is branch plant industry and the average manager of one of these plants is in a community for four or five years. That kind of absentee ownership and management affects us very much.

We suffer from poor communications. There is a great need for organizations such as the CBC to provide better communications. In spite of the fact that we need a network in the north, we do not have a single CBC station in that whole area, and certainly not a network. I have referred to an east-west line. There is an opportunity to do something worthwhile to unite Canada, namely a communications network across the mid-Canada corridor. I again thank Mr. Romer for this suggestion.

We are dependent on a rail system which is totally inadequate. The two major railroads in this country do not want to run railroads. I have very strong feelings about the poor transportation in the north country. From time to time, I intend to speak about the lack of desire of our railroads to run a railroad system in this country.

At this point, we are sadly under-represented. This is one problem that faces all members in this area. Of the 21 constituencies where nomination dates are early, 19 are in this area about which I am speaking. This is the area hardest hit by the new redistribution. There are three such constituencies in northern Ontario and two in northern Quebec. Four of these have an increase in area of between 40 and 50 per cent as a result of redistribution. In three of the constituencies in northern Ontario, Kenora, Nipigon and Cochrane, there are distances further apart than Ottawa from Windsor or Ottawa from Yarmouth, Nova Scotia.

• (1600)

I should like to put into the record some observations by Douglas Fisher taken from *Times-News* of January 3:

> Ontario is to have four ridings near or more than 150,000 square miles in size, i.e., each is to be substantially larger than Great Britain, or five times as large as Nova Scotia. Each of these four ridings is populated by at least 64,000 people in scattered nodes across its space.

I would say that most contain populations of around 75,000. Mr. Fisher goes on to speak of the role of a Member of Parliament:

> It becomes more obvious each year that MP's who hold such monsters are not even bystanders to the basic parliamentary work of legislation and scrutiny. Just serving their ridings takes all their efforts. This year's increases in area, and those due after 1981, will make the monsters impossible.
>
> We've got to make changes in redistribution before 1984.

I maintain we must make changes in redistribution before 1974 or else in these areas about which I am talking we shall have virtually no representation at all. I welcome the suggestion by the right hon. member for Prince Albert (Mr. Diefenbaker) that a constitutional amendment should be introduced so as to give due representation to people in these and similar parts of the country.

I have spoken for a few moments about this strip of green, what we call the heartland of Canada. I will conclude by mentioning the heart of this heartland, the city of Thunder Bay and the constituency of Fort William. I do this because it is a custom, a custom I like, to speak about one own's constituency. I do so, as well, because here I am speaking about a sector of mid-Canada. We are neither easterners nor westerners. We look both ways. Our government is to the east; we look to Toronto for provincial government. Most of our business, on the other hand, comes out of Winnipeg in the west. If I had to choose, I would say we were more western than eastern. We receive our CBC programs from the east, and one hour later we receive our CTV program from the west. So we are one of the few parts of the country which can get CBC news and CTV news at different hours.

The newly formed city of Thunder Bay is a major communications and transportation centre. I understand that in the last shipping year we handled the largest tonnage of any harbour in Canada on a monthly basis while the harbour was open. We are very much concerned with commerce, with everything which moves between east and west.

My constituency of Fort William has been ably served the last 37 years by two very fine members. Some of those present may remember the Reverend Dan McIvor, a very warm-hearted person who graced this House for many years—

Some hon. Members: Hear, hear!

Mr. McRae: —as well as my immediate predecessor, Mr. Badanai who was a member of this House for the last 13 or 14 years.

Some hon. Members: Hear, hear!

Mr. McRae: I can assure Your Honour that Mr. Badanai, still does a quarter of mile around the track and swims every day—he could take us all on. He extends his greetings to all his friends in the House.

In conclusion, coming as I do from the centre of the heartland of Canada, I should like to pledge myself to doing all I can to bring about unity in this country.

Some hon. Members: Hear, hear!

Mr. Ron Atkey (St. Paul's): Mr. Speaker, one of the things with which I have been duly impressed in my time here in the House is the skill and diplomacy with which you and your Deputy, the member for Halifax-East Hants (Mr. McCleave) have performed the difficult task of acting as Speaker. The very effectiveness of this House as the major institution of government in this country is dependent on you to a large extent, and may I say to you, Sir, that Canadians are well served by the present incumbents of the Speaker's Chair. May I congratulate you both on your election to this office. Also, may I express my admiration for all the new members who have spoken in this debate. I refer not only to the mover and seconder of the address in reply to the throne speech, but to the new members of all parties who have set such a high standard of advocacy and eloquence in their maiden speeches in this House. And, of course, I state here unequivocally my support for the Leader of the Opposition (Mr. Stanfield), a most thoughtful and considerate human being as well as a great leader. I am proud to be a member of his team.

Some hon. Members: Hear, hear!

Mr. Atkey: The riding of St. Paul's which I have the honour to represent lies in the heart of the great city of Toronto. It embraces famous Toronto landmarks known to many Canadians: Casa Loma, the village of Yorkville, Upper Canada College, St. Michael's College School, Forest Hill Collegiate and many churches and synagogues known throughout the world. Many of my constituents are leaders of government, business, the professions, the arts, labour and industry. Included among their numbers are two provincial cabinet ministers and the Minister of Industry, Trade and Commerce (Mr. Gillespie) sitting opposite. This is the riding which produced one of Your Honour's predecessors, Mr. Roland Michener, who served with distinction as Speaker of this House from 1957 to 1962, a great Canadian who now occupies the high office of Governor General of Canada.

St. Paul's is an urban riding in the centre of one of the fastest growing metropolitan areas in North America. Perhaps the growth has been too fast for the liking of the people of the city of Toronto living at the centre of the metropolitan area. This was certainly the message of the people at the recent municipal elections in Toronto. Their demand, and my demand, is to preserve our city and our neighbourhoods as decent places in which to live. I note that the government in the throne speech now appears to acknowledge, perhaps reluctantly, a major federal role in the preservation of cities. Yet one has to question the urban intentions and priorities of a government which is willing to commit over a half billion dollars to an unwanted and unnecessary airport at Pickering that is a political mistake, and thereby deprive the people of the Toronto-centred region of federal assistance for public transit and housing for which there is an urgent need.

Particularly in the field of housing, imaginative proposals are needed to assist in the rehabilitation of existing housing stock and neighbourhoods as an alternative to high-rise living. St. Paul's riding, particularly in the area known as the Annex, contains some of the finest old housing stock existing on this continent. Many houses form an important part of Canada's architectural history. Yet the residential rehabilitation assistance program announced by the Secretary of State for Urban Affairs (Mr. Basford) last June fell far short of the mark both in terms of flexibility of loan and grant ceilings and in terms of the type of dwelling which would be eligible for rehabilitation assistance. The need is not only for single-family accommodation, but for multiple family use, hostels and homes for senior citizens and the handicapped. Also, the program of assistance for neighbourhood recreational and social facilities must be stepped up. One would hope that the rehabilitation assistance program referred to in the throne speech will be a substantial improvement on this earlier effort.

Another unique feature of the St. Paul's riding is that almost one in five of the voting residents there are old age pensioners. Where is the government's program to improve the lot of these people, many of whom built and served this country well, yet who find their poverty pensions whittled away by rampant inflation? When the Leader of the Opposition (Mr. Stanfield) gave the government an opportunity to bring in old age security legislation as a priority item last week, who was it who stood in opposition to this humane gesture to the senior citizens of Canada? The arrogant Liberals, hand in hand with the NDP!

• (1610)

I do not intend to get involved in the numbers game of suggesting what the basic pension and guaranteed income supplement should be. All of us in this House know that the increases should be substantial in both cases. The reputation of the new Minister of Health and Welfare (Mr. Lalonde) among senior citizens will stand or fall on the size and nature of the increases. But what I would suggest is that some consideration be given to special increases in the supplement for senior citizens living in larger cities to reflect higher costs of shelter. Rents in the city are appreciably higher than the rural areas for all types of accommodation, and those city dwellers eligible for the supplement should receive consideration along these lines.

Now, let me turn to a matter of my special concern. It is interesting to note from the throne speech that the government has not forgotten about its famous competition bill. Indeed, it looks as though we may see the new and improved version of this fancy product some time later this session. I hope that in describing the bill which will be coming as "new and improved" I will not be violating the provisions against misleading advertising.

I know that the mention of this bill will bring back many memories to the Minister of State for Urban Affairs (Mr. Basford) who had the honour or dishonour of originally introducing it. Fortunately for him, he seems to have fared better than his former colleague who introduced tax legislation at about the same time and for whom the Prime Minister (Mr. Trudeau) was able to find only a civil service job when it came time to bail out excess baggage prior to the last election.

Some hon. Members: Oh, oh!

Mr. Atkey: The throne speech indicates that the new competition policy will be in harmony with industrial policies in general and foreign investment policy in par-

ticular. If this means that this government's industrial policies and foreign investment policy must be determined first before the bill is reintroduced, then we are unlikely to see the new competition act before the year 2000 at the present rate at which this government engages in economic policy development.

Nevertheless, I am glad that the government now realizes apparently that competition policy alone cannot be relied on to fashion an efficient, dynamic economic structure in this country. Competition must be carefully related to and placed in the context of other industrial development policies and objectives. It was not wise for this government to have gone full steam ahead with a comprehensive competition bill without stopping to consider the economic options which that bill might have foreclosed when considering the broader questions involved in the development of a viable industrial strategy for Canada. This government had not committed itself to specific policies relating to industry structure, patterns of rationalization, export prospects, import competition and foreign ownership. Until it had done so, it was a mistake to try to lay down a specific competition policy.

Let me say a word or two about the 1971 version of the competition bill and the approach taken by its draftsmen. Now I have no doubt that the authors of this bill were able, legal scholars. They probably had read most of the literature in the field and the intricate, legislative model which they put forward was in many ways a scholar's delight. But it was also a businessman's nightmare, and one which no practical man would have ever expected could politically survive the transition from logical construct to operating program. No little wonder that the business community rose up in unison against this bill. Most Canadian businessmen would understand what they were told to do if they were instructed "to compete, but not in ways that destroy competition".

Under Bill C-256 however, the Canadian businessman would have had to live with a different commandment, going something like this: "Ply thy trade in purity; open up potentials for entry among thy suppliers, thy competitors, and thy customers; and if thy competitive decisions lead thee into murky areas of commerce, seek the blessing of the Tribunal." Such a commandment could only lead to business hesitancy and unnecessary restraints on competitive innovation. This is not to say that there were not certain aspects of the proposed competition act that were good. For example, the shift away from the criminal law approach towards a more suitable civil jurisdiction was long overdue for such matters as price discrimination and non-permitted mergers. Also, the act included for the first time service industries in its coverage of anit-competitive behaviour.

Third, the act refined and consolidated the prohibition of objectionable practices at the consumer level, providing much needed clarification in this area. And fourth, the act would have created a competitive practices tribunal capable of undertaking a sophisticated economic and managerial analysis in the evaluation of mergers, specialization agreements, export agreements, exclusive dealing and tying arrangements, etc.

These were some of the desirable features of the proposed competition act. However, they were obscured in large part by certain provisions of the bill which tended to completely over-reach its stated goals of nurturing efficiency through competition where possible and through agreement where necessary. For example, the act as originally introduced included a large number of per se offences which were to apply notwithstanding that the impugned combinations or agreements had no significant impact on competition. These provisions were unnecessarily harsh and it is to be hoped that the new version of the bill will subject most of these offences to the more gentle "material lessening of competition" test before the offence is proved.

Second, one would hope that there might be some amendment to Section 73(7) which would have presumed directors liable for offences of which the corporation had been convicted. This invidious section should be amended to provide directors with at least a minimum due process protection consistent with the Canadian Bill of Rights.

Third, some of the powers of the proposed competitive practices tribunal should be amended to provide further procedural safeguards, particularly relating to the notice provisions. Also, consideration might be given to requiring that at least one member of a three man panel of the tribunal should be a lawyer with the status of a high court judge, as is the practice followed in constituting the restrictive practices court of the United Kingdom.

One of the overriding problems of the competition bill introduced in 1971 was the serious doubt raised as to its constitutional validity. It is difficult to argue that the federal level is not the logical preserve for competition laws generally. But much of our constitutional case law indicates that federal regulation of businesses operating solely within a province may be an impingement of the provincial property and civil rights jurisdiction. Not only will this create uncertainty in the setting up of the competitive practices tribunal but it will create additional uncertainties in the business community already reeling from the magnitude of the substantive changes proposed. To remove these uncertainties one would hope that the federal government might work together with the provinces in having the question of constitutional validity of the new bill tested by way of reference to the Supreme Court of Canada at the earliest opportunity, preferably before the bill becomes law.

All these remarks are by way of general comment on what has essentially been a preliminary skirmish. The time for the hard analysis will come when we see the specifics of the new bill, if it ever comes.

Mr. Speaker, as a final matter, I would refer to the Prime Minister's suggestion a week ago in this House on Monday, January 8, that if the government is defeated on a clear vote of no confidence he will immediately go to the people. The hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) has already referred to this during the debate this afternoon. While the Prime Minister may have recanted somewhat from these views in a subsequent conversation with some newspaper or television interviewer, I think it is extremely important that the correct constitutional position be stated in this House.

• (1620)

To put my position simply, I would challenge on constitutional grounds the inference of the right hon. gentleman that another election is the only course open to him under the present circumstances in this House. His was the statement last week of a desperate man attempting to cling to power at all costs. It ignores the established constitutional practice honoured in virtually every parliamentary democracy of the Commonwealth that in minority government situations such as these, His Excellency the Governor General is perfectly entitled to caution against a request for dissolution and to suggest that the Leader of the Official Opposition be called on to form a government. Moreover, it has been the tradition for a Prime Minister whose government is defeated in the House in these situations to advise His Excellency to call on an alternative government rather than to inflict another election on the people.

Hon. members opposite may think that there is some comfort to be taken from the unfortunate precedent of the King-Byng affair in 1926. But there is not a constitutional historian worth his salt who has ever suggested that Lord Byng was not constitutionally right in refusing Mackenzie King dissolution and calling on Arthur Meighen to form a government. At the very least, the most charitable comment that has ever been passed by constitutional historians in retrospect is that Mackenzie King gave His Excellency bad advice in requesting dissolution and that Lord Byng would have been perfectly entitled to point out to King the harmful effects of another election and the fact that an alternative government could be formed, before eventually succumbing to the unreasonable request.

Even so eminent a constitutionalist as Dr. Eugene Forsey, a recent convert to the swelled ranks of the retired Liberals in the Senate and, by the Prime Minister's (Mr. Trudeau) own admission last Monday, one of his speech writers and advisers, concluded in 1943 in his now famous book "Dissolution of Parliament" that Lord Byng acted correctly. Indeed, Dr. Forsey in his book put forward this proposition, that a government which survives an election and which meets the new House following that election and survives the vote on the address in reply to the Speech from the Throne, and then is defeated at some later period of time of the first session, is not entitled to dissolution when an alternative government is possible. I agree with Dr. Forsey, the Prime Minister's adviser. I agree with this proposition and would have thought that it was now a practice firmly established by parliamentary tradition in this country and throughout the Commonwealth. Certainly, that is the impression left by reading Senator Forsey's book. Therefore, it seems to me that the right hon. Prime Minister's suggestion that he will immediately go to the people following a defeat in the House this session is a questionable constitutional doctrine at best.

If the Prime Minister carries out his threat to ignore established constitutional practice, then he may well find that the Canadian people will, to coin a phrase, become disillusioned with his dissolution, and will wreak their revenge on him in the ensuing election. But the Canadian people do not want another election. They want constructive policies dealing with present economic conditions which have given us record high unemployment combined with drastic increases in prices. They do not want delays in the House of the sort that this government seems ready to sanction, despite its statement of good intentions of January 4. Neither do they want this House to be diverted into other issues which will take the heat off this government's lack of creative ability and imagination to put forward specific policies to deal with economic matters. The Canadian people want this House to produce, and if the present government will not present the legislation to give it a chance to do so, then surely an alternative government should be given that chance.

The last thing the Canadian people want right now is to go to the polls, particularly when it may be brought about by this government setting up diversionary issues which may ultimately prove to be like the Maginot Line, failing completely to stem the onslaught of real problems facing Canada. If they will not act, Mr. Speaker, we stand ready.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, on several occasions during this throne speech debate hon. members on this side and from across the floor have suggested, in fact some have urged, that members of the government elaborate and explain in greater detail some of the statements in the Speech from the Throne, particularly those that are in their immediate area of interest or in their area of responsibility. So, in addition to wanting to congratulate you, Sir, as well as Mr. Speaker, Mr. Deputy Speaker and the mover and seconder of the motion, in addition to wanting to join and associate myself with all the very sincere tributes that have been directed to each of you, I want to participate in the debate at this point in order to speak about two statements in the Speech from the Throne that have not been discussed, I believe, to the extent that they merit or deserve.

The first is the reference in the speech to the wider area of service open to the Canadian armed forces, and the second and really vital statement to which I want to address myself is perhaps one of the most far-reaching and significant statements in the whole Speech from the Throne, namely the one regarding the proposed conference on western economic opportunities.

First of all, turning to defence, I should like to remind the House of the exact words in the Speech from the Throne. They were:

> The government intends to widen the area of service to Canada open to personnel in the Canadian armed forces. In addition to maintaining a high degree of military capability as the primary and most essential role of the forces, new emphasis will be placed on the many areas in which the varied skills and training of this large number of dedicated Canadians can contribute to the achievement of national goals.

Those are the words from the Speech from the Throne, and in speaking on this subject I wish to emphasize first of all our commitment to maintaining a high degree of military capability. The first duty of our armed forces is to protect Canada, and nothing we do in other areas should diminish that capability. But having said that, I believe that there are skills and training possessed by personnel in the armed forces that can serve other national goals. I also believe that within the armed forces there is a desire to serve, not just to serve in a military role, not just to protect this country, but to help to improve this

country. Some of the subjects that I have in mind are as follows.

• (1630)

I might say in these first few weeks as Minister of National Defence that I have not tried to establish programs. I simply want to put forward a concept. Take the case of engineering.

We have engineering skill in the Armed Forces. I do not go so far as to say we should copy the American Corps of Engineers who have built some of the great projects in that country, but certainly our engineering skill can be used to meet other goals than our military capability. I am thinking of the development of the north, and even more particularly of the great project along the Mackenzie valley.

I am thinking of communications where we are in the process of putting in new and sophisticated equipment, all of which is going to cost us in excess of $50 million. Looking at the department for the first time I ask myself, should we be doing this just for our own use, just for our own departmental communication, or is there some way in which this expenditure of taxpayers' dollars could be used to serve other departments or other national purposes?

Then, look at the matter of physical fitness. You will note that in the throne speech debate my colleague, the Minister of National Health and Welfare (Mr. Lalonde), has talked about physical fitness. Even if it is not now, this should be a national objective, and again I do not know of any group other than the Armed Forces who possess a higher degree of physical fitness. There must be something there in their coaching skills, and in their facilities, which could be given a wider application.

I think, too, of the ecology, of the national objective of clean air and clean water. Again, I know that the Armed Forces have an expertise in this area. Not only did they help in the clean-up on the Peace River, and in Chedabucto Bay following the *Arrow* tragedy, but daily they are on patrol spotting areas of pollution around our shores. This is another area which I think could be given greater emphasis.

Then, too, there is the whole area of search and rescue, which has recently been widely publicized. Here again there are taxpayers' dollars being spent for very worthwhile non-military purposes. Apart from search and rescue we fly over 200 mercy flights a year, some four mercy flights a week, as a contribution of the Armed Forces. I could elaborate further, Mr. Speaker, but time is limited and I want to talk on the other main subject.

Let me sum up by saying that I believe that in addition to their primary objective, which is to defend the sovereignty and independence of this country, in other words to protect Canada, the Armed Forces should also be helping to improve Canada. If I were allowed, Mr. Speaker, I might make a brief personal reference, as an example, of the kind of thing I am talking about as a secondary mission.

When I was flying with 10BR squadron in Labrador in 1944 our main military purpose was to look for submarines. The year before we were there the supply ship coming into Goose Bay, which was carrying a year's supply of beer, struck an iceberg and sank, and we ran out of beer about the middle of February. So, our crew were given the responsibility, as we were looking for submarines, to mark the icebergs in order that the next year's supply ship would be able to get through. It did get through, and that is an example of how secondary objectives can be attained by the Armed Forces.

Now, moving on to the other main and important subject, the proposed conference on western economic opportunities, I have already said that I believe this could be one of the most far-reaching proposals in the Speech from the Throne.

Mr. Paproski: Would the minister allow a question?

The Acting Speaker (Mr. Laniel): Is the hon. member rising for the purpose of asking a question?

Mr. Paproski: Yes.

The Acting Speaker (Mr. Laniel): This could only be done with the consent of the minister because it is taken off his time.

Mr. Richardson: Mr. Speaker, I prefer to cover my subject first, and then I would be pleased to entertain questions, particularly from the hon. member whose questions I always enjoy.

As I was saying, this conference is probably one of the most important proposals put forward in the Speech from the Throne. Before we can talk about it I think we have to start by asking what does western Canada want. In a television interview the other day the Prime Minister (Mr. Trudeau) made the comment that for years Canadians had asked what does Quebec want, and he said that now we must start thinking what does the west want.

This conference is confined to economic opportunity. So, I think we have to go one stage further back and define what kinds of economic opportunities there are before we can say what the west wants. Although this is somewhat of an oversimplification, as it necessarily has to be, there are three main areas of economic opportunity, three phases of economic development, one of which is lacking in the west.

The first main stage of economic development is of course the primary resource stage, starting really from a hunting economy, agriculture, resource development, fishing and forestry, and covering all of the primary resources. The west has this phase of economic development in abundance.

The second stage, and the vital one, is called either secondary industry or the industrial stage. The word industrial in this context is not perfect because it implies a smokestack type of society, but I use industrial society to include scientific development and technological development, in effect really an advanced society.

The third clear area of economic opportunity embraces the service industries, all the hotels, restaurants, taxi cabs, beauty parlours, laundries, and maintenance of all kinds. The service industries grow on top of primary industry in the same way as they grow on top of an industrial society. That is why, when you look at them superficially, you

cannot tell a western city from one in the industrial area of the country. But if you go behind the office windows, go into the factories and look at the job opportunities, you will find there is a tremendous difference between an area that has just a primary resource base and service industries on top, and is missing that all-important secondary industry, and an area which has secondary industry, has an industrialized, technological, scientific section as part of its existence. This is what the west wants.

The west wants to build industrial strength on top of its agricultural, resource and energy base, and here is exactly where the Speech from the Throne shone a light right on the area that is wanted. These are the words in the Speech from the Throne:

> The government recognizes that western Canadians wish to build industrial strength on top of their region's great resource and energy base.

If that is what the west wants, Mr. Speaker, then what we have to determine is what can the federal government do to help achieve that objective. In a single word, it is decentralization. The Speech from the Throne is quite specific on this point when it says:

• (1640)

> As the economy continues to grow, a greater measure of decentralization of industrial activity will be necessary to achieve this desired regional objective.

Mr. Speaker, in the time I have left I should like to speak about decentralization and the results the government has achieved in that area. This government has shown leadership and has shown understanding of the need for decentralization which is not a new concept to this government. As well, I should like to point out some areas where we have not done as well as we should and I should also like to point to some things that I believe we should do.

We have had some successes in this area. As Minister of Supply and Services, I pointed out to this House that 85 per cent of all purchases made by the federal government were made in the provinces of Ontario and Quebec, leaving only 15 per cent for the other eight provinces combined. The government changed its purchasing policy in order to give increased federal buying to the Atlantic provinces and to the western provinces. It is natural for the lion's share still to go to Ontario and Quebec but this change is an example of decentralization.

Mr. Paproski: That has been changed again.

Mr. Richardson: No, Mr. Speaker, it has not been changed and it cannot be changed as long as this government is in power.

Mr. Paproski: You have no power to direct that department now.

Mr. Richardson: Mr. Speaker, in response to the comment from across the floor, it is not the minister who makes the decision, but the government and this government is committed to decentralization as is indicated in the Speech from the Throne.

Let me give some further examples, Mr. Speaker. It was apparent to some of us that the Crown corporations were clustered around the capital in a very small regional area, and when we realized that we needed more minting capacity, it was decided that the coins of this nation should be minted in western Canada. That is an example of decentralization.

There is another example in the west that I know will please my hon. friend. This government decided that the head office of the Canadian Development Corporation should be located in Vancouver. This is probably the largest Crown corporation in Canada, so we have some record in this area—

An hon. Member: You sure have some record!

Mr. Richardson: Although we have done well, Mr. Speaker, and clearly understand this national requirement, I want to say that we have not done nearly well enough.

A perfect example of decentralization outside our own experience is the American space program. To my knowledge this is the biggest program that has ever been put together by any government and it is highly decentralized. The rocket is fired from Florida, the headquarters are in Houston, Texas, the parts are made in California and Seattle and the gross national product of at least 25 states is greatly strengthened by the total program. We do not seem to be able to exert the same regional influences, regardless of which government is in power. The United States has a system which allows them to decentralize and I think we should examine this.

Mr. Speaker, I am really talking about two subjects—industrialization of western Canada and about that objective being helped by decentralization. I could point to some things that may surprise my colleagues. We did a lot of talking during the election—

Some hon. Members: Hear, hear!

Mr. Richardson: —and at other times, about hopper cars. We provided 2,000 hopper cars at a cost of about $46 million. I have heard it said that these were a great gift to western Canada but, Mr. Speaker, where was the industrial benefit? Where was the economic stimulus? Where was the payroll? I am pleased to say that in the interests of decentralization some of these hopper cars were built in Trenton, Nova Scotia, but still the lion's share was built in Sorel, Quebec and in Hamilton, Ontario. Mr. Speaker, not five cents was spent in western Canada for the building of hopper cars. It has been pointed out that in the old days of wooden cars at least some of the lumber was sometimes sent from the west. These cars are useful for the movement of grain and I would not suggest that they are not a valuable addition for that purpose. But, Mr. Speaker, that is extending our primary resource economy, it is not doing anything to achieve our industrial development nor to provide the kind of jobs that young western Canadians seek when they leave university.

Mr. Speaker, the provision of creative jobs is the main single reason that I believe we must build industrial strength in the west. Although a lot of our young people coming out of the universities think of farming as one of the finest occupations in the world—and it is—or may think that mining is, we simply cannot have all our stu-

dents going to university in order to become wheat farmers or hard rock miners. If they are to have the kinds of jobs that they are looking for as designers, engineers or computer operators, and are to have them in the west, then we have to industrialize.

Mr. Speaker, I have pointed out where we have done well and have tried to point out where we have not done well. Now, let me point out a few places where I think we should decentralize. According to the figures that I have, 91 per cent of our industrial research grants are given in Ontario and Quebec. Other research and development expenditures on behalf of the federal government, are 90 per cent in Ontario and Quebec. That leaves something under 10 per cent for the other eight provinces. I do not say that it is easy to move these research grants, but I think it is essential that we try to achieve an appropriate balance.

• (1650)

Mr. Stewart (Marquette): Is the minister one of the western separatists the Prime Minister talks about?

Mr. Richardson: I am one of the people who can, hopefully, prevent the west from separating, because I want to get an equal deal for us.

Some hon. Members: Oh, oh.

Mr. Paproski: Just a minute, please. We had no intention of separating in the first place. We do not want to separate. We have a pretty good deal going right now. Perhaps you people, in Winnipeg, want to separate.

Mr. Knowles (Winnipeg North Centre): Order.

Mr. Richardson: Mr. Speaker, I will move on to other subjects that I feel strongly about. I want to speak about wider national participation in the area of my own department. I refer to defence procurement. We will be involved in the purchase of a long range surveillance aircraft, and the figure publicly used now in connection with that purchase is $600 million. This is to be a major national purchase and, understandably, what we are saying to the manufacturers of these aircraft is this: "If we are going to buy your aircraft, whether they are made in Europe or the United States, we want a maximum amount of Canadian content. We want a maximum of Canadian industrial benefit." That is really all that Canada has ever said so far. But, we are now saying to those manufacturers: "We want Canadian content industrially; but not only that we also want to know where the industrial benefit is to take place in Canada." My main message is that national purchases of this kind, national projects, national endeavours, must bring nationwide industrial benefit. That is where we have failed so far. I see an opportunity, in the wording used in the Speech from the Throne, to achieve that objective.

Another area in which we should bring about such nationwide benefit is in the area of the short landing and take-off aircraft. Here is a national project. This is not being undertaken by private industry; it is being subsidized. The federal government is putting millions of dollars into that program. We are building the airframes in Toronto and the engines in Montreal. I do not object because, as I say, it is a national project, but national projects must bring nationwide benefits, otherwise we are not a nation in the sense that I should like to see it.

Mr. MacLean: Hear, hear!

Mr. Richardson: My time is nearly finished. I have talked on these subjects frequently, Mr. Speaker, but I talk with more confidence now, after the election of October 30. These are the kinds of things I said during the election campaign and I had the good fortune to have my constituents give me a larger majority than they did in 1968.

Mr. Paproski: That is because you are a great guy, Jim. There are not many like you left in western Canada.

Mr. Richardson: What I am now saying does not reflect only my own view; it reflects the view of many others. I now have the endorsement of a large number of western Canadians who are my constituents in Winnipeg South.

Mr. Paproski: I am glad the minister mentioned constituents, instead of members in cabinet.

Mr. Richardson: The other items on this important conference agenda are transportation, regionally based financial institutions and northern development. Each one of those could form the subject of another speech. I will not begin speaking about them now. But I will conclude at this point by saying that I have been talking in a regional sense, because the statement in the Speech from the Throne concerned a regional conference. I would not be a member of this House, and I do not believe other members would be here, if we did not all wish to see a stronger and better Canada.

Some hon. Members: Hear, hear!

Mr. Richardson: I do not apologize to anyone for describing what I believe to be necessary to build a stronger west. I believe that it is strong parts that make a strong total. In the final analysis it is only strong regions that will enable us to build an even stronger country.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Norfolk-Haldimand (Mr. Knowles)—Public Works—Floods—Assistance to people with property on north shore of Lake Erie damaged by high water level; the hon. member for Assiniboia (Mr. Knight)—Transport—Inquiry as to action to prevent closing of railway stations in western Canada; the hon. member for Vancouver South (Mr. Fraser)—Transport—Airport—Vancouver International—Runway expansion—

Request that environmental impact study be provided to expropriation hearings.

* * *

SPEECH FROM THE THRONE

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to the speech at the opening of the session.

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, I need not say what a thrill and honour it is to be here and to address this assembly during this throne speech debate. A few days ago the senior member among us, the right hon. member for Prince Albert (Mr. Diefenbaker) warned that we freshmen members, on the occasion of our maiden speech, would be making the hardest speech of our lives. I confess, Sir, that at the time I do not think I truly appreciated the significance of his warning; but as I stand here before you in this impressive chamber, with its great tradition of oratory of the highest calibre, an example of which we witnessed in the speech of the right hon. member for Prince Albert recently, I am beginning to appreciate the significance of his words.

As a freshman member I am, of course, very mindful of the great traditions of the House of Commons. In fact, Sir, as with all the members of the party to which it is my honour to belong, I am mindful and respectful of all our Canadian traditions, and particularly now the tradition of the throne speech debate. One of the pleasant traditions is to congratulate you, Sir, on your elevation to the position of Speaker of this assembly. Those more senior than I have already commented on your record of fairness, humour and ability. I feel fortunate to be a member of this assembly with you, Sir, in the position that you occupy, particularly now, given the makeup of the House. May I also congratulate the hon. member for Halifax-East Hants (Mr. McCleave) on his elevation to the post of Deputy Speaker.

Another pleasant tradition, Mr. Speaker, is to compliment my fellow freshmen, the mover and seconder of the Address in Reply to the Speech from the Throne, and this I do with pleasure. I cannot help but speculate that, but for a few dozen votes and 31 New Democrats, I might have performed that task and they mine.

It is also customary, Sir, to spend a few moments to talk about the constituency which a new member represents; of course it would give anybody great pleasure to talk about Calgary Centre. Before I talk of the people and places that make up this constituency, I should like to take a few moments to pay tribute to my predecessor; of course, I refer to Hon. Douglas S. Harkness. In a sense, Sir, I, as the new member for Calgary Centre, bear a double responsibility as compared to most new members, because anyone who sits in parliament for Calgary Centre will be judged against a standard of dedication to public service that has no equal. First in war, where he was decorated for bravery, then in parliament from 1945 to 1972, Doug Harkness has served Canada. I cannot aspire to his distinction, nor could anyone equal this tradition; but I will try and honour it. Few people have served Canada as well and I know his presence in this assembly is already missed.

[Mr. Speaker.]

Some hon. Members: Hear, hear!

Mr. Andre: The constituency that Doug Harkness represented and that I now represent, Calgary Centre, as the name implies is the heart and core of that great city nestled at the foot of the Rocky Mountains. I will not try to describe my constituency because words alone, at least not the words of an engineer, could do it justice. Those who have not been there are the lesser for it and I would recommend most highly that they take the earliest opportunity to fill this void in their lives.

There is just one point I would like to raise in connection with my constituency, and that is in regard to the proposed federal government building for Calgary. I hope the Minister of Public Works (Mr. Dubé) will give this matter his attention since the officials in his department are attempting to acquire a site which the people of Calgary would prefer as the site of a downtown park. The city of Calgary has been encouraging the federal government to locate its new building in the designated urban renewal area and here, Sir, we have an example of a lack of co-ordination by the federal government and its departments which is very difficult to understand and very disturbing. After spending millions of dollars on urban renewal and after encouraging virtually everybody else to expand or erect new buildings in that designated area, they now resist going there themselves. Of even more fundamental concern at least to me and to the people of Calgary, is the federal government's apparent lack of concern for the fact that the location they covet for the site of their building would destroy virtually the last possible site for a downtown park.

• (1700)

I hope that the Minister of Urban Affairs (Mr. Basford) who, from his public statements at least, is apparently interested in the quality of life in our cities, will use his influence on the Minister of Public Works and the department officials to get them to change their minds; to reconsider their posture. We are not asking for a multi-million dollar federally funded downtown park, although in view of the established precedent, maybe we should. We are simply asking the federal government to erect this building in the urban renewal area and leave at least one small patch of greenery for the people of Calgary Centre, half of whom live in apartments.

This issue, Sir, is obviously not a major or principal issue to my constituents. They, like all Canadians, and probably more than most, are vitally concerned about Canada's future, Canada's unity, its independence, the poverty amidst plenty, unemployment at disastrously high rates, inflation and its effects on the elderly and those on fixed incomes and about all of those major problems facing Canada with which this government has been totally unable to deal.

The people of Calgary Centre are not, using that expression of the member for Rosedale (Mr. Macdonald), rednecks, reactionaries afraid of change. They welcome

change, beneficial change. They welcome progress, real progress in coming to grips with the problems facing Canada. They did not see this progress coming from this government for the very obvious reason that there was none. There was activity, a great deal of it; there were great plans, many of those; there were successive throne speeches with promises that inflation and unemployment would be beaten. There were large, very large amounts of money spent. In fact, Sir, there was just about everything, except results, and in Alberta, as the election returns proved, we judge on the basis of results, not on promises, and certainly not on charisma.

This being my contribution to the throne speech debate, I should most properly consider not just the past record of this government, dismal as it was, but rather the program it intends to pursue and that program was presumably outlined in the throne speech. Certainly, within that context, there is much to talk about, not only for what the throne speech includes but, as well, for what it leaves out.

However, one statement in that throne speech in particular, Mr. Speaker, was welcomed, certainly welcomed by me and I am sure the majority of people in my constituency. I refer to the statement that began:

> The government recognizes that Western Canadians wish to build industrial strength on top of their region's great resource and energy base.

The omission of the word "agriculture" may add further fuel to the argument presented by the hon. member for Crowfoot (Mr. Horner) earlier today. It apparently took the shock of an election wipe-out to draw this government's attention to what westerners have been saying for years. Yes, we do have a great resource and energy base, and nowhere is that more apparent than in my constituency where are located the headquarters of the vast majority of Canada's petroleum companies, and, incidentally where should be located the headquarters of the National Energy Board.

Some hon. Members: Hear, hear!

Mr. Andre: That is why I welcome part of the comments of the Minister of National Defence (Mr. Richardson). I am sure he will come to my defence when, at a later date, I present arguments to back that suggestion.

The progressive policies of successive Alberta governments have fostered a healthy and prosperous petroleum industry which, in turn, has helped make Alberta one of the "have" provinces. However, Mr. Speaker, history has shown that great reliance on one industry, no matter how prosperous that industry, can be very dangerous. We had an example of the sort of thing that could occur just before the throne speech where rumours of what the speech might contain caused great gyrations in the western oil section of the stock markets. This is a reflection of the lack of confidence that the business community associated with the petroleum industry has in this government. May I add that the unnecessary delay in tabling the new energy policy is not helping their confidence in any way.

The petroleum industry has been good to Alberta and Alberta has been good to the petroleum industry. That is not to suggest that things cannot be improved because they certainly can. I hope that, if and when we see the energy policy, there will be an opportunity to discuss this point further. It must be pointed out that even a great industry like the oil and gas industry is limited in its capacity to absorb the growing work force of my area of Alberta. Anyone at all familiar with the situation in Alberta realizes that without the development of a substantial secondary industrial base, without the diversification of the economy, Alberta could in the not too distant future become a have-not province like too many others in Canada. No one can argue that awaiting that eventuality before acting will serve any useful purpose, to Alberta or to any other region of Canada. I want to make it abundantly clear that we are not asking for special treatment from Ottawa. We are not asking for handouts or for money to be diverted from other regions to ours. We are asking for fair and equal opportunity with other regions. We are simply asking to have those obstacles removed which now, unnecessarily and unfairly, prevent us from fulfilling our own potential. The cause of Canadian unity, the improvement of the material and social welfare of all Canadians is not well served by policies and, more important, by attitudes that are based on the concept of a central heartland and a subservient hinterland. For that reason, I welcome the commitment made in the throne speech to at least discuss the western viewpoint at a conference on western opportunities.

As an aside, Mr. Speaker, may I suggest that the Prime Minister (Mr. Trudeau), if he has not already done so, accept the invitation of Premier Lougheed to hold that conference in my constituency. The hospitality he and any other attending will receive will be of great aid in creating that friendly spirit which will be so necessary if the conference is to produce useful results. Welcomed as the planned conference is, I am sorry it is to be delayed until summer. By that time the honeymoon with the NDP may well be over and this opportunity to educate the future Leader of the Opposition will have been missed.

It is hoped, Mr. Speaker, that the reference in the throne speech to improvement in the transportation system is more than mere window dressing to entice some western voters back to the Liberal fold. I think the voters of western Canada are entitled to be somewhat sceptical, especially so long as Edgar Benson remains head of the Canadian Transportation Commission.

Some hon. Members: Hear, hear!

Mr. Andre: Also, I listened in vain to the recent speech by the new Minister of Transport (Mr. Marchand) for some evidence of new insights or appreciation of the Canadian transportation system and what might be done to improve it. Not only were there none, but a listener would be hard pressed to identify the speaker as having anything at all to do with the Ministry of Transport. As this government seems determined to hold on to power at all costs, I hope that the minister will soon turn his attention to his department.

The problems of transportation and access to markets are obviously of fundamental importance to the development of western Canadian industry. However, the west shares with all other regions of Canada the other basic weaknesses that exist in the economy which are readily apparent in the high unemployment rates and the disas-

trously high inflation. There are many factors which are contributing to this weakness and my colleagues have been trying to bring these to the attention of the government. I want in my remarks to talk primarily about just one of these factors, that is about Canada's science policy or, more accurately, the lack thereof.

• (1710)

The throne speech mentions measures to improve the transfer of technology from abroad. But what about the development of Canadian technology? In this highly competitive technological age we just cannot rely totally on foreign technology. The Minister of Industry, Trade and Commerce (Mr. Gillespie) mentioned in his speech that he will be investigating the licensing of foreign technology, recognizing that this mechanism is the preferred way to import technology. The minister indicates that some licensing arrangements, by the conditions they impose, handicap the licensee. He implies that the government will be trying to gain improvements. But what he apparently has failed to grasp is the question of timing. By the time a new technology has been developed to the point that it is ready for licensing abroad, the markets for this technology have already been captured.

So even without restrictive licensing, Canadian industry relying on imported technology will be restricted to the domestic market, and then probably only if it is protected by tariffs. But of even more fundamental long term concern, at least to me, is the fact that every time industry relies upon imported technology, the Canadian pool of technological competence is depleted and our chance of developing viable Canadian industry is reduced.

We must take strong measures to increase Canada's technological competence and this, of course, means establishing a fully co-ordinated science policy which means something and which works. Almost every one of the many groups which have studied and made recommendations regarding Canada's science policy has commented that a national industrial strategy must form the cornerstone of such a science policy. Yet from the remarks of the Minister of Industry, Trade and Commerce it would appear the government is still no closer to such a strategy and apparently does not even know what would constitute such a strategy. Therefore, regrettably, we can expect a continuation of the fragmentation of Canada's secondary industry.

This fragmentation is one of the basic weaknesses of our economy. The reasons are complex, to be sure, but some of the elements are these: the extent of foreign ownership, the anti-combines legislation, unco-ordinated regional economic expansion, unco-ordinated research and development incentive programs. All of these, according to the throne speech, will be reviewed or altered by this government, but apparently in a totally unco-ordinated manner. This exercise, I am afraid, is going to cost the Canadian taxpayer great amounts of money and do very little to improve the state of Canada's secondary industry, which the Chemical Institute of Canada recently called a national emergency.

It is imperative that the government give the highest priority to developing a national industrial strategy and, in conjunction with that, a national science policy. The government should create a department of science and technology with responsibility to develop and implement this policy. This department should be responsible for all research and development incentive programs, for the patent office and all research agencies and departments of the federal government.

All government research and research incentive programs should be reviewed and related to the production of social and economic goods and services. The recently announced farm-out policy should be administered by this department and expanded to include most of the research now done in the House. I am certain that were she here the new Minister of State for Science and Technology (Mrs. Sauvé) would agree that these suggestions are both reasonable and necessary. I can only hope the minister is able to convince her cabinet colleagues that these steps are necessary and that the science ministry should be more than just a training ground for more important posts.

Mr. Speaker, I would like to conclude my remarks by stating that while the major part of my speech was based on economic matters, these matters are not my principal concern. The social problems facing Canada are frightening in scope and depressing to contemplate. But one thing is sure; their solution is almost impossible without a strong economy. Therefore, I would urge the government to act quickly on the many responsible suggestions coming from this side of the House, or else to trade places with us and let us get on with the job.

Some hon. Members: Hear, hear!

Mr. Norman A. Cafik (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, it is traditional, of course, to offer you compliments on being elected as Speaker of this august House. I do not think I can add anything to what already has been said, except that I know of no man who would be better qualified or more deserving of this high honour and office. I am pleased, also, to offer congratulations to the Deputy Speaker, the hon. member for Halifax-East Hants (Mr. McCleave), with whom I have had considerable association during the last four and a half years as a Member of Parliament through the parliamentary breakfast group in which he has been a very active participant and leader. I am proud to be associated with that hon. member and to congratulate him upon the honour this House has bestowed upon him. In addition, I should like to congratulate the mover and the seconder of the address in reply to the Speech from the Throne. They did great credit to themselves and to the constituencies they represent.

In the Speech from the Throne a great deal of importance was attached to a policy area which is of immediate concern to me as parliamentary secretary to the Minister of National Health and Welfare (Mr. Lalonde). There was in the throne speech a great deal said about social security matters and forthcoming changes in the fitness and amateur sports program, as well as changes in health care arrangements. This is the area about which I would like to speak more specifically.

The Speech from the Throne contained a brief reference to the fact that federal-provincial meetings at the ministerial level are projected on a range of urgent mat-

ters and that these include health care programs. The Minister of National Health and Welfare, the hon. member for Outremont, subsequently informed the House that there has been under consideration, a proposal for change in the federal-provincial financing arrangements which will be discussed at a joint session of federal and provincial health and finance ministers which will be held January 19.

If these deliberations reach a satisfactory conclusion, we are confident that the provinces will have a much better framework within which to develop health care programs which are not only efficient and effective but also in accord with their respective priorities. These goals can and should be achieved within the broad framework of existing national health standards of the present hospital insurance and medical care programs, relating to comprehensiveness of insured services, universality, accessibility and portability.

In view of the obvious priority which has been given to this matter by the federal and provincial ministers most directly involved, I am certain hon. members would wish to be given a review of developments to date in order that they may understand the importance of these deliberations and be able to take an interest in the eventual outcome. Recently elected members of the House might not yet have had time to completely familiarize themselves with the issues involved, and for them in particular I hope my remarks will be helpful.

The hospital insurance and diagnostic services program implemented in 1958, and the medical care program which commenced in 1968 together account for the bulk of our health care expenditures. These two programs are currently costing the two senior levels of government about $3.5 billion annually. These costs are shared about equally between both levels of government, but the cost-sharing formulae provide a higher percentage of federal financial support to provinces with lower per capita costs, and somewhat less than 50 per cent in the case of provinces which have per capita costs which are higher than the national average.

• (1720)

It is worth while recalling that during the 1950s many hospitals were in serious financial trouble and that many sick persons were not able to obtain necessary treatment because of financial barriers of one sort or another. The hospital insurance and diagnostic services program was implemented in 1958, which subsequently made it possible for all Canadians to receive necessary hospital care of an acceptable standard, on a prepaid basis. Generally speaking, the system has been functioning fairly well, it has met the objectives set for it at that time and the vast majority of Canadians receive care that is adequate for their needs without incurring excessive financial burdens. However, such factors as the increased complexity of hospital care, with advancing technology, the increased availability of hospital beds and improved remuneration for hospital staff have all contributed to a relatively high escalation year by year in the cost of hospital care.

Since the program recognizes, for cost-sharing purposes, only specified hospital services, it does not encourage the development of adequate alternative forms of care at lower cost for those patients who could be treated just as satisfactorily but in a less expensive way than by occupying expensive, acute care hospital beds. With proper arrangements, there need be no compromise in the quality of care actually provided for such patients. Surveys have indicated that as many as 30 per cent of the patients occupying beds in general hospitals could be adequately cared for on some other basis if the services they require were available without financial penalty to the patients themselves. We have tended to be rather lavish with providing health care through hospitalization, particularly through the use of high-cost beds. For example, we have per capita more active treatment hospital beds than there are in the United States.

Our second major health insurance program, the medical care program which was introduced in 1968, was based largely on the findings and recommendations of the Royal Commission on Health Services, the Hall report which was submitted in 1964. This commission, which was appointed in 1961, undertook a most comprehensive and detailed assessment of Canadian health services. In its major report submitted in 1964 it reported that it had found that while nearly 60 per cent of Canadians had some insurance protection against the costs of medical care, approximately 30 per cent of it was totally inadequate. Medicare was established to solve this problem.

The open-ended nature of the federal-provincial financing of these programs is now a major point of concern. No limits are placed on the health services which an insured person may receive provided the criteria of medical necessity are met. This is a fair and just provision. However, neither program provides sufficient flexibility for the provinces to develop alternative and less costly forms of health care consistent with the needs and priorities as perceived by the provincial governments. The nature of the current sharing formulae is such that the provinces only obtain sharing for certain specified services, and thus there is an inadequate incentive to cut costs and provide less expensive services.

Controlling the escalation of the costs of our two major national health insurance programs has become one of the chief priorities of all levels of government. During the last three complete fiscal years the combined average annual rate of increase in the cost of the two programs has been about 13 per cent. This rate of increase significantly exceeds the growth rate of our gross national product. The rate of escalation must be reduced, for obvious reasons. We must take steps to ensure that we are receiving the best possible value for our health care dollars.

The federal and provincial ministers of health have been for some time deeply involved in studying ways and means of resolving these problems. For example, in November, 1968, we appointed a federal-provincial committee on costs of health services to recommend what steps should be taken to contain costs without having an adverse effect on the quality of care. The report of the committee and its seven subsidiary task forces was presented to the conference of health ministers in November, 1969. Most of the areas where improvements could be effected naturally lie within the provincial sphere of responsibility in so far as implementation is concerned.

The committee drew attention to the need for co-ordinated government planning for health facilities and services. Many of its other recommendations cannot be fully implemented without such co-ordinated action. However, provincial efforts to improve the delivery of health care, both in regard to effectiveness and efficiency, cannot be maximized unless sufficient flexibility and incentives are provided through the federal-provincial financing arrangements. The federal government believes that changes can be made to achieve this desired result.

We subsequently proposed that future federal financial contributions to the provinces in respect of health insurance might take the form of a per capita payment to replace the contributions presently payable under the hospital insurance and medical care acts. Flexibility, which many provincial ministers desired, could be achieved through each province being free to use the federal contribution in accordance with its own priorities, provided existing national standards for coverage were maintained. Federal payments, therefore, could be applied to the total range of provincial health services, existing and innovative, and in the way deemed most effective, without the province incurring financial penalties as a result of cost-saving measures.

The federal minister emphasized that any new financial arrangements should not result in a lessening of federal-provincial co-operation in health matters, particularly with respect to improvements in the way in which health care services are arranged. The minister therefore gave his provincial colleagues an unqualified commitment that the federal government would continue and if necessary expand its role in promoting federal-provincial co-operation in the exchange of information, in the provision of consultative services and in the support of studies, surveys and research. The Department of National Health and Welfare has already increased its ability to respond to this commitment, particularly in its response to meeting the expressed desires and requests received from a number of provinces, in particular the smaller ones.

The minister felt that a fresh approach along the lines indicated would be the most effective way of containing costs without impairing the quality of care. The reactions of the provincial ministers of health at this meeting in December, 1970, to the general outline of the proposal was most encouraging. Following the meeting, the federal minister instructed that a detailed examination of the existing federal legislation be proceeded with at the official level and that an attempt be made to work out, in consultation with provincial officials, a suitable alternative cost-sharing arrangement for consideration by the ministers of health.

The outline of a possible approach was the subject of extensive bilateral discussions with the provinces at the official level during the months of April and May, 1971. While most provinces at this time expressed a positive attitude towards the principles and objectives of the approach, there was a common concern about the adequacy of some of the financial features, such as the escalation factor suggested and the base year upon which future costs would be calculated.

[Mr. Cafik.]

• (1730)

Significant modifications were subsequently made in the initial approach, including the provision of special thrust funds to help provinces finance the reorganization of their health care delivery systems according to their particular needs. These modifications were thoroughly discussed with the provinces at the official level. Further substantial modifications were subsequently made in the suggested formula to meet continuing and additional provincial concerns which were considered justifiable.

The concern with health care costs was also an item on the agenda of the conference of first ministers which was held in Ottawa from November 16 to November 18, 1971, and it was on the agenda of a meeting of finance ministers which was held at the end of January, 1972. Both the then minister of national health and welfare and the President of the Treasury Board, the hon. member for Westmount (Mr. Drury), reviewed for the first ministers the progress made to that date in the legislative review and the search for an acceptable alternative to the current cost-sharing arrangements.

The President of the Treasury Board urged that most serious consideration be given to the proposed arrangements. He pointed out that the proportion of our gross national product being spent on health care was large enough to make Canada one of the healthiest nations in the world, if the money was spent wisely. He also urged that the cost-sharing arrangements be amended to maximize the probability of this being achieved through rationalizing health care in Canada.

The federal minister placed before a conference of health ministers which was held in Ottawa on December 16 and 17, 1971, a detailed federal proposal which is still before the provinces. I would like to review briefly its basic payment features. First of all, the federal payment would be made on a per capita basis per insured resident of each province, with the payment being revised annually in accordance with changes in population and general changes in the economy. This payment could be applied to the whole range of health services and would not be limited, as at present, to specific health services. The nationally accepted standard of comprehensiveness, accessibility, universality on uniform terms and conditions, and portability of hospital and medical insurance services would have to be maintained.

The per capita payment would be escalated by the rate of growth of the gross national product excluding, of course, the population component of that index. However, in order to protect the per capita payment against year to year fluctuations, the escalation factor would be based upon the moving average of five consecutive yearly indices. Per capita payments would be standardized among the provinces over a period of five years through appropriate yearly adjustments.

A thrust fund would be available on a different basis, and I will later describe this provision in more detail. The initial agreement with respect to the per capita payments would be for a period of five years, and for the thrust fund this would be available over a period of six years. All the features of the federal proposal as a package are designed to lead to the development of a total health care

system. This must not be lost sight of when considering elements of the over-all federal proposal.

The levels of the basic per capita contributions would be determined in relation to the costs of existing insured services of the current hospital and medical care insurance programs. Provision has been included to accommodate a nationally insured optometric benefit. As already indicated, the basic per capita payments would be available for use by the provinces for the whole range of health services.

A special thrust fund, to which I alluded earlier, has been proposed at a level of $640 million and would be payable to the provinces over a six-year period to assist in the reorganization and improvement of the provincial health care delivery systems. These funds would be for mutually agreeable projects designed to promote improvements in the efficiency of these systems. I should emphasize that the thrust funds would not be required to be matched by the provinces. The thrust fund would be made available for the capital and operating costs of acceptable provincial programs designed to bring about the reorganization and development of the health care delivery system into an integrated mechanism. The thrust fund would also help to cushion the time lag between the implementation of reforms and the appearance of resulting economies.

The thrust funds would also be made available to help finance a service or a program which will clearly substitute for or avoid the expansion of existing and unnecessarily expensive methods of providing necessary care. They would not be made available to simply shore up the existing system by being merely used as a supplement to the federal per capita payments in meeting the operating costs of the present system. It is not intended for the provision of new services or for the building of new facilities, nor is it intended to meet the costs of additional insured benefits for services not now covered, except where these would substitute for costly services which are presently insured, nor to support research, innovative studies, surveys or the like. It must be recognized, however, that many of the acceptable programs will in fact be breaking new ground.

Examples of areas where potential improvements exist and for which thrust fund support may be approved include home care, programs that effectively take patients out of hospital, costs for community health centres and other facilities providing ambulatory care, and the development and increased use of allied health personnel to avoid the unnecessary use of high-cost professional services. It would be up to each province to determine the reforms which are the most promising according to its own particular situation, and which will likely find acceptance for thrust fund support. In a nutshell, the thrust fund is aimed at producing reform and rationalization in the way in which health care services are made available.

Criticisms and reservations have been expressed by the provinces throughout these many discussions and the federal government has tried to respond by making appropriate modifications in the proposal. A major recommendation of the provinces is that the federal government commit itself to some degree of risk sharing in the event that unexpectedly high provincial costs are encountered.

The federal government is very serious about its intention to moderate the escalation of health care costs and to make it easier for the provinces to effect significant improvements in the way health care services are provided. It is sincerely hoped that all provinces share the federal views in this matter, and that agreement can be reached on new financing arrangements which will provide to the provinces the desired flexibility in the use of federal contributions and create the framework for the introduction of less costly but equally effective health care services.

Personally, I look forward to participating in the federal-provincial conference of finance and health ministers which will take place this coming Friday and I share with the minister the hope that the agreements which will be reached at that and subsequent conferences will prove to be of significant and lasting benefit to all Canadians.

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, I would like to begin by saying what a great honour it is for me to be a member of this House and to sit with such a distinguished group of men and women from across Canada. I feel it speaks highly for our democratic system of government when a refugee from Czechoslovakia can have the opportunity to be elected to represent other Canadians in the governing of this great country.

• (1740)

My constituency of High Park-Humber Valley rests on the shores of Lake Ontario and is a part of west Toronto. It is a riding which is truly representative of the strength and vitality of our country. It is made up of Canadians who represent a wide variety of cultural heritages, sharing not only the beautiful and scenic open-spaced park from which the riding receives its name but also the winding Humber Valley through which the now too polluted Humber River flows.

On the west side of the river there is a part of the new burgeoning borough of Etobicoke, and on the east the old village of Swansea and a large section of York township which used to be known as west Toronto. It is a riding of diversity and complexities, an exciting and interesting place in which to live and for me to represent. That is why I regret that the federal electoral boundaries commission has seen fit to make major changes in the riding's boundaries.

The greatest strength of this constituency, and indeed of all Canada, lies in its people of various cultural heritages and backgounds. The quality of the lives of all Canadians has been enriched by the number of cultures that have joined to form our society, and it is important that we maintain this rich cultural heritage while adapting to changing conditions in Canada. I believe in Canadian unity and will play any part I can to ensure that this unity is maintained in every sense of the word.

I was appalled, as were most Canadians, at the recent comments of the Minister of Transport (Mr. Marchand) and of the Prime Minister (Mr. Trudeau) which attempted to create an issue by accusing our party of dividing the country. To make Canadian unity a partisan issue is very dangerous indeed and can only create problems, not solve

them. I am sure that every member of this House is here for the primary purpose of keeping Canada unified and it seems to me that the Prime Minister, with his recent remarks, might be better suited to govern a single province rather than the whole of Canada.

Some hon. Members: Hear, hear!

Mr. Jelinek: At this time I would like to take the opportunity to add my congratulations to the Speaker on his re-election to the House. As a new member, I can only say how highly he is regarded by the many hon. members I have talked with. I look forward to his guidance which, along with all new members, I will certainly be needing in the weeks and months ahead. I would also like to congratulate the hon. member for Halifax-East Hants (Mr. McCleave), who I know will do justice to his position as Deputy Speaker.

I would like to congratulate the Prime Minister, as well, on the second big romance of his life. Even though I am new to the House, I have been told that romance and politics do not mix. I am sure that his first romance will have a long and prosperous life, unlike the second which is doomed to failure.

As we all know, Mr. Speaker, some of the greatest problems facing us today are the continuing rise of inflation, unemployment and the general instability of our economy. I can think of no better example than my own business experiences during the Trudeau years to demonstrate the many flaws in the government's over-all economic policies. Unfortunately, my experience is not an isolated example but is a far too common happening in Canadian business today. I started a small manufacturing company some years ago. In the first three years we realized a substantial growth to over $1 million in sales, providing over 50 new jobs for Canadians. By the middle of 1971 business had become very active and we reached even higher sales which required us to expand our facilities. For this we needed further financing. Up to this point it sounds like a perfectly healthy business situation.

The crunch came when we approached chartered banks, and finally the Industrial Development Bank which theoretically was created to promote the economic welfare of Canada with particular consideration to the financing problems of small enterprises, in other words, to help small businesses across Canada and thus stimulate a healthier economy. It took us close to a year to obtain a relatively small loan from the IDB, which cost us in legal fees nearly 10 per cent of the loan. Our collateral to the IDB was almost four times the value of the loan. As a matter of fact, it took so much for collateral that if I had told them my grandmother had gold fillings in her teeth they probably would have wanted those as well. On top of all that, the interest rate was 11½ per cent. I do not call that helpful to anyone.

Eventually, like many other Canadian manufacturing companies lacking growth capital in order to create jobs, curb inflation, and generally in a small way help the over-all Canadian economy, the American sharks were biting at our heels. To make the story short, we were finally offered to be bought out by an American firm that had already been offered the required capital for the takeover by the same Canadian bank that had turned us down, to stay Canadian. In other words, it is the same old story of being bought out with our own money. Fortunately, they made me an offer that I could refuse.

Some hon. Members: Hear, hear!

Mr. Jelinek: We have taken note of the fact that small business failures in Canada in 1972 were at record levels and the trend is continuing in 1973. The over-all level of business failures for some months was the worst since the depression, We have taken into consideration the fact that small business ownership suffers from lack of adequate capital, higher interest rates and excessively high taxation. We have taken note of the fact that the government of Canada appears to believe, as we do, that tax incentives granted to the larger corporations produce beneficial results.

As a means of promoting small business, our party has proposed, among other things, allowing Canadian citizens to deduct from their income tax half of any amount up to $5,000 invested in small Canadian companies. The Prime Minister's response to this proposal has been an interesting one. He has said that it would be inflationary. But of course, Mr. Speaker, you must remember that this is a statement from the same Prime Minister who told the nation last fall that he did not think the rise in food prices was a very serious matter because it was good for the farmers.

Also last fall, the Minister of Finance (Mr. Turner) stated, with respect to our proposal to encourage personal initiative and community enterprise, "it would provide an opportunity for some individuals to reap a rich bonanza . . . without meeting any demonstrated need of small businesses for funds." This is an insult to the individual and an affront to the business community. We have stated that there is a desperate need for incentives to the small business community in Canada to help it grow, while the Minister of Finance has said that small businessmen have not demonstrated the need. Well then, Mr. Speaker, who has demonstrated the need? Perhaps the government is demonstrating the need—the same government that estimated that the budget last year, for special services and outside consultants, was $531 million. These tax-supported consultants were superimposed on the public service of Canada. They have been described as arriving in Ottawa by the planeload every Tuesday and leaving by the planeload every Thursday. The government has advisers advising advisers and consultants consulting consultants. The government of Canada today has the most serious case of "the files" in its history. No one knows what they do; it is secret and confidential. We only know the cost.

With four years of investigating, analysing, consulting and advising, why was there not a policy for unemployment insurance that was not a recipe for bankruptcy, a policy for economic independence that would satisfy someone other than the Secretary of State for External Affairs (Mr. Sharp), and why was there no policy for small businesses at all? In my opinion there is no logic in a policy that would allow the unemployment insurance deficit to soar to such unbelievable heights while ignoring the key areas in the economy that would greatly assist in the creation of jobs.

It is fine to hear all of these problems mentioned in the Speech from the Throne after ignoring them for four years, but the government's sincerity to act on the multitude of topics it outlined is questionable, particularly in view of the fact that the government and its new friends in the House even refused to take care of the most pressing problem of the old age pensioners, a problem which is long overdue for solution.

• (1750)

Let me say, Mr. Speaker, even key Liberals no longer believe the present government can solve Canada's economic problems. For example, Charles Templeton, former leader of the Ontario provincial Liberal party, a strong voice for the Liberals in the media for many years and an organizer and strategist for the Liberals, admitted on his radio program on CKEY last week in Toronto that the archaic principles followed by the Liberal government cannot solve the problems of unemployment and inflation, and that the Progressive Conservatives should form the government.

Some hon. Members: Hear, hear!

Mr. Jelinek: Mr. Speaker, turning to an area that is of importance for the general physical and mental well-being of all Canadians, in this regard I was happy to submit a private member's notice on January 4 of this year which reads as follows:

That this House, affirming that Canada should adopt physical fitness and athletic excellence as a major national goal—as well as for the health and general well-being of Canadians as for the contribution which a successful sports program can make to Canadian unity and to the Canadian identity recommends that a national council for sports be established which would support and co-ordinate the activities of regional training centres to be built in various areas of Canada by the federal government in consultation with the provinces, sports governing bodies and community groups.

I was interested to see that the throne speech stated:

In response to the increasing importance of fitness for the well-being and health of Canadians and the need for greater opportunities for people to participate in sports activities, the federal government has proposed over the next three years to more than double the current level of expenditures under the fitness and amateur sports program.

I was puzzled, however, Mr. Speaker, that no mention was made in the throne speech of the world international event, the Olympic games, an event that not only tightens national unity within a country but, indeed, attempts to bind together all countries around the world. We all know that today's magnitude of the games could become a costly proposition and thus, most probably, a problem with far reaching consequences. I suggest that the government, even though it has been in constant touch with the various Olympic organizing committees, has been most obvious in trying to evade this issue, and therefore I should like to make some suggestions regarding this matter through this House.

Realizing the possibilities of incurring high costs, we must look for some options or alternatives. The Olympic Games in recent years have become much too large and complicated, both in regard to facilities and the number of participants, to be held in any one city. They are no longer the games consisting of a small scattering of individual athletes, as was the case a decade or so ago when I was lucky enough to represent Canada at the Olympics.

I believe that Montreal is the city best able to cope with the multitude of problems that would be faced by staging the games in Canada. However, because of the costs and added possible benefits to our country, we should consider partially decentralizing the games somewhat along the lines of the Munich Olympics, which in fact took place in as many as seven different cities, one as far away as 550 miles from Munich.

For example, Mr. Speaker, do we have to spend hundreds of thousands of dollars on gymnastic facilities? No; Laval University, in Quebec City, has one of the best sports complexes in North America. Do we have to spend millions of dollars on an Olympic pool for swimming and diving? No; Winnipeg has the country's best, and the Etobicoke Jaycees near Toronto are in the process of planning one, with no government aid.

Ottawa-Hull has one of the world's finest shooting ranges. St. Catharines has the only Henley rowing course in Canada—the world's finest—on which the federal government has spent hundreds of thousands of dollars. Kingston is made to order for sailing, and Toronto, with its large ethnic population alone, is ideal for soccer; and on and on—to save money and to promote good will, to reap benefits by permitting larger proportions of the Canadian population to benefit both monetarily and socially by seeing and feeling their part in the Olympic games, and to boost tourism, both on a short-term and long-term basis, whether it be through travel, accommodation or gaining international reputation and Canadian self-esteem.

The facilities alone must eventually be built across different areas of Canada as this country has already committed itself to holding no less than seven major sporting events of national significance before the end of 1976. These are the Canada games in 1973, the Canada Olympics in 1974, the PanAmerican games trials in 1975, the Canada winter games in 1975, the Canada Olympic games trials in 1976, the Canada Olympics in 1976 and the Olympic games in 1976.

Mr. Speaker, if Montreal were to agree to somewhat decentralize the games, I believe that the Olympics would provide more than tourism, facilities and international esteem. Starting now, the Olympics could be, and should be, the rallying point, the stimulus to make the people of Canada physically fit. When you consider that Canada's 30-year old males have the same physical fitness rating as some 60-year old males in Sweden, it is shocking. I am glad to see the government is getting off its seat, though very, very slowly, to help our spectator populace to do the same. Looking around the House, I would suggest that this is one instance where some members should take notice.

I know that in the minds of many people it is important to win medals in the Olympic games, and I suppose it is. However, I do not believe that a vast program of financial aid over the next four years to train our best prospects for 1976 is the whole answer. Athletic excellence at the Olympics should not be our only goal—physical fitness and health for everyone should be our main objective. We will

only be successful at the Olympics or in any sporting event when athletic excellence by a few is part and parcel of general fitness for everyone. I know of no better incentive for such a program than the Olympic games themselves.

In closing, Mr. Speaker, I would like to change to yet another topic of immediate importance, that of capital punishment. Although I will vote on this matter as the majority of people in my riding would have me vote, my own strong, personal views can best be summed up in this radio editorial given by Mr. Robert Holiday last week on CHFI in Toronto, following a recent incident in that city:

Another policeman is dead, another woman widowed, another son fatherless, another bill to abolish capital punishment, another provision that killers of policeman be hanged.

The single death of a policeman is not likely to make any difference to the majority of the Members of Parliament who will be voting on the capital punishment legislation.

There are in this country too many people that believe hanging for murder is cruel and inhuman punishment for a man or woman convicted of such a crime. These people, it appears, have no regard for the victim or victim's family. That argument, however, I will leave for another time.

What makes this new five-year ban before parliament so meaningless and what makes me bristle, is the attitude of the federal cabinet during the five-year ban which has just expired.

There was a provision for capital punishment to be levied against convicted killers of policemen and prison guards, but was a man so convicted during this five years ever hanged? He was not.

The new legislation prepared for this new twenty-ninth parliament has a similar provision.

But of what use has this provision if the federal cabinet during the next five years refuses to recognize the will of parliament and again, as it has in the past, vetoes that legislation and commutes the death sentence imposed on the policeman or prison guard killer? Men and women hyped by speed and armed with weapons walk our streets with violence in their minds and murder in their hearts. You and I walk these same streets unarmed, protected only by the men recruited to keep law and order and when these men give their lives while protecting our lives and our property, who pays? Does the law of the land demand payment? Yes, it does.

Who then should have the right to abrogate that law? The federal cabinet, in an aberration for which there is no sensible reason and which cannot be justified, does and has exercised that right repeatedly. It is time to re-examine this masochistic trait. We teach people that the age of maturity is 18. If a person after he or she reaches that age chooses to become an operative outside of the mainstream of society and is convicted of killing a man who maintains the law of the land, you cannot justify commutation after you attempt to justify life for this miserable human.

You are doing an injustice to those who live within the law and to those who maintain it. A killer has no right to inflict his presence on this society after he has been sentenced to death for the murder of a policeman. For if he lives, he is living proof that society has no desire to protect itself or protect those hired to protect lives and property. To let him live makes a mockery of the law, makes a mockery of those who enacted the legislation and those who elected the enactors of the legislation.

• (1800)

Thank you, Mr. Speaker.

The Acting Speaker (Mr. Boulanger): Order, please. It being six o'clock, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

[Mr. Jelinek.]

AFTER RECESS

The House resumed at 8 p.m.

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, it is indeed a great privilege to rise in this House at this time to make my maiden speech and to speak for the first time on behalf of the voters of the constituency of Toronto-Lakeshore whom I have the honour to represent. The sense of occasion is for me enhanced by my recollection that my grandfather sat in this House some years ago for the constituency of Welland. He was elected in the years 1925, 1926 and 1930 and to this day George Pettit remains the only Conservative to have won the constituency of Welland since the year 1896. I only hope that some of his obvious ability to engage and retain the confidence of his electors will have passed on to my generation.

As a teacher of political science, I have had occasion in recent years to refer to the importance of the office of Speaker and the skill of the present incumbent. In extending my congratulations to the Speaker and the Deputy Speaker, I can only say that since coming here my views of their importance and skill have been reinforced.

Since the election, many commentators have sought to explain what took place and to analyse the collective motivation of the voters on that occasion. Tonight I simply want to add my observations and say that, in my judgment, for many voters, both in my constituency and across the country, the election was a collective search for fairness. I believe that people in great numbers felt that somehow the social and economic system pressed upon them unfairly. Many people were defeatist and apathetic about the possibility of effecting substantial change. Successive government failures, both by Liberal governments and by their Conservative predecessors, rendered voters cynical and indifferent to the possibility of change. I suggest, aside from any partisanship, that such an attitude is not good. We, as parliamentarians, must produce and show the voters in this country that the political process is capable of solid achievement.

In a number of areas this sense of unfairness and a collective groping for a fairer system manifested itself. Wage and salaried employees, and these constitute the great majority of our labour force, knew almost instinctively that the tax system in Canada was pressing upon them most heavily while at the same time other groups enjoyed tax allowances and concessions of no visible social utility, and that the revenues produced by the tax system were in large part being funnelled to individuals or enterprises better off than the average citizen.

Canadians across the country in this election campaign knew instinctively that they were paying more than their fair share of Canada's taxes and that they were, and indeed still are, getting less than their fair share in return. There is nothing much very new about this, but in an age of slogans about equity and justice it sticks in the craw. Moreover, it erodes people's sense of willingness to contribute of themselves and of their resources to the collective well-being of the country. When that willingness to contribute to a country's well-being is worn away, a nation's strength is sapped. For that reason, as well as for the reason of equity, I believe, as my leader pointed out on so many occasions during the campaign, that this parlia-

ment must attach a high priority to the restructuring of our taxation system, to the end that individuals and enterprises together pay their fair share; no more and no less.

Some hon. Members: Hear, hear!

Mr. Grier: I suggest that this sense of unfairness was also felt in the field of unemployment. All of us today recognize that unemployment is very largely caused by factors beyond the concern of the ordinary worker. It may be caused by ill-advised anti-inflation policies such as those produced by the Liberal government in the years following 1968. It may be caused by the introduction of new plant and equipment technology which has the effect of causing layoffs. I may say that in the constituency of Lakeshore this winter there will be numbers of persons laid off for this reason. It may result from the hasty and ill-considered rationalization and consolidation of plants and industry, a consolidation and rationalization which was suggested, if not in this House at least following the general election, by the hon. member for Don Valley (Mr. Gillies). This, too, can create hardship and result in a loss of jobs. It may result from a reduction in product demand, as was the case last week in my constituency where a firm employing upward of 500 people announced that its doors would close on May 1.

When people such as these are rendered unemployed by circumstances beyond their control, they are all too frequently called lazy. Their incentive to work is called into question. Indeed, they are sometimes called bums. They are harried by an unemployment insurance machinery which, while it may have been conceived in good will and while it may be overworked and harassed by some critics, none the less all too frequently operates with indiscriminate and impersonal inefficiency.

Some hon. Members: Hear, hear!

Mr. Grier: It is ironic to compare the meagre benefits allowed by that system with the pension entitlement which a suddenly unemployed Member of Parliament with a major attachment may claim.

Another area of unfairness that surfaced in the campaign was that of housing. This area has been mentioned by other hon. members. In cities like Toronto, new, expensive homes, be they single-family or apartments, boost the housing starts statistics but they offer little consolation to ordinary working families who do not have the means to qualify for them. Not for them a new home in Toronto with a starting purchase price upwards of $37,000 or $38,000, or an apartment with a monthly rent of $250 to $275. Their alternatives are few. Alas, in my constituency the alternative is too often to move outside the riding to ex-urban communities to the west and northwest of Toronto. Thus, among other things, they deprive the constituency of a new generation of leadership to which it ought to be entitled and without which it cannot continue the sense of community which has sustained it so far.

• (2010)

Too often, older homes which could provide accommodation for many thousands of people are allowed to be bought up for apartment developments. I can say that in our constituency we are making a determined effort to control this phenomenon. But it leads me to urge upon the government the necessity to provide NHA loans to those who wish to purchase existing or older housing.

Some hon. Members: Hear, hear!

Mr. Grier: In the absence of such a provision, I cannot see any hope for reversing the present trend in urban housing. I also urge upon the government the necessity of introducing measures to reduce the interest rate on mortgages for homes. In this connection I should like to quote from a letter I received yesterday from a constituent of mine:

> We bought a small family home in January, 1969, with $2,000 down payment. The first mortgage is at 8¼ per cent and expires October, 1973. The second is at 9 per cent and expires January, 1974. We pay our mortgage payments exactly on time. To afford the high payment we live an unbelievably simple life. We have no car, we stay always at home.
>
> We find out we paid almost nothing into the house during four years. High interest took almost all the money. We have paid up to the present time, for both mortgages, $11,300; $8,000 is for interest and $3,300 for the house. Increased interest will make this picture even worse.
>
> We want very much to keep our home. But now we are in danger. When mortgages expire and interest increases, what will be? We can never pay off the house. The interest is inhuman. We are not young any more, and we need to pay off the house during 10 to 15 years. But how? With high interest it is not possible. Please help us to get a government loan with low interest. Our dream is to put together the first and second mortgages with low interest. It is only possible with government help. Please try to understand us and please help us. We are worried; we do not want to lose our home and many years hard work. Our income is $6,000.

Mr. Speaker, I shall have to reply to that letter by saying that unless the present government takes steps to provide lower interest rates on mortgages, such hopes may be forlorn.

Another area of concern is that of pensions. Older people wait while almost all others, not least elected politicians and not only at this level, are able to increase their income and their pension. This waiting and this concern, this apprehension and frustration is, I am afraid, often cynically explained either at election time or, I regret to say, by manoeuvres like that proposed in this chamber the other day.

Another area of unfairness toward which voters in this election groped for a solution is that of prices. Steadily rising prices press upon the average working family, and yet when one asks why prices are going up, one is treated to sophisticated rationalizations from the corporate world, from public relations types and others who can all too often bamboozle and confuse the public. Labour costs are frequently blamed, but the public has up to now been denied the facts. That is why I welcome, albeit with reservation, the proposal presented by the government in the throne speech to establish a committee to investigate food prices and the food industry. I shall be surprised if they do not come to the conclusion—I hope it is a swift one—that they are forced to recommend a prices review mechanism at the very least of the kind which has been proposed on many occasions by our leader and other members of this party.

Some hon. Members: Hear, hear!

Mr. Grier: I may say in passing, Mr. Speaker, that I for one tend to be sceptical of the recent trend toward consumerism which is so evident in today's advertising and so much part of the public relations façade of contemporary industry. I am sceptical that it is as much as anything else an effort to lull the public into a sense of security that something substantial is being done to preserve their equity in the market place, without taking any real steps to solve the problem.

Also in passing, Mr. Speaker, I have some hesitation about the concept of wage-price freezes because, neophyte as I may be in the science of economics, it does not seem to me that wages and prices are comparable elements in the economics equation. Wages are the return to labour and profit is the return to capital and investment, and price is the mechanism by which these two returns are achieved. Therefore, I would suggest that if we are going to talk about wage freezes and wage controls we must talk also of profit freezes and profit controls.

Some hon. Members: Hear, hear!

Mr. Grier: These are the analogous, the comparable elements in the economics equation, and the price mechanism is simply the framework within which they are achieved.

When I talk of prices, Mr. Speaker, I think of the symbolic significance of the recent application by Bell Canada before the Canadian Transport Commission for rate increases. It seems to me, in a time of expressed concern about rising prices, that it is somehow curious that this government should take such a laissez-faire attitude toward the application by Bell.

Some hon. Members: Hear, hear!

Mr. Grier: The burden of Bell's application appears to be that it requires equity capital and that it faces a lack of investor confidence. If it raises its rates, as it is seeking to do across the board, it will presumably ensure higher earnings and provide a greater attraction to investors. The effect of this, however, will be that consumers will pay more; they will subsidize Bell's profits and reward Bell's investors. Of course, the double irony is that having achieved, if they do so, the rate increase for 1973, Bell will within a matter of months turn around and submit another application for a rate increase for 1974—the so-called application "B". The effect of Bell's "A" plus "B" theorem—

Some hon. Members: Hear, hear!

Mr. Grier: —will be a 100 per cent increase in most general service charges, 100 per cent in pay telephone calls, and residential phone tariffs will increase by around 50 cents a month, just to take some examples from the various applications submitted by that corporation. Yet Bell's last increase was awarded in the spring of 1972 and we appear to be on the verge of an annual affair between Bell Canada and the Canadian Transport Commission. Bell complains about cost squeezes and lack of investor confidence, but I draw to the attention of this House that the figures show that Bell's profits in 1971 were upward of $140 million, up from $108 million in 1967. In the last ten years, total profits were over $1 billion, and between 1962 and last year they had increased by 125 per cent.

Bell Canada ranks number one among Canadian corporations in terms of assets and in terms of net income; third in rank by sales. It has often exceeded the earnings ceiling laid down by the commission and has done so without penalty. Its earnings per share rose 26 per cent in the five-year period from 1966, and two of its subsidiaries received close to $9 million in the fiscal year 1971-72 by way of federal government grants.

Bell has a lot to say about equity. Mr. Speaker, what about equity for the consumer? Equity is another word for fairness. I suggest that the commission and this government must be more concerned about equity for the Canadian taxpayer and the Canadian consumer than they are about equity for Bell Canada. If the public is going to subsidize Bell's operations in this way, I suggest the public is entitled to equity in return.

• (2020)

I therefore call on the government, as I have in questions in days gone by, first to join with the provinces of Ontario and Quebec in opposing Bell's application for a rate increase. The Minister of Communications (Mr. Pelletier) indicated in a reply to a question last week that he could conceive of certain times and circumstances in which it would be appropriate for the government to make a statement about this application. I suggest the time is now and that the circumstances are appropriate.

I also call upon the government to insist that the CTC hold hearings in centres other than the city of Ottawa. Many individuals and groups, including municipalities, have indicated that problems of distance, time and expense prevent their coming to Ottawa and following up any written briefs they may have by appearing in person before the commission. In a matter of this magnitude, affecting one of the largest corporations in Canada and Canadian consumers, it does not seem to me inappropriate to suggest that the committee should take itself out of Ottawa to other centres of the country and make it more convenient for people to appear before it, thus demonstrating to the people that it is indeed concerned that their voice shall be heard to the fullest extent.

Moreover, I suggest that if Bell's problem is a valid one, and if in fact Bell must have more capital in order to carry on its operation, then in consideration for the public supplying this capital the public should be entitled, through the public sector and this government, to some equity ownership in Bell.

This search for fairness is not over. It is going on now in the country and I think it is going on now in this House. I sense that a politically divided House, as this is, reflects a politically divided country—and both require a generous measure of co-operation. Yet I am bound to say, with some regret, that hon. members to my right are acting as if this were a majority parliament and as if criticism and gamesmanship could be carried on without fear of the consequences and without particular concern for the anxieties of many Canadians who expressed those anxieties during the election campaign. This gamesmanship and this political manoeuvring, to me, belies their expressed concern for people's problems. For all their criticism of

the government, much of it justified, about speeches from the government side being less than specific, I am bound to say that the speeches from the Progressive Conservative benches have been even less specific.

If it is specifics the House is looking for, I suggest all members, including those of my own party, are obliged to present them. I am quite sure that Canadians want parliament to get on with the job, and if no single party has a mandate—and indeed no single party has—then surely parliament itself has a mandate. We, as members of the House of Commons, are under a stong obligation, if not to put partisan advantage aside, because that would be unrealistic, at least to contain it within limits so that we may in the coming weeks and months pass some solid legislation.

I think a party indecently anxious to get into power does neither itself nor the Canadian people a service, if I may presume to say so. I detect a faint resemblance between the behaviour of members on the Conservative benches in this House and members who sat on the Liberal benches in 1958 and repeatedly asked the government of the day to move aside and let them do the job. No party won this election, and certainly the Conservative party did not win it. I think all of us are obliged to bear that in mind. Mr. Speaker, it may be naïve and presumptuous of me, as a new member, to hope that recriminations and exceedingly political gamesmanship can take a back seat for the next weeks and months—but I do.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Maurice Dupras (Labelle): Mr. Speaker, it is always with pride that I address this House on behalf of the constituents of Labelle to whom I want to pay homage and express my gratitude for the confidence they showed me October 30 last in reelecting me as their member and representative in the House of Commons.

[*English*]

Before I go any further, I should like to extend my congratulations to the preceding speaker, the hon. member for Toronto-Lakeshore (Mr. Grier) who was making his maiden speech. I should like him to know that in spite of the fact I may not agree with the whole substance of his speech, I thought he acquitted himself beautifully in his maiden speech.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Dupras: First, your Honour, I should like to join with the previous speakers who paid tribute to the Speaker upon his unanimous re-election. Several members before me recalled his great qualities and his sense of humour and at the risk of embarrassing him, I should like to express my admiration and the high esteem in which I hold him, that are inspired by his ability and his fair-mindedness.

Those congratulations that are offered every day to him are a tribute to the voters of his constituency of Stormont-Dundas, for the wise choice they made in re-electing him for the fifth time.

Their pride is only natural considering, Mr. Speaker, that they are represented here by one of the most prestigious figures in the history of the House.

I wish to pay tribute also to the gentleman who was elected Chairman of the Committees of the Whole, the hon. member for Halifax-East Hants (Mr. McCleave), a choice which already meets with the approval of all four parties. It is also fitting to emphasize the altruism his party displayed in depriving itself of the services of such an excellent member.

Mr. Speaker, may I also be allowed to extend my best wishes to the Deputy Chairman and Assistant Deputy Chairman of the Committees of the Whole (Messrs. Laniel and Boulanger). Of course their task is fraught with responsibilities and they will have to rely on the co-operation of all hon. members.

Like the previous speakers, I should like to pay tribute to the movers of the Address in reply to the Speech from the Throne (Messrs. Blais and Blaker) who showed much self-assurance and eloquence in the discharge of their duty.

I should like to congratulate also all the new members, be they of this party or of any other, on their election and I wish them a fruitful and constructive career in this House.

Mr. Speaker, I should also like to congratulate the lady members of the House. I cannot help saying how much their presence improves the look of this august assembly, and if those ladies should follow the example of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) I am convinced that they will serve with distinction.

As for the members of the opposition parties, I consider that it is only fair to let them assert their right to represent their electors in the House with as much energy, aggressiveness and loyalty as we do as government members.

• (2030)

[*English*]

However, some of the new members on the opposite side lost no time in showing by their contributions and their behaviour that they believe the quality of their contributions and the value of their interventions is measured here in terms of decibels.

Mr. Rose: That is not very nice.

Mr. Dupras: Unfortunately, some of these members even had comments to make regarding our front row. Perhaps I, too, could make some comments on the front row facing me, a row which may be called a row of broken dreams. As you know, Mr. Speaker, no less than five members in this row were turned down, were denied at one time or another the leadership of their party at five different conventions; so it seems that the electors failed to recognize their hidden talents. Some of these ex would-be leaders have shown already in their interventions how wise their party members were to deny them the leadership of the party.

In the short two years that I have been a member of this House, I have learned very quickly to become greatly involved in the activities here and I have developed a deep

attachment for this institution. I soon discovered how quickly we develop a sense of solidarity toward one another, regardless of party line, and it is with this in mind that I make my contribution this evening. I would like to believe that my views and ambitions are shared by the majority of hon. members. I know, also, that I might risk offending some of my electors if the comments that I make are anything like the ones that I heard the other day.

This brings me to the question of how people reacted when they read the speech that the newly elected hon. member for Saint-Hyacinthe (Mr. Wagner) delivered to the House the other day. It was not very inspiring. I imagine that he is much more interested in what the newspapers had to write about him than what his electors may think of him. This emphasizes the wisdom of the delegates at the Quebec Liberal convention when they denied him the leadership of the party.

A great deal was made of the film produced by the Liberal party and used during the last campaign. The hon. member for Saint-Hyacinthe mentioned that the stars in the film were three doves and one or two sparrows. Some people have no talent for posing. Some people even observed that we did not have a peacock in the film.

• (2040)

[*Translation*]

In his remarks on the Address in reply to the Speech from the Throne, the Leader of the Official Opposition (Mr. Stanfield) asked among other things, whether the province of Quebec and the Atlantic provinces found the Trudeau government satisfactory after four and a half years in office. I cannot help but being astonished by such a question when the number of Liberal members from these provinces has increased at the last election. This shows without any doubt the support enjoyed by the government of the Prime Minister (Mr. Trudeau) and its politic and constitutes of course a clear and obvious statement of appreciation. Therefore, the question of the Leader of the Official Opposition is not even justified.

Among other things, the Leader of the Official Opposition gave a gloomy picture of our economy by reminding us of the latest available figures which show that more than 600,000 Canadians are jobless or supposedly unemployed. This is far from the record number registered in the province of Quebec in 1960 under the last Progressive Conservative government when unemployment reached 10.1 per cent. What he failed to say or did not want to say is that our economic performance is expected to make of 1972 a record year in terms of gross national product, bank savings, wheat sales, export, the effects of which we can see every day.

He should also have told us that our gross national product has, for the first time, exceeded $100 billion this year and this represents an 11 per cent increase over 1971.

He also failed to state that consumers have been spending much more and that in spite of this they have saved more. The purchase of durable goods has been stimulated mainly by the building of new homes which will reach this year an all-time high with slightly over 240,000 units.

[Mr. Dupras.]

Furthermore, our economic indicators are showing an all-time percentage increase, and I quote some examples as published in the excellent monthly publication of the Provincial Bank of Canada.

In retail sales, we are showing an increase of 14.1 per cent over the first eight months of last year; in exports, an increase of 10.7 per cent over ten months; in imports, 20.3 per cent, again over ten months; in housing starts, an increase of 7.5 per cent.

Mr. Speaker, we are quite far from the dramatic situation described by the hon. Leader of the Opposition. Suffice to mention, for example, the record sales disclosed by the large chain stores during the last holiday period, figures which reveal unheard of results concerning the sales increase registered by these stores during this period. This prosperity, Mr. Speaker, is found in all areas.

You could read in a weekend magazine that each Canadian had spent more than any other citizen of any other industrialized country in 1970 for international travel--$68. In second place came the Swedes who spent $62 while the Americans, for the information of hon. members, spent only $20.

For a population of slightly over 20 million people, Mr. Speaker, we are certainly, percentage-wise among the most numerous people in the major tourist centres around the world, be it in the Alps, in the South Seas, in the Southern United States or Central Europe.

One has only to remember that when the Russian hockey team came to Canada, very few Russian citizens accompanied their team, while no less than 3500 Canadians—from an alleged slow growth country—accompanied Team Canada to root for them. This, Mr. Speaker, is another proof of the tremendous buoyancy of the Canadian economy which provides every Canadian with a standard of living higher than the standard of most industrialized countries in the world.

While really satisfactory, such a performance, Mr. Speaker, does not keep us from looking toward the future and from attempting, through new mechanisms, to improve on a continous basis the living conditions of all Canadians, western Canadians and eastern Canadians alike.

Upon reading the Speech from the Throne I cannot but be pleased about the great many measures to be found in it, which will be brought before the House next week in order to bring amendments to measures already foreseen, to clarify others already initiated that can now be carried out.

The Minister of National Health and Welfare (Mr. Lalonde) informed us in his speech of last Thursday of some new projects to reopen the file in the federal-provincial field of social affairs. Such measures are the results of much thought on the part of the minister and the care he brought to the consideration of these projects permits us to believe that they will come up to the expectation of the various provinces with a view to assuring the welfare of the people concerned in these programs.

Some steps are already being taken, for instance additional credits have been authorized for LIP projects as well as for training on the job programs. Those two programs have received unanimous acceptance and approval

across the land and they contribute immeasurably to creating jobs.

What about the measures proposed to stimulate tourism in Canada? They are an additional proof of the prosperity of our economy. When we consider that in 1970 every Canadian citizen spent $68 on international tourism, we realize that we must do everything possible to prevent those amounts of money from being spent abroad. We must at all costs stimulate the tourist industry at home and enable our Canadian industries to benefit from the many advantages tourism offers.

Mr. Speaker, as I am fortunate enough to represent a riding whose main industry is tourism, needless to say those programs stir considerable interest back home.

A large number of my constituents already have plans to improve their facilities; several already have projects for expansion and are very anxious to know all about the measures we intend to take to help that industry which is so important in my constituency.

In another field, Mr. Speaker, the Minister of Industry, Trade and Commerce (Mr. Gillespie) told us what he intends to do to help small businesses by means of new provisions to improve management services, consultation services and to ease the access to financial help. This will certainly be most welcome all over the country and it will be an opportunity for us of the central government to help those industries employing no less than 32 per cent of the Canadian manpower.

Another important measure is intended to strengthen the very foundation of the country's economy and it will show that the government is in favour of a fair relation between the price of feed grain used by cattle breeders in different areas of the country. The government, Mr. Speaker, intends to take measures before the next farming season to ensure fair marketing prices for the producers of eastern Canada.

Again last week, and as he has been doing since 1962, the hon. member for Lac-Saint-Jean (Mr. Lessard) asked that such steps be taken. When we read a speech he delivered in 1962, we now realize that he was asking with much energy that the government take all possible measures to ensure a fair distribution of feed grain all over the country. He mentioned the progress made by several producers of the Lac Saint-Jean area on a co-operative basis in the field of slaughtering and butchering and he added that their turnover was continuously growing. At that time, he was already saying that the major problem which the producers had to face was that of distribution and costs of feed grain. Maybe I am too readily happy to see that the problem that the producers of eastern Canada have had to face for so long will be solved, we hope, during the coming weeks.

However, a solution can be found provided hon. members belonging to the four parties in this House co-operate and concur.

You will probably be hearing about this matter within the next days as we, who represent the province of Quebec, will not yield an inch and will not accept a negative reply to our repeated requests since 1962.

Many other initiatives of as great importance to living conditions in Canada were mentioned in the Speech from the Throne and will no doubt be debated within the coming months.

In conclusion, Mr. Speaker, I should like to speak of matters more closely related to my electors and my riding. I want to inform my colleagues that last Friday, January 12, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Marchand) and I were present on the occasion of the transfer of titles to the La Macaza Base from the Department of National Defence to the Department of Indian Affairs and Northern Development. The educational centre of La Macaza is part of a program announced jointly on June 8, 1972 by the Department of Indian Affairs and Northern Development and the hon. Secretary of State (Mr. Pelletier).

The program dealt with funds made available to native people for creation and operation of the educational and cultural centre. This centre, we were told, was conceived in order to allow Indians to study in an appropriate environment consistent with their own culture and special needs. This program is mainly aimed at enabling the native people served through that centre to take decisions about the management of programs, educational methods and any other activity connected with the operation of those centres.

This program, as was indicated, is an answer to the request of Indian groups to the federal government in order to ensure the survival of their culture. We have quite rightfully answered those requests.

In a joint statement, the ministers said that the centres were a unique opportunity for the native people to understand and appreciate better their present and historical part in the Canadian community. They added that the cultural consciousness and autonomy of the native people would be stimulated and developed by the creation of training facilities which are very important to them and to the whole of Canada.

The establishment of this centre is for us, of the riding of Labelle, a most fortunate solution, as it was stated several times. The closing of the Bomarc base at La Macaza represented for this area the loss of the second major employer. It will be recalled that the operation of this military base required a civilian staff of at least 80 people. I am thinking also of the goodwill that the presence of 200 or 300 families of military personel could mean for the region. The area was therefore exposed to considerable hardship after the closing of this military base and its very economy was jeopardized.

I am very happy about the transformation of the military base and I would like to express all my satisfaction for having contributed to a certain extent to accelerate the negotiations so that the population of that area would not have to suffer too much from the closing of the base.

I would also like at this time to draw the attention of my colleagues on the more than warm welcome the people of my area extended to the Indians. Not only did the residents of Annonciation and La Macaza have a warm welcome for them but they already consider them and accept them as a part of theirs.

So, Mr. Speaker, may I be allowed at this time to pay special tribute to the people of my riding and on behalf of all Canadians I thank them very sincerely for their con-

duct, for the way they welcomed the Indians and for their contribution to national unity.

Mr. André Fortin (Lotbinière): Mr. Speaker, first I would like to congratulate you on the confidence you most certainly deserve from all your colleagues, our party included, for the heavy burden of presiding over our proceedings. The situations sometimes critical we have to live through in this House can only be solved by your tact, your competence and most of all your fairness. I want to assure you on behalf of my party of our co-operation at all times so that our proceedings can benefit the whole population we have the honour to represent.

Mr. Speaker, I would like at the outset of my remarks to congratulate the hon. members for Rimouski (Mr. Allard), Charlevoix (Mr. Caouette) and Drummond (Mr. Boisvert), three new colleagues we welcome to this House. All our colleagues have seen their eloquence and their sincerity when participating in the work of this House and their will to contribute to improve the lot of all citizens.

Mr. Speaker, I should like also to congratulate the movers of the Address in reply to the Speech from the Throne (Messrs. Blais and Blaker), and to assure them of my admiration as it is not always easy to put forward more or less acceptable proposals.

Mr. Speaker, I was the most surprised man in the world on coming back to the House for a second term by the tone of the debate on the Address in reply to the Speech from the Throne.

That Speech from the Throne is perhaps the least rational of all the ones I have known, but perhaps the most practical of all. What all that will come to, whether it will be translated into action or not, all that remains to be seen.

Mr. Speaker, all hopes are permitted. As a Social Credit member, I am happy to see not only that the Minister of National Health and Welfare (Mr. Lalonde) is considering a guaranteed annual income for a group of citizens but that our ideas winning acceptance. Therefore it is not as stupid as the former Minister of Regional Economic Expansion (Mr. Marchand) said it was during the election campaign. I realize now that things are changing, which gives us heart to keep on with our work.

But when I heard the Leader of Her Majesty's Loyal Opposition (Mr. Stanfield) and the Leader of Her Majesty's Loyal Government attacking one another to know who was the most in favour of national unity or the most against it, I was disappointed to say the least.

When we listen to the speeches of the members from the Maritime provinces, what do we hear? If they are from the Progressive Conservative party, we may be sure they will criticize but if they are on the government side, they say all is for the best in the best of all possible worlds.

But to be honest, let's forget about the rhetoric and realize that they are saying: "If things are not going well in New Brunswick, it is on account of poverty, lack of employment, misery in the midst of abundance and a surplus of potatoes".

I see this moves the hon. member for Saint-Hyacinthe (Mr. Wagner) to laughter because when he went there to collect votes they were raising potatoes. Nevertheless people in the Maritimes say that if things are going badly it is because they have a surplus of products, for which they find no buyers and that therefore the federal government is to blame and even perhaps the people in Quebec, perhaps even also Westerners who are getting too much.

When you hear Opposition members who come from the west, since one can no longer speak of Liberal members from the west, you get another version. They speak the same language as the others, English. Things are going badly for them because they have a wheat surplus and the government is to blame for that surplus, because it failed to make enough sales and its distribution machinery is inadequate.

This afternoon I heard a highly eloquent Progressive Conservative Party colleague repeating the same old tune he has been singing since he has been here, Mr. Speaker, saying that everything the Liberals sold was bad and that the only good wheat is the one the Progressive Conservatives have sold. Yet, if things are going badly in the Prairies it is because there is a surplus of wheat.

On the other hand, when I come to Quebec I see that for Quebec farmers also things are going badly, not in English but in French. They are going badly because of a surplus of milk, of butter, of cheese and there is a shortage of feed grain from the west because it is too expensive.

Then there is the problem of potatoes and the problem of eggs in Ontario.

In other words, Mr. Speaker, the economy of Canada, protected by the Grits and Tories over the past 100 years, has contributed to the division of our country to the extent that today you would swear we have Upper Canada on one side of the House and Lower Canada on the other, as a result of the October 30 election.

• (2100)

Mr. Speaker, I am really disappointed at seeing that the basic problem does not lie with language but rather with the economic situation and that most hon. members are accusing one another on the plea of language difficulties and because of French power while forgetting the economic problems which our people have to face.

I believe that this statement may cause a number of hon. members to laugh, but I shall remind them that in the constituency of Lotbinière we are faced with a problem which is the same in almost every riding. Personal initiative as well as work is not encouraged in Canada, and I call on my colleagues' good conscience to make the following reasoning. For the older person who is entitled to the old age security pension at the age of 65, we wish to bring the eligibility age down to 60. The act states that the older person is entitled to the same basic amount at the age of 65 and that if his income is not sufficient the government grants him a guaranteed supplement which will reach the incredible maximum of $150 a month. If this older person wants to help school boys cross the road, works for the school board and gets a certain income, what does happen? This older person must declare such income and therefore his guaranteed income supplement is reduced. Each dollar earned by this person means $1 less in supplement. Such is the principle of present rules and governments. They stifle a man's initiative and seem

to tell him: "My friend, sit down in your house, smoke your pipe, don't make a move and you will get $150." But if he tries to help himself, this plan developed by mad people—and I weigh each of my words—will take some money away from him. No wonder these people are fed up. This is only because these people, although they are aged, are still willing to go on working to earn a living even in small part-time jobs because they are still ready to help themselves.

Mr. Speaker, our philosophy in this House is negative. With our bills, individual initiative is discouraged. What about young people? Let me deal with the opposite end of the age structure. What about our students? If a student has worked all summer to help himself and his parents and applies for a federal or provincial scholarship, he is told on a nice little grey slip of paper, because this is rather sad news, "In view of the income you earned during the summer, we regret to inform you that you are not eligible for a scholarship. However, you are eligible for a loan on such and such terms." All this because he worked all summer and received an income. The other student who is in the same grade and lives on the same street but was unable to find a job or did not want to work—both cases are possible—will ask for scholarship and he stands a pretty fair chance of obtaining a full scholarship because he did not have any income during the summer.

Mr. Speaker, this case is similar to that of aged persons—the student who wants to help himself is not entitled to a scholarship. The student who takes life easy or does not get an opportunity is discouraged; he becomes worn out and dependent on others as the aged person.

What about the person who is between the young and the aged, that is the unemployed? Some say that there are 500,000, others 600,000. Some Liberals maintain that under the Conservative government they were more numerous, while the Conservatives say that under the Liberals there were more. Then, while they are having a good time counting them, I should say: Why don't you name them? If we must enjoy ourselves, let us have a ball. But they forget to try and find solutions, and then to analyse this matter.

What happens in the case of the unemployed? First, they make complicated laws, just as stupid as the minister who introduced them. Second, they close local offices and centralize to the extreme throughout the province. In fact, all cheques must go through some electronic machine. They create local, then regional services in Sherbrooke, Trois-Rivières and Quebec City. And what happens to the citizen in Victoriaville who is stuck with unemployment?

Mr. De Bané: Yes.

Mr. Fortin: The member for Matane (Mr. De Bané) says "Yes" because the same situation can be found in his constituency.

I was saying that the unemployed from Victoriaville must dial a long distance call to Sherbrooke at his own expense. He must go to Sherbrooke to appear before an arbitration commission often at his own expense. He must complete forms which he often does the wrong way because of a lack of communication. As a result anyone who became unemployed on November 1—in the mad system we were imposed— is still waiting for his first cheque on January 1. Chances are he did not receive his cards regularly either.

Mr. Speaker, the jobless in such a situation goes to his member of Parliament or any official in his union to make the best of it and the problem is immediately settled. I wonder how it is that a member of Parliament is able to settle a problem immediately whereas the poor taxpayer cannot succeed but must wait for his cheque. Is it that only Parliament members are able to handle a civil servant that should be at the service of all citizens without any distinction?

It often happens that the jobless worker entitled to unemployment allowances receives a letter from the local unemployment insurance centre worded as follows: Dear Sir: In view of current administration problems and the substantial amendments made to the Unemployment Insurance Act and in view of the fact that an increasing number of people are becoming eligible for unemployment allowances it is our regret to inform you that we are not in a position to pay your allowances immediately.

Sometimes, he is the father of five, six or seven children. His situation may appear funny tonight, but suppose you take his place? He is told in the last paragraph: In the meantime, call at your local social welfare office where, under an agreement between Ottawa and Quebec, you will probably get temporary help, even though a refund may be required eventually.

So the unemployed potters along. In the meantime, he has exhausted his savings for he was a labourer. There are thousands of people in a similar position in this country. Therefore, he goes to the local office and falls on his knees before the officials, stoops, begs for a meager allowance, signs a refund pledge and gets $300 which he has soon spent, and then the unemployment insurance benefit arrives. What happens then, thanks to the great generosity of all those officials who have a good time counting the unemployed instead of trying to settle their problems? When the unemployed man receives his cheque, he looks at it carefully, has it photocopied in order to keep some remembrance of the government's generosity, signs it, and then brings it to the social welfare office to repay his loan.

Mr. Speaker, that is how a man's initiative is stifled, how he becomes dependent on the state and a radical. I shall say bluntly that the number of people who become dependent on the various levels of government is ever increasing and that the number of those who have to pay the costs for administration of the various levels of government and to support such a large number of unemployed is becoming smaller and smaller, with the result that the governments are facing a problem of overtaxation. Their income is not sufficient and they ask for wage increases. Then we are running around like mad yelling that this disaster is caused by inflation, unemployment, Liberals, Progressive Conservatives, English-speaking Canadians, French-speaking Canadians or the unemployed.

Finally, the number of Liberal members decreased from 147 to 109 and the Progressive Conservatives also

failed to obtain a majority. And the question is asked, who will lead the country?

• (2110)

Mr. Speaker, I will say, using perhaps a picturesque language—I may be teasing you in passing—that all this shows that the basic problem in our country is not a problem of language, of a lack of will to work, of a lack of desire to co-operate in building our country, but an economic and monetary problem. As long as we will find it amusing to divide ourselves on superficial questions and the problem of distribution of wealth is not tackled, as long as English Westerners will keep their wheat the French-speaking people will claim that it is the fault of the English-speaking who will say "Goddam French power", and we will not get anywhere.

Mr. Speaker, I would like my colleagues to reflect on that question and try "together", as a certain slogan that became fatal said, to think about it and come up with positive conclusions. Let us help and set examples for one another in parliament by stopping attacking one another, dirtying one another under the cover of national unity and let us really tackle the problems.

Mr. Speaker, for four years, from 1968 to 1972, this government enjoyed a majority and did so arrogantly. At a given point, the guillotine was brought down on us under Standing Orders 75A, 75B and 75C to avoid answering our questions. I also remember the famous roster system for ministers during the question period and a number of similar situations where members of the opposition were ignored. Now, after the election it is strange to see ministers recognize and salute us. The Progressive Conservatives recognize and salute us. I cannot understand why. And the government has become more conciliatory with the provinces. We realize more and more, as a colleague from the Liberal party said, that there was a time when the government used to propose and dispose, but now the government proposes and the House disposes. Here we are on our two feet again under a totally democratic regime. It feels good for a young member finally to breathe some democratic air in the House.

Mr. Speaker, we hope that our work and our proceedings—and we hope that legislation will be brought in as soon as possible—will enable us to prove to the people that members are serious, that they work and produce. The Canadian population is expecting great things from us: it expects us to come to grips with real problems.

In view of the election result, I contend that it is not the Progressive Conservatives, the New Democratic Party or the Créditistes who have defeated the government but rather the bureaucrats who in their ivory tower believe that they can do anything and who do not give a hoot about what people want.

Let us think for one moment: should those who do not understand the act on unemployment insurance—let us assume it is good—should they apply it? The members and the civil servants must understand the act. The same could be said of old age security pensions, family allowances and all government programs. We are told about creating jobs, LIPs, wonderful programs, so they say. I have in mind two projects that were accepted a month ago. The civil servants called the interested parties and told them they could go ahead, that they would receive some money. They launched their projects and have been working for nothing since. At the same time, the Department of National Revenue wrote to them asking them to pay income tax on the salaries paid.

People come to see us. They ask what to do. Simple: the civil servants of one department are as stupid as those of another. That is what it proves, Mr. Speaker.

I may be a little blunt but time has come to quit fooling around and reach an understanding.

The government will have to show some maturity, act responsibly and call its civil servants to order. Whatever the advantages may be of the bills passed in this House, if the government does not train the civil servant who applies them, the Canadian people will continue to be served as badly as it now is; and there will surely be no change.

That is why, Mr. Speaker, that important point should also be considered. I do not wish to monopolize the time of the House any longer, for I am eager to start studying the bills the government seems to have the intention of putting before us. But before closing, I should like to call the attention of my colleagues on a particular point.

There is a proposal to extend the limits of our electoral districts, to redraft the electoral map—if one wishes, one can put in claims—in order to nearly double the area of ridings.

Mr. Speaker, the Lotbinière riding for instance includes three provincial counties: Arthabaska, Nicolet and Lotbinière. According to the new map, Quebec's representation would be reduced from 74 to 72 members and almost all of Mégantic county would be added to the Lotbinière riding. If we consider for a moment the number of provincial members in my riding, we find there are three at the present time, and according to the new map there will be four, each having two secretaries and an office.

We of the Federal Parliament serve the same population as these three members and we have neither an office nor a secretary in the constituency, and no telephone link with Parliament. This is absolutely ridiculous. Mr. Speaker, one could think we still live in Noah's era. Nobody seems to be interested in that problem.

By re-electing 15 Social Crediters, the Canadian population is teaching a lesson to my opponents. The former Minister of Regional Economic Expansion, the right hon. Prime Minister (Mr. Trudeau), the hon. Minister of Indian Affairs and Northern Development (Mr. Chrétien) and many others have paid a visit to me and to the hon. member for Bellechasse (Mr. Lambert) who thanked them for their visit by saying that they were a great help to him, leaving him free to go and help other Creditiste candidates.

In spite of the predictions, more Social Credit members were elected. The members of this House should realize that the Social Credit vote has increased and that it will continue to increase. Why? Because the Social Credit members, since 1962, have given a lesson to the other members. We may not have diplomas as the other members, but we are hard-working. In our constituencies, in our offices, we look after our people every week-end. We ask for their views, we send them circulars; they give us

their views and then we rise in the House to express them. Since 1962, the Social Credit members have joined ranks to form a team with the purpose of bringing the elected closer to the electors, of bringing the administrator closer to the administered and of seeing to it that democracy in our constituencies is really a living thing.

This is why, Mr. Speaker, we are so responsive that, as far as I am concerned, I intend to categorically oppose the adoption of this new electoral map by all parliamentary means at my disposal, as long as the government fails to understand the importance of giving members of all political parties the proper means to serve the population they represent. The people expect services from us and the government should give us the necessary tools to enable us to render these services. "Give us the tools and we will do the job" as our English power friends would say.

Mr. Speaker, this is an important point and, with regard to our parliamentary behaviour—at least mine—I would like to make clear to all my colleagues that, whatever the situation in the House, I am not here to topple the government, nor to protect it. I was elected in my constituency and my expenses were $2,500, made up of quarters given to my electoral fund by workers. I was democratically elected and I intend to act freely. I thank my leader for allowing me to speak freely according to my conscience.

Mr. Speaker, I am pleased to see that we have a minority government, because it shows that democracy is sound and that there is always room for a free member in the House, whether the government has a majority or not. This is the main thing.

Mr. Speaker, I would like to have enough time to complete my comments even if many ideas come to my mind.

The government says that it wishes to create employment and to control pollution. I would like to remind the Minister of Public Works (Mr. Dubé) that he should try to be more active than his predecessor and realize that the St. Lawrence, one of the great inland seas in the world, is completely polluted. It is a real disaster.

The government should revise its position and study the possibility of improving the shores of the St. Lawrence between Montreal and Quebec at least so that this natural resource of our country may be developped and freed from pollution.

Several fishermen all along the river have lost their jobs. The waterfront land in the municipalities of my constituency is being eroded. The highway has become a public danger because of landslides. However the government says: This is not a priority; there is nothing we can do. Yet, it has before built some supporting walls and some ports. So even if it were only to help these municipalities I do not see why the government would not revise its policy in this regard. It would then kill two birds with one stone: while fighting pollution and improving the river banks and the beauty of certain historic sites, it would contribute to the creation of jobs and would enable municipalities to carry out public works which have become an urgent necessity.

Mr. Speaker, I would like to thank you for your kindness and assure you of my co-operation in the future.

[*English*]

Mr. Jake Epp (Provencher): Mr. Speaker, let me join other hon. members in congratulating you on your re-election as Speaker of this House. Your concern for and consideration of freshmen members was known to me long before I had the honour to take my seat as a member of the House of Commons.

It is a singular honour for me to represent the historic riding of Provencher. Provencher was created at the time Manitoba became a province in 1870. The first member to be elected for Provencher was Louis Riel. It goes without saying that our first representative made a lasting contribution to western Canada and, more specifically, to Manitoba. Still, it is my hope that my fate as the representative for Provencher will not in any way parallel that of Louis Riel.

• (2120)

Provencher is a riding which is not typical of western Canada. The Canadian shield skirts the riding in the east and the north. We are the possessors of timber resources and mineral resources in these areas. We have been blessed with farmlands right across the constituency and we are a major supplier of agricultural products. Tourism, also, is making itself felt as an economic factor, and especially in the eastern section of our riding tourism is becoming a big thing. Nevertheless, regardless of other factors—and we welcome diversification—agriculture remains the backbone of the rural constituency of Provencher and agriculture is my major concern.

While our geography might not be as typical of Prairie ridings as might be expected, Provencher is typical of western Canada in one respect, and that is in its multicultural mosaic. We count French-Canadians, Ukrainians, Indians, Anglo-Saxons and Mennonites as major groups comprising the total population of our area. Added to these groups, Mr. Speaker, are many other nationalities which have given us the contribution of their culture. The hallmark of these people has been co-operation with each other. While we hear so much today of various interest groups, I submit that in western Canada we have learned to live together. A person should not be judged by his national background or the background of his forefathers but, rather, by the contribution he is willing to make to our country.

Some hon. Members: Hear, hear!

Mr. Epp: We all have different backgrounds, but first we are Canadians. This is the country that gave our forefathers a new home. Hence, since taking my seat in this House, Mr. Speaker, I have been disturbed by the statements made by the Prime Minister (Mr. Trudeau) and the Minister of Transport (Mr. Marchand). At a time when reason and understanding should prevail, they have taken it upon themselves, in an attempt to explain the losses they encountered at the polls on October 30, to suggest that these losses were due to an anti-French attitude held by many Canadians, specifically those of western Canada. As a western Canadian, I simply do not accept that criticism. Historically, it is not a correct statement that we have been anti-east or anti-French.

Since the time of the British conquest, the duality of Canada, with its French and English peoples, has dominated the political considerations of the day. At the time of confederation, agreements were reached that Canada would have two official languages. Federalism was adopted which allowed for the preservation of the cultures of the two peoples. Especially was this preservation sought by the citizens of Quebec and, I would suggest, Mr. Speaker, by the citizens of Manitoba in 1869 and 1870. Added to this duality were the many nationalities who came to Canada, especially in the 1890s and the turn of the century, and again after the two world wars. Canada became a haven for them, a haven of religious and political freedom, a land of opportunity, a land where they could be equal and a land where they were not judged by their background or the accent with which they spoke the language of their new country. They were judged as human beings and people of worth. While we have had our differences in the past, these differences were not nearly as great as the bonds of friendship and the desire to live together as neighbours.

Since October 30, various political experts, self-styled, or otherwise have been saying that a great division exists between the English and the French in Canada. In Provencher we have a larger number of French-Canadians. They want the rights that are theirs by law, they want the rights that are theirs by tradition; but they are not using these ambitions as divine means to achieve an illusory goal.

There are those who argue that areas outside of Quebec voted against what is referred to by some as French power. The same people say that French-Canadians voted solidly for the party in government because it was the only party which cared for Quebec. It is argued that our party, following historic tradition, received a negative vote from the people of Quebec. While some of these observations may be partially correct, Mr. Speaker, the effect of such divisive statements, comments made in this House and attitudes that have been expressed by some, will be to create further division. It is a division which says simply that confederation is no longer workable: it says that we cannot live together any longer. I categorically reject these prophets of doom, and this House cannot be a party to such matters.

Some hon. Members: Hear, hear!

Mr. Epp: I therefore submit, Mr. Speaker, that the Prime Minister should not take it upon himself to create division. I see his statements as being an attempt at possible short-term political gain. Rather, he should immediately make his legislation known to this parliament and to the people of Canada. What does he plan to do about inflation? What does he plan to do about unemployment? Especially, what is he willing to do for people who are on fixed incomes, old age pensioners and people who are seeing their savings depleted each year because of the inflationary trend?

The Speech from the Throne also indicated that this government, the Prime Minister in particular, have suddenly become painfully aware of the western presence. I would like to read into the record part of an editorial which appeared in the Winnipeg *Tribune* of Monday last:

The Prime Minister's program seems based on the assumption that the west was motivated by envy. We were upset at all the goodies that were going from Ottawa to central and eastern Canada, and we wanted our place at the jam pot. If he's not exactly giving us that, then at least he's spreading a little jam our way.

But there are other reasons why they might have turned against the Liberals. It may simply be that a lot of voters disliked the mystery men they elected in 1968—not only the Prime Minister but the many new backbenchers who came into office with him. It may have been their faces, their style or the cut of their clothes that turned the voters off. If that's the case, the people who think that way may well be angered that the men they voted against are clinging to power. The more the government uses its power to try to placate them, the angrier they may become.

Assuming the voter is a more rational beast, he may well have been upset not because his part of Canada was getting too little from Ottawa, but because the other parts were getting too much. Mr. Trudeau, after all, was the politician who promised Canada that there would be "no more of this free stuff". Those who believed him then are bound to be disgruntled now. Whether he can buy them off by passing out some of the "free stuff" to them as well remains to be seen.

I place special emphasis on the final paragraph:

In a moment of candour, Mr. Trudeau admitted not long ago that he has been unable to understand western Canadians. The election proved him right. The question now, despite the throne speech, is whether the prime minister now understands why he has been unable to understand the west.

Rural depopulation is an issue of great concern to us in western Canada. The economy of western Canada has always leaned very heavily on agriculture and on businesses which service this industry. The western farmer has consolidated; he has changed his methods and become more efficient. Thus, he has survived, not because of government programs but possibly, despite them. He has survived because of his own efficiency and his own enterprise.

Provencher is a good example of the new western agricultural community. We produce a major part of the poultry, beef and milk needed by the province. This is due to willingness on the part of our farmers to take risks and to expand, and it is a tribute to their enterprise that success has come their way.

• (2130)

One program that does not help preserve the family farm is the capital gains tax which was instituted by the government. While we in this House and people right across rural Canada decry depopulation of the rural areas, we virtually make it impossible for sons to buy the farms of their fathers. Many of these young men and women, especially in western Canada, want to continue farming; it is a way of life they want to preserve. Yet despite certain government programs they are having great difficulty doing so, due to high interest rates and difficulty in obtaining low-interest loans. And now we have this destructive capital gains tax which is forcing young farmers to give up their ambition to farm, and find jobs in our urban centres. If we are seriously concerned about rural depopulation, we should tackle the problem at its source.

The Department of Regional Economic Expansion was designed to establish new industries in economically depressed areas. This was going to be the great panacea for western Canada. We were going to be ushered into the

industrial age, we were going to create satellite industries in farm areas and have more jobs in rural Manitoba. The aim of this program was, of course, the creation of jobs.

While some success is being experienced in Provencher due to DREE programs, it has always been my contention that if grants are to be made available, small businesses in rural areas should be eligible for them. These people have invested their work in the community; these people have staked their lives on their communities. It is private initiative and personal enterprise that provides employment; the government cannot provide the employment that private enterprise provides. I submit, therefore, that rural depopulation can only be arrested in part by encouraging local business to expand. This type of expansion creates long-term employment rather than the band-aid approach that we are again receiving from members opposite.

I understand that DREE is committed to a policy whereby only two centres in Provencher are designated as growth centres. These areas will be eligible for grants. Yet there are many small communities in my riding which are growth centres because of the drive and the initiative of the people. I submit that it is hardly fair for me to go back to these areas and say to the people that I am sorry, but they are not eligible for grants because technocrats in Ottawa have made the decision that they will not grow.

The technocrats in government are saying that most rural areas are not going to survive or, if they do, they will survive without any government help. This policy is wrong and discredits the work and aspirations of the people working in rural areas. Instead, the government should give direct tax incentives to people investing in small rural businesses, in order to encourage growth. It is the responsibility of government to create an atmosphere of confidence in which individuals are willing to invest in these businesses. A decision made by DREE seems to have been that Provencher is similar to other prairie regions. For example, there is rail abandonment in some areas and some communities are finding it difficult to survive. I suggest there are communities in Provencher that are surviving and they should be eligible for DREE grants. They should be considered as growth centres and should be given the credit which is due.

Therefore, I do not accept the criticism, especially from hon. members to my far left, that only business interests will benefit from investment in small businesses. Today an insidious attitude prevails in the minds of many, that as soon as incentives are given to business, the ordinary citizen is being taken advantage of. These people say that surely more money could be spent on various make-work programs.

I submit that the free enterprise system is the only long-term employment creator—employment created on the basis of production and the ability to sell on markets subject to supply and demand. This is beneficial to all Canadians and all people in the work force. I would reiterate what we have been saying throughout the election campaign, that less money should be taken out of the private sector through various forms of taxation and put into the public purse but, rather, the reverse should take place. Let us leave more money in the hands of the private investor: he will invest it in Canada because of his personal drive.

In conclusion, it is with deep humility that I, as a member of the House, have the honour to be one of the first Mennonites to be elected to this House. Next year, in 1974, we will be celebrating the centennial of the first settlement created by Mennonites in Canada in the town of Steinbach, Manitoba. We are but one of the many ethnic groups beginning to plan similar celebrations.

I should like to thank the minister responsible for multiculturalism for his comprehensive report to the House last night. Canada gave us the opportunity to practice our faith in the manner we believe to be right, and we are thankful for the contribution we have been able to make in return. Since 1967 we have been re-creating a fitting memorial to commemorate our past; a replica of a Mennonite village, circa 1870s, is being built. One of Steinbach's first industries was a wind-driven grist mill. This mill attracted people from all over southeastern Manitoba. Today a replica of the first windmill stands on the same museum grounds.

On behalf of all the people of Provencher, I extend to members of this House and the constituents they represent a hearty welcome to come and visit us in 1974 when we particularly want to return thanks to God and our new country, Canada, for the freedoms and opportunities which were given to us.

Mr. Judd Buchanan (London West): Mr. Speaker, like my colleagues, I should like to congratulate you. I share the feeling often expressed over the last few days, that you have earned our respect and affection for the manner in which you have carried out your duties as the first commoner. This is not only true of your performance when presiding in this chamber; it is also true of the discharge of the many other obligations which fall upon you as Speaker. I should like to extend my comments to include Your Honour's wife, who has proven herself an extremely gracious and charming person in the performance of your many duties.

We have developed the same high regard for Mr. Deputy Speaker and we are certain that he, too, will bring honour to that post. I should also like to compliment my two colleagues who moved and seconded the address in reply to the Speech from the Throne, the hon. member for Lachine (Mr. Blaker) and the hon. member for Nipissing (Mr. Blais). I envy these two hon. gentlemen the facility they possess in each of our official languages. They were fortunate to be raised in an environment where from childhood they were exposed to both languages. It is far more difficult for active and busy individuals such as Members of Parliament and civil servants to acquire ability in a second language later in life.

I share completely the thoughts expressed by the hon. member for Témiscamingue (Mr. Caouette), the leader of the Creditiste party, in believing that the only way we will truly make significant headway in the area of two languages is to make available to all young Canadians, second language education starting the moment they begin school. I strongly support the programs of the Secretary of State (Mr. Faulkner) to provide assistance to provincial departments of education in developing this capacity for second language training in our school system throughout Canada.

• (2140)

Rather than commenting generally on the contents of the Speech from the Throne, I would prefer to limit my remarks to the proposals which dealt with the broad area of foreign economic involvement and, on the other side of the coin, measures dealing with the encouragement of Canadian business. There is no doubt about the concern of Canadians with the present level of foreign penetration of our economy and its implication for Canada's long-run prospects for national independence and economic growth. A report of our colleague, the Minister of Consumer and Corporate Affairs (Mr. Gray), dealing with foreign direct investment in Canada, and the Ontario report of the interdepartmental task force on foreign investment, dealt at some length with the extent of this penetration.

Let me summarize. Throughout Canada, foreigners control 63 per cent of our manufacturing, 62 per cent of our mining, 99 per cent of our petroleum refining, 83 per cent of our oil and gas industry, 97 per cent of the automobile industry, 90 per cent of the rubber industry, 78 per cent of the chemical industry, 77 per cent of the electrical apparatus industry, 90 per cent of the computer industry and 92 per cent of the aircraft and aircraft parts industry. The penetration continues with approximately an additional 500 corporations being taken over in three years, 1969, 1970 and 1971. No other significant industrialized nation of the world has permitted such a high degree of foreign control in its economy.

The large industrial nations, such as West Germany, Japan, Great Britain and France have controls that make Canada's absence of such controls, by comparison, look absurd. So do middle nations such as Australia. Australia has recently undertaken even more strict controls than they have had in the past. Even developing nations such as Peru, Chile, Liberia and Guyana have strong regulations relating to foreign ownership. Of course, so do countries such as Switzerland, Norway, Sweden and Mexico.

We are unique in the world in permitting such a situation to develop. The rationale for permitting such a high degree of non-Canadian ownership has been that the new foreign capital has given strong stimulation to our economic growth and contributed to our high standard of living. One has difficulty squaring this belief with the fact that Canada's growth performance has been only average among OECD countries, according to the OECD's own analysis, in spite of the fact that Canada's net indebtedness increased by $23 billion between 1945 and 1969.

Another perplexing aspect of this situation is that the so-called new foreign capital is now virtually non-existent. We Canadians, to all intents and purposes, now completely finance the sale of our own economy. The Ontario report which I mentioned earlier points out that in Canada only 10 per cent of the funds absorbed by U.S.-owned affiliates in the period 1963 to 1968 came as new inflow from the U.S., whereas approximately 86 per cent was generated in Canada.

This trend of Canadians financing the takeover themselves increased in the period 1965 to 1969. During this period Canadian banks and our bond markets tripled the financing of foreign subsidiaries in Canada. It is obvious that our own Canadian-controlled financial institutions have been using the savings of Canadians to underwrite the foreign takeover of our economy.

The Gray report underlines the fact that we have as much development capital as we need, if we would use it properly. This fact was underscored in a 1972 study by Shaw and Archibald of the University of Western Ontario business school which concluded that Canada had shifted over the past decade from being a net importer of capital to a balanced position, and more recently to the position of a net exporter of capital.

To re-emphasize, all studies and analyses indicate that Canada does generate enough savings to meet its own current capital requirements, if they were properly channelled. What is at fault is not the size of the pool of savings but, rather, the fact that our financial pipes are clogged. The funds are simply not getting into the hands, in adequate quantity, or our Canadian businesses and Canadian entrepreneurs.

Both the Gray report and the Ontario report deal with some of the other problems of foreign-controlled corporations. There is concern about the high concentration of basic decision-making in the economic sphere outside Canada. These decisions are made in the best interest, not of Canada but of the parent corporation's or parent country's interest. Obviously, these decisions may have a very direct influence on the number of jobs available in Canada and on the level of activity in our economy.

There is also concern about the concentration of the bulk of research and development activities in the parent companies. This results in substantial loss of jobs to Canada, particularly to the young science graduates of our universities. In addition, we often lose the benefits of the practical application of this research in manufacturing activity. Purchasing policies often tend to favour imports from affiliates rather than from competitive local sources of supply.

It is interesting to note that foreign-controlled firms in Canada import a larger percentage of their purchases of goods and services than do Canadian-controlled firms. Unfortunately, this trend seems to be increasing. This may have a cost advantage to the parent, but it certainly has an adverse impact on economic activities and employment in Canada. This also leads to the problem of concern about the manipulation of intracompany prices between parents and their subsidiaries, and of reducing profits of subsidiaries with the objective of moving the profit accumulation to the parent companies. This leaves considerable doubt as to whether the various levels of government in Canada are receiving their equitable share of taxes.

Mr. Speaker, so far in my comments I have tried to indicate the scope of the problem and why I believe we should be concerned. I suggest that in Canada in 1973 we have adequate amounts of our own capital without the need to import foreign equity capital. For these reasons, I was happy to note several proposals in the Speech from the Throne dealing with this very important subject.

The speech indicated that the government intends to enact measures to give aid to small businesses through new initiatives, to strengthen management and consulting services and to improve access to financial facilities. It

also proposed measures for the extension and improvement of the Industrial Development Bank. I look forward to seeing these measures.

As I mentioned earlier, there is strong evidence to support the belief that our capital generation is sufficient to permit us to attain our goals for economic growth. What is needed is the streamlining of our financial institutions so that we can properly channel our savings. If our financial institutions do not meet this challenge, I trust that the government will take whatever measures are necessary to make certain that they do. This is a vital cornerstone of our future economic growth. We are all too familiar with instances of Canadian businesses being sold out and the foreign buyer going to a Canadian bank for the funds to effect the purchase, bolstered by the credit rating of the foreign parent. This is the same bank which had previously denied these funds to potential Canadian purchasers.

The Speech from the Throne also proposed a review of research and development incentive programs to improve their effectiveness in permitting innovations in the private sector of the economy and the examination of patents, licensing and other policies related to technology.

One of the problems of a truncated economy like ours, as I mentioned earlier, is lack of a properly developed research capacity, with the resultant loss of jobs and growth. The Japanese have been significantly successful in exploiting licensing arrangements involving the use of foreign technology and know-how. These arrangements, I believe, would be more beneficial to Canada. As the Gray report suggested, they would permit greater Canadian influence over the industrial activity involved, while at the same time giving Canada the benefit of superior, foreign technological inputs. The licensee generally has much greater latitude in management, production, procurement, sales and pricing than subsidiaries.

• (2150)

The speech went on to promise measures to ensure further control by Canadians over their economy by the screening of foreign takeovers of Canadian-owned business, measures respecting the transfer of technology from abroad and access to it by Canadian entrepreneurs, measures to increase Canadian participation in the ownership and control of resource projects and, in consultation with the provinces, measures dealing with new direct foreign investment and the sale of land to foreigners. I am not certain whether this includes major new investments by existing foreign-controlled companies in Canada. I hope it does.

The speech also promises measures that will restructure the Canada Corporations Act, including a requirement that a majority of directors of federally-incorporated companies be Canadian. I have some doubt whether this is really significant, but it will do no harm and I believe that symbolically it is important. I am delighted to read of these proposed measures in the Speech from the Throne, and I look forward with great anticipation to seeing them become reality. I hope, and I am optimistic in this respect; that they will live up to our expectations.

There are many other ramifications in this broad area. The question of tax policy vis-à-vis Canadian firms, the subject of various forms of incentives to Canadian-controlled firms and our financial institutions are ones I look forward to discussing during the budget debate. I would like to conclude by reading a quotation from the report of the interdepartmental task force on foreign investment, as follows:

—the question must be asked whether we do not delude ourselves by believing that we can retain one of the highest standards of living in the world by relying on imported technology, imported entrepreneurship, imported economic initiatives, imported trade marks, and imported patents and licences. Will we be able to compete in manufactured products without bringing genuinely Canadian products and processes into the world market, under Canadian patents and trade marks? These questions should cause us to give thoughtful consideration to the distinction between economic growth and economic development, and to increase Canada's direct responsibility for its own economic progress.

Mr. Morgan: Mr. Speaker, may I call it ten o'clock?

The Acting Speaker (Mr. Laniel): Order. Is it agreed that we call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

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

PUBLIC WORKS—FLOODS—ASSISTANCE TO PEOPLE WITH PROPERTY ON NORTH SHORE OF LAKE ERIE DAMAGED BY HIGH WATER LEVEL

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, as recorded in *Hansard* of January 11, I had an opportunity to ask a question of the Minister of Public Works (Mr. Dubé) regarding damage done to property on the north shore of Lake Erie, caused by the high water levels in the Great Lakes. As recorded at page 174 of *Hansard*, I asked:

Mr. Speaker, in view of the high level of water in the Great Lakes, particularly Lake Erie, which has resulted in considerable damage to farm land, cottages and marinas, would the Minister of Public Works have his engineers advise the people in the area of Long Point on the north shore of Lake Erie how they may get temporary relief in the form of either advice or financial assistance?

I recognize that there was not time to develop the question that I had in mind during the question period, so tonight I am pleased to have the opportunity to expand on what I was trying to get across to the minister. I also appreciate the fact that he is here in the chamber to listen to my representations and that, hopefully, he will take note of them.

The problem is one dating back to historic times. Property owners on the shores of all the Great Lakes have always had to live with the fact of erosion, which in particular affects the sandy clay on the shores of Lake Erie. This erosion is caused to a greater or lesser degree by the rise and fall of the water levels of the Great Lakes. Normally, these people repair the damage that is done,

but on occasion the erosion of farmlands on the north shore of Lake Erie has been drawn to the attention of the federal minister of public works and the provincial government. To date, no assistance has been forthcoming for the farmers.

The cause of the present situation is aggravated out of all proportion by the abnormally high levels of water in all the Great Lakes. In Lake Erie, the water level is 42 inches above normal and is 27 inches above average for this time of year. With severe wind storms, the raging fury of the waves has destroyed farmlands on a scale never before witnessed. The waves have destroyed cottages, marinas and have even damaged public docks and piers.

Let me deal more specifically with the magnitude and extent of the damage along the north shore of Lake Erie. This area extends through the length of my riding and through the ridings of Elgin, Kent-Essex and Lambton-Kent. Incidentally, the hon. member for Lambton-Kent (Mr. Holmes) has a number of questions on the order paper, directed to the Minister of Public Works, seeking assistance similar to that about which I am speaking. The hon. member for Huron (Mr. McKinley) has also witnessed and experienced the same type of damage along the shores of Lake Huron. Even the Minister of Agriculture (Mr. Whelan) the hon. member for Essex-Windsor, knows about this situation.

In my riding, in the township of Houghton the damage has been as severe as that elsewhere. The island of Long Point, a sand spit which stretches out 25 miles, almost halfway across Lake Erie, has suffered severe damage. Places such as Port Ryerse, Port Dover, Nanticoke and Peacock Point have also suffered extensive damage. In the township of Houghton, a farm owned by Mr. John Balthes on the clay and sand bluffs, according to actual survey has lost 50 acres of high-producing farmland in 20 years. This land was worth $2,000 an acre, making a total loss of $100,000. It was good tobacco and orchard land.

The cottagers on Long Point have borne the brunt of the damage. The cottages there number 900, with an average value of $12,000, making a total value of $10,800,000. Marinas and highway construction in the area have also suffered damage. That means a considerable assessment on the local municipality. Some 50 of these cottages are in imminent danger. I have received letters from cottage owners outlining the plight in which they find themselves. The pier at Port Dover, which is the responsibility of the Department of Public Works, has also been damaged. I should point out Mr. Speaker, that the minister's engineers are on the spot, looking after the damage and repairing what they can at Port Dover harbour.

Dealing with solutions to this problem, I suggest that in the short term there should be some form of compensation to those people who have suffered maximum loss, perhaps on a cost-sharing basis with the province. This would cover a proportion of the disaster area at Long Point. I also suggest the erection of a breakwater at some of the more vulnerable spots. The province of Ontario is already dropping stone into Lake Erie to protect Highway 59. The government should also consider subsidizing the cottage owners to assist them in moving their cottages farther from the shores of the lake.

[Mr. Knowles (Norfolk-Haldimand).]

In the long run, Mr. Speaker, I think the level of the waters in the Great Lakes should come under the purview of the International Joint Commission. To that end I suggest that the minister should discuss this matter with the Secretary of State for External Affairs (Mr. Sharp), and our members on the International Joint Commission should be directed to co-operate with the American corps of army engineers who have made a serious and detailed study of the cyclical water levels in the Great Lakes. At present there are sluice-gates on Lake Superior which let the water run out of that lake. There is some control available at that point. There is an outlet from Lake Michigan through the Chicago drainage canal, entering the Mississippi River, which might be used to regulate in a minor way the level of water of our lakes.

• (2200)

Above all, Mr. Speaker, I think the minister might help to bring this matter into proper perspective if he could state the facts of the case from an authoritative point of view. Many of these people are being subjected to wild rumours of what can and what cannot be done. The minister would be rendering a service not only to the people concerned but to the Canadian people as a whole if he could state exactly what the situation is and what can or what cannot be done.

With all the sincerity I have at my command, I ask the minister to seriously consider this very, very serious damage at Long Point and see if some help cannot be brought to these people.

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, in response to the hon. member for Norfolk-Haldimand (Mr. Knowles) perhaps it should be stated, first, that there is at present no act of parliament which specifically provides assistance for the type of problem he has raised, namely, the rising of the water level of Lake Erie.

Problems of this nature and the measures to be taken for their rectification are the responsibility of the concerned departments of the provincial government. However, in certain cases the federal government can act on a specific request from a province. A decision to so act would have to be a cabinet decision. If, after any request, a decision to act were made, it would be by way of a joint interdepartmental committee. Aid in such case would be of two kinds; the first would be physical aid which is generally provided by the Emergency Measures Organization, and the second, financial assistance, is generally administered by the Department of Finance.

If funds were provided, that would be done on the basis of a formula which is derived from the physical capacity of the given province to cope with the problem. This formula is based both on population and total cost. Where the cost exceeds $1 per person, the federal government may assume the cost of such things as certain public works which can be identified, for example schools, and also certain losses for private property which were not insurable.

My advice to the hon. member for Norfolk-Haldimand is that he contact the provincial authorities and have them, as they see fit, approach us for whatever assistance they seek. Of course, our own engineers of the Department of

Public Works are always pleased to give whatever technical advice they can to individual property owners.

TRANSPORT—INQUIRY AS TO ACTION TO PREVENT CLOSING OF RAILWAY STATIONS IN WESTERN CANADA

Mr. Bill Knight (Assiniboia): Mr. Speaker, on January 8 I raised a question with the Minister of Transport (Mr. Marchand) and was appalled to find that he did not have an answer, and even seemed to lack any knowledge of the subject. In the interests of the House, I wish to raise the question again tonight. Mine was a supplementary question and appears at page 41 of *Hansard* as follows:

> Mr. Speaker, I have a supplementary question for the Minister of Transport. Can the minister inform the House whether his department is looking into the possibility of postponing the 1975 date for rail line abandonment, in conjunction with the problem raised by the hon. member for Mackenzie?

Mr. Speaker, may I inform the Minister of Transport that in western Canada there are thousands of miles of rail lines for which in the 1960s both the publicly-owned and the privately-owned Canadian railways applied for abandonment. In 1965 a moratorium was placed on those applications to abandon rail lines and branch lines. That moratorium runs out on January 1, 1975, and the applications are still with the Canadian Transport Commission. That is a fundamental question faced by western producers in terms of transport. We do not need more statements.

The Speech from the Throne outlines the idea of a conference on western Canadian problems. We need a clear statement as to whether the government contemplates an alternative for those farmers who, if the lines are abandoned, will have to haul their commodities farther if they are to meet the demand of international markets for their goods.

May I point a few things out to the minister and to the new parliamentary secretary, whom I congratulate on his appointment. I am sure he will attempt to do a good job. May I point out some facts relating to my constituency, Assiniboia. The two railways have applied to abandon 650 miles of track. The abandonment can become effective after 1975 when the moratorium is lifted and the Canadian Transport Commission allows it.

During the past ten years, on average more than 22.5 million bushels of grain each year have been carried over these tracks. That amount of grain would have to be trucked. If that were to happen, about 11.7 million bushels of elevator capacity would be closed down. As elevators close, other farm services will disappear such as fertilizer and lumber supplies, and so on. Other farm services would be curtailed. You would see fewer stores, service stations, recreational facilities, and so on. Fewer amenities will be provided in small communities.

More than 5,100 farmers in Assiniboia alone would be forced to haul their grain over longer distances in larger trucks. Coupled with that would be extra wear and tear on the grid road and municipal road systems resulting from the use of larger trucks and higher taxes would result. On top of that, municipalities would lose between 50 and 60 per cent of their total tax revenue. Those losses would need to be made up by local residents.

This is the major question which the west faces. Not one branch line ought to be abandoned until the national government outlines a national transport policy which will ensure that the kind of service provided by the railways, whether by the profit-oriented one or otherwise, is adequate for producers to get their commodities to market. That must be the essential ingredient in any new transportation policy and it ought not to be forgotten. You cannot abandon rail lines wholesale, as was suggested by the MacPherson royal commission that was appointed by a former Conservative government.

Whichever of the two old line parties sits to the right of Mr. Speaker, it ought to know that the kind of action I have mentioned is necessary on the Prairies. Do not give us another conference. By the way, such a conference could be of great benefit in outlining some of our problems. If we are to assuage the fears of small communities, 650 miles of branch line in Assiniboia, for example, must be protected. Until there is a clear decision as to services for producers, those producers must be protected so that they will not need to bear the extra cost of grain trucking over great distances.

On the one hand, federal local initiatives grants are pouring money into the small communities; they are trying to establish recreational facilities. Provincial governments apply those grants to the building of swimming pools, curling rinks, and so on. On the other hand, the national government countenances the policy of rail line abandonment, a policy which is killing small towns. This question needs to be considered. Surely we need not wait until the turn of the century or until the 1980s to get an answer. This question needs to be answered by the government in the next year and a half. I look forward to hearing the hon. member for St. Boniface (Mr. Guay) on this matter.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the minister has already indicated his interest in meeting with the provinces on the matter of freight rates and other problems, including rail line abandonment.

TRANSPORT—AIRPORT—VANCOUVER INTERNATIONAL—RUNWAY EXPANSION—REQUEST THAT ENVIRONMENTAL IMPACT STUDY BE PROVIDED TO EXPROPRIATION HEARINGS

Mr. John A. Fraser (Vancouver South): Mr. Speaker, yesterday morning I asked the following question of the Minister of Transport (Mr. Marchand):

• (2210)

> Has the minister prepared any environmental impact study relating to the effects of the proposed new runway at Vancouver International Airport and, if so, will it be filed with the hearing officer and the objectors in time for consideration at the expropriation hearings which commence next Wednesday, January 17, 1973, in Vancouver?

The minister's reply was curious, because he seemed to think that these things were always done. He said, as recorded at page 276 of *Hansard*:

> Mr. Speaker, we are making an inquiry about expropriations, which has nothing to do with the environment.

I find that an incredible statement for the Minister of Transport to make. When you move a major runway on a major international airport half as close again to a heavily populated residential area, I cannot see how anyone can say that is not a move which affects the environment of the people living there.

Strangely enough, shortly after my question the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) asked a supplementary question of the Minister of the Environment (Mr. Davis). The Minister of the Environment said, as reported at page 276 of *Hansard* for January 15:

> Our basic policy is that we should prepare environmental impact studies and that they should be made available to the general public.

The hon. member for Burnaby-Richmond-Delta then asked the minister whether such studies had also been done with regard to the Pickering and St. Scholastique airports.

The reason this matter becomes important is that the expropriation hearing commences tomorrow. Under the new expropriation proceedings which were gazetted on October 7, there are 120 days to complete the process. Under the procedure, after the expropriation proceedings close the government then decides, as it properly should, whether the expropriation will be confirmed or abandoned. My point is very simple and straightforward. I would appreciate it very much, and I know that the objectors who will appear at this hearing would appreciate it also, if the minister would make available, as he is required to do under the statute, to the objectors and the hearing officer any and all environmental studies that apparently have been made. They should be made available in time for the objectors to study them for the hearing.

My second point is that if such studies have not been made—and that may be possible because the Minister of the Environment indicated today that although he was sure the studies had been made, he did not know where they were, or could not locate them—the minister or his parliamentary secretary should assure this House that the hearing will be adjourned until studies can be made and presented to the objectors before the hearing closes.

Lastly, if there was a study but it is not yet available, I ask that the hearing be adjourned until such time as the study is made available in sufficient time for the objectors to consider it and make their objections accordingly. I am not saying that there is necessarily an environmental danger as a result of moving this runway. I do not know. Until we see the effects of the study we will have no way of knowing. It is common sense that this study should be made available before the magic date of February 4, and you can count the days when the government has to confirm or abandon the expropriation proceedings.

I ask the minister or his parliamentary secretary to take immediate action on this question, to take steps to deliver the studies tomorrow, or adjourn the hearing if the studies have not been done, and have them done. This must be done before the time runs out.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): There is no special study, as such, being carried out, but because of our noise standards we are aware of the implications of noise pollution. This is taken into account in the over-all study of airport development, and in this case in the construction of the new runway. Liaison has also been carried out with provincial and municipal authorities on other environmental matters related to the new runway. We do not plan to make any report to the expropriation hearing, but if questions are raised on these matters, answers will be given.

Motion agreed to and the House adjourned at 10.19 p.m.

HOUSE OF COMMONS

Wednesday, January 17, 1973

The House met at 2 p.m.

THE PRIME MINISTER

EXPRESSIONS OF SYMPATHY ON DEATH OF HIS MOTHER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, the Prime Minister is not in his place today. I simply rise, not for the purpose of attempting any eulogy of the Prime Minister's mother, which would be very presumptuous of me, but simply to express on behalf of my colleagues and myself, though realizing that there is nothing of great help one can say in these circumstances, the deepest sympathy with the Prime Minister in the death of his mother.

Mr. David Lewis (York South): Mr. Speaker, may I just as briefly express on behalf of my colleagues and myself our deepest sympathy to the Prime Minister on the death of his mother. I had occasion once to watch the Prime Minister on television and to learn with what affection and respect he regarded his mother. Even though most of us did not have the opportunity of meeting her when she was alive, we feel deeply for the Prime Minister.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, my colleagues and myself join the Leader of the Official Opposition and the leader of the New Democratic Party in extending to the right hon. Prime Minister our most sincere sympathy on the occasion of the death of his mother. We all know that the loss of a mother is a heavy one. And it is so for a Prime Minister. Therefore, Mr. Speaker, we express our sincere sympathy to the right hon. Prime Minister and to all members of the Trudeau family.

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as Acting Prime Minister may I thank the leaders of the other parties for their expressions of sympathy on the bereavement of the Prime Minister and associate members on this side of the House with those sentiments. I will undertake to see that these expressions of sympathy from all quarters of the House are conveyed to the Prime Minister.

ROUTINE PROCEEDINGS

FEDERAL-PROVINCIAL AFFAIRS

TABLING OF LETTER SENT BY PRIME MINISTER TO PREMIERS PROPOSING DATES FOR FIRST MINISTERS' CONFERENCE

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, under Standing Order 41(2) I should like to table in English and in French copies of the letter sent by the Prime Minister to the premiers proposing dates for a federal-provincial conference of first ministers.

* * *

FINANCE

TABLING OF REPORTS BY SUPERINTENDENT OF INSURANCE ON SMALL LOANS COMPANIES AND MONEY LENDERS AND ON CO-OPERATIVE CREDIT SOCIETIES

Hon. John N. Turner (Minister of Finance): Mr. Speaker, pursuant to Standing Order 41(2), I should like to table one copy of the report of the Superintendent of Insurance for Canada on small loans companies and money lenders for the year ended December 31, 1971; and one copy of the report of the Superintendent of Insurance for Canada on co-operative credit societies.

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—TABLING OF PROPOSED AGENDA

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I should also like to table with the consent of the House the proposed agenda, as it stands at the moment subject to ratification by the provincial ministers, of the conference beginning tomorrow between myself and the provincial ministers of finance, particularly pursuant to the request of the Leader of the Opposition.

* * *

POST OFFICE

NEGOTIATIONS TO SETTLE DISPUTE WITH EMPLOYEES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to move a motion under the provisions of Standing Order 43 in order to bring before the House a question of urgent public importance. I refer to the fact that negotiations to resolve the dispute between the postal workers and the Treasury Board have broken down. The postal workers have accepted the majority report of the conciliation board, but the Treasury Board now appears to be

making use of a report which differs from that which was subject to its previous approval. I would therefore move, seconded by the hon. member for Dartmouth-Halifax East (Mr. Forrestall):

That the House now adjourn for the purpose of discussing this matter of urgent public importance.

Mr. Speaker: Order, please. The hon. member will realize, I am sure, that the motion is out of order. He is asking for the adjournment of the House under the terms of Standing Order 43. This ought to be done under the terms of Standing Order 26. Therefore the motion cannot be put.

Mr. McGrath: Mr. Speaker, may I rephrase my motion and move, instead, that the subject matter of my motion, namely, the breakdown in postal negotiations, be referred to the Standing Committee on Manpower and Labour?

Mr. Speaker: The hon. member is, of course, amending his motion with the consent of the House. There should be no difficulty about that, because he does not need to give notice of a motion under Standing Order 43. This having been said, I have to inquire whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There was unanimous consent to the hon. member rephrasing or amending his motion, but not to the motion being considered at this time. Therefore the motion cannot be put.

NEGOTIATIONS TO SETTLE DISPUTE WITH EMPLOYEES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to move a motion which is in order under Standing Order 43. I would move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That in view of the postal unions' acceptance of the Conciliation Board Report and the announcement by the government of its acceptance thereof, this House calls on the government to desist from seeking to make unilateral changes in that report since such actions by the government may well lead to nationwide work stoppages, and urges that the government stand by its word and reach a settlement forthwith.

• (1410)

Mr. Speaker: The hon. member's motion is proposed under the terms of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The motion therefore cannot be put.

[Mr. McGrath.]

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

Hon. Robert K. Andras (Minister of Manpower and Immigration) moved for leave to introduce Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1).

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

* * *

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 2)

AMENDMENTS RESPECTING ENTITLEMENT, BENEFIT PERIOD AND RATE

Hon. Robert K. Andras (Minister of Manpower and Immigration) moved for leave to introduce Bill C-125, to amend the Unemployment Insurance Act, 1971 (No. 2).

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

* * *

TERRITORIAL SEA AND FISHING ZONES ACT

EXTENSION OF FISHING ZONES

On the order: Introduction of Bills.

January 15, 1973—Mr. Howard—Bill intituled: "An Act to amend the Territorial Sea and Fishing Zones Act".

Mr. Speaker: The hon. member for Skeena.

Mr. Howard: Stand, Mr. Speaker.

Mr. Speaker: The Chair will allow the proposed notice to stand, but perhaps I should take this opportunity to indicate to the hon. member that I have had the privilege of reading his proposed bill and was particularly interested, I might say fascinated, by the explanatory notes appended to the bill. I believe that the hon. member, on at least one previous occasion, was reminded by the Chair that explanatory notes ought to be guided by long-established principles.

In this connection may I refer the hon. member to citation 357 of Beauchesne's Fourth Edition, which indicates that explanatory notes ought to be brief. Brevity is a quality which is subjective in many ways and the hon. member's standards may be different from those of the Chair. But I have the impression that this explanatory note is not quite in keeping with the traditions and practices of the House.

I would suggest to all hon. members that explanatory notes should not be a second reading speech. I have the impression that the hon. member is arguing his case rather than giving an explanatory note. Perhaps the hon. member, who has asked that the matter be stood, might take a few minutes of his time to take a look at the explanatory notes and possibly make them a little less argumentative.

Mr. Howard: Mr. Speaker, may I thank you very much for your advice. I might say that this bill is in precisely the same form, and the explanatory notes precise to the word, as the bill accepted by Your Honour last session.

ORAL QUESTION PERIOD

POST OFFICE

DISPUTE WITH WORKERS—ALLEGED SUBSTANTIVE CHANGES BY GOVERNMENT IN CONCILIATION BOARD REPORT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the President of the Treasury Board. May I ask the minister if he is now prepared to tell the House whether or not the government accepts the conciliation board report on the postal dispute, and whether or not the government accepts it in its unedited form.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the Postmaster General announced last week that the government was prepared to accept the majority report of the conciliation board provided that it was also accepted by the Council of Postal Unions.

Mr. McGrath: In view of the fact that the report was accepted by a vote of the postal unions, and in view of what appear to be substantive changes in the report which was presented to the negotiating team from the unions, I would ask the minister whether he is prepared, as a sign of government good faith, to call the chairman of the conciliation board before the negotiating team to give evidence whether or not substantive changes were in fact made in the report by the government?

Mr. Drury: Mr. Speaker, I think I would prefer to let the Postmaster General respond to that question because he is the one in charge of the negotiations.

Mr. McGrath: Mr. Speaker, may I redirect my question to the Postmaster General since he now seems to have assumed the role of chief negotiator for the government, which is a new break.

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, I think it is quite evident that the government's announced position is to accept the conciliator's report. We have made no alteration to the terms of this acceptance. I, however, want to tell the House that upon the request of the Council of Postal Unions the President of the Public Service Staff Relations Board has called upon the conciliation board to clarify the matter of classification.

[*English*]

Mr. McGrath: Mr. Speaker, I have one further supplementary question. Since the Postmaster General now admits there were changes made in the report—

Some hon. Members: Oh, oh!

Mr. McGrath: He did say that, Mr. Speaker, and the record will indicate that he did.

Mr. Hees: You heard him.

Mr. McGrath: May I ask the Postmaster General and/or the President of the Treasury Board whether in the interests of getting the talks back to the table they are now prepared to call the chairman of the conciliation board so this matter can be settled once and for all and negotiations can be resumed?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I can repeat what the hon. member may not have understood, that it is clear that we made no changes. As far as our interpretation of the report is concerned, we feel that the report is very clear on that matter of job classification. The matter is explained quite clearly in the report and we are ready to accept all its articles. We have said so to the union and we hope to be in a position in the very near future to sign a contract with its representatives as they were recently authorized to do by vote.

[*English*]

DISPUTE WITH WORKERS—GOVERNMENT POSITION ON JOB CLASSIFICATION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in view of the fact the conciliation board report recommends that the question of job classification should be a subject permitted to be dealt with under the grievance procedure, may I ask the Postmaster General whether in fact the government and its representatives are insisting that this question of classification shall not be covered by the grievance procedure before they sign an agreement?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, in the old contract the matter of job classification could not even be considered as a grievance. We have agreed that it could be one of the grievances that can be discussed within the department itself. However, that a job classification grievance could be submitted to arbitration is something that, to our mind, was not suggested at all by the recommendations of the conciliation board. We feel that this exceeds by far the mandate and recommendations of the conciliator's report.

We are willing to approve immediately the contents of the conciliator's report but we feel that particular part goes far beyond its recommendations.

[*English*]

Mr. Orlikow: Mr. Speaker, in view of the fact the Public Service Staff Relations Act excluded the question of classification from collective bargaining, in view of the fact the chairman of the Public Service Staff Relations Board specifically instructed the conciliation board to look at this question because it is so crucial to the whole matter of reaching an agreement, and in view of the fact there is obviously a difference of opinion as indicated in the statement just made by the minister and the interpretation of the union as to what the conciliation board recommended,

would the Postmaster General give consideration to calling the chairman of the board to meet with both parties in order that this question can be resolved and we can avoid a work stoppage which already began in the city of Toronto yesterday?

[*Translation*]

Mr. Ouellet: I answered this question earlier, Mr. Speaker, when I said that the chairman of the Public Service Staff Relations Board had issued a directive requesting explanations from the chairman of the conciliation board on this point.

Anyhow, this issue should not result in work stoppages as it does now. I think it is possible to clarify this point without interrupting work and lowering the quality of services to Canadians.

• (1420)

[*English*]

Mr. Orlikow: If the union is not satisfied with the unilateral decision of the government as to what the chairman of the conciliation board meant, obviously the union has very little leeway. I ask the question again of the Postmaster General: In the interest of having continued good relations—

Some hon. Members: Oh, oh!

Mr. Orlikow: —would he agree to let the chairman of the conciliation board—

Mr. Speaker: Order, please. That is, I suggest, the same question as was asked by the hon. member and also by the hon. member for St. John's East.

DISPUTE WITH WORKERS—SUGGESTED TRANSFER OF RESPONSIBILITY FOR NEGOTIATIONS TO DEPARTMENT FROM TREASURY BOARD

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, may I direct my supplementary question to the Acting Prime Minister. Since it is obvious that there has been a breakdown in the negotiations between Treasury Board, the postal unions and the Postmaster General, in line with the recommendations of the conciliation board is the government prepared to transfer the responsibility for negotiating a contract to the Post Office from the Treasury Board so that the vitally important postal service may continue uninterrupted?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I, of course, deny the allegations by the hon. member. I believe that the negotiations have been in excellent hands and we are making great progress toward settlement. I hope the hon. gentleman will support us in our efforts.

Mr. Dinsdale: Mr. Speaker, I should like to direct my next supplementary question to the Postmaster General. In light of the hon. gentleman's remarks in December concerning the breakdown in communications between the government and the postal workers and the consequent loss in morale, would he now accept some responsibility for negotiations as a minister who cares?

[Mr. Orlikow.]

DISPUTE WITH WORKERS—GOVERNMENT POSITION ON SUGGESTED PUBLIC INTEREST DISPUTES COMMISSION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct my supplementary question to the Acting Prime Minister as well. As there is a reasonable likelihood of further difficulty and of a possible work stoppage, may I ask whether the government is now prepared to state if it has accepted or will accept the recommendation of the Woods task force report for the setting up of a public interest disputes commission. If so, could he indicate to the House the present status of the government's attitude in this regard?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the hon. gentleman has an advantage over me in being more familiar than I am with this particular report. I will take his question as notice.

Mr. Forrestall: Mr. Speaker, I crave your indulgence. May I direct a supplementary question to the President of the Treasury Board, who is attempting to advise the Acting Prime Minister. Is the government in a position of a positive nature with respect to that particular recommendation of the Woods task force?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, this is an interesting suggestion emanating from the Woods task force report. The House will be contemplating later this year amendments to the Public Service Staff Relations Act. Perhaps that will be the time to look at it.

An hon. Member: The minister does not know about it either.

* * *

LABOUR RELATIONS

WARDAIR STEWARDESSES' STRIKE—INVESTIGATION OF NUMBER OF HOURS THAT PILOTS ARE FLYING

Mr. Paddy Neale (Vancouver East): Mr. Speaker, I should like to direct a question to the Minister of Transport. If his department is to undertake an inquiry into the situation pertaining to Wardair charter flights, as he indicated yesterday, would he agree that the inquiry should be extended to find out if the pilots of that firm are being forced to fly between 24 and 26 hours without a break?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I will have to take that question as notice.

Mr. Neale: Would the minister order an immediate investigation into the Wardair charter flight that left Vancouver International Airport on the evening of January 15 destined for Sheffield and Gatwick, which in fact ended up in Keflavik, Iceland, and about which there are some serious questions?

Mr. Marchand (Langelier): Mr. Speaker, my answer is the same as that to the previous question.

WARDAIR STEWARDESSES' STRIKE—MAINTENANCE OF SAFETY REGULATIONS

Mr. Don Mazankowski (Vegreville): I have a supplementary question for the Minister of Transport, Mr. Speaker, in connection with the Wardair strike. Will the minister undertake to investigate and indeed assure the House that the safety regulations will be looked into because the safety of passengers may be jeopardized, and will he report to the House?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, this is one of the responsibilities of the department. As you know, the department is not responsible for labour disputes or their settlement, but it is responsible for air security and the House may rest assured that we are doing every effort to maintain passenger and aircraft security.

* * *

FINANCE

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—SUGGESTION THAT BANK OF CANADA MAKE INTEREST-FREE LOANS TO PROVINCES

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is for the Minister of Finance. Tomorrow will he finally be able to announce to the provinces the possibility of financing their administration through interest free loans from the Bank of Canada?

[*English*]

Mr. Lawrence: Mr. Speaker, I wish to rise on a point of order.

Mr. Speaker: I apologize to the hon. member for Shefford. He will be recognized in a moment. The hon. member for Northumberland-Durham rises on a point of order.

Mr. Lawrence: It has been my belief that when a document was tabled in the House this would enable—

Some hon. Members: Question!

Mr. Lawrence: My question is on a point of order. My point of order is that presumably the purpose of tabling a document in the House is so that members can get a look at it. The Minister of Finance has indicated that he has not only tabled with the Clerk one copy of the agenda for tomorrow's conference but also 15 extra copies. There are those of us on this side of the House who would like to ask some questions about it. We have sent four different couriers to the table to get a copy only to find that it is not available.

Mr. Speaker: The hon. member for Shefford.

[*Translation*]

Mr. Rondeau: Mr. Speaker, as the Minister of Finance seemed unable to answer the question about interest free loans from the Bank of Canada, can he tell us what solution he intends proposing in the next few days to help the provinces finance their administration and meet their financial obligations in a better way than they can do now?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, one of the items on the agenda will be the sharing of tax sources. At any rate, we will discuss these matters in a serious way as of tomorrow.

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a supplementary question. Could the Minister of Finance tell us if, during this conference on the state of provincial and federal finances, the financial problems of the provinces and of the federal government will be discussed?

INQUIRY AS TO FINANCIAL ASSISTANCE FOR POLICE FORCES

Mr. Georges-C. Lachance (Lafontaine): I should like to put a supplementary question.

I would like to ask the Minister of Finance whether financial assistance has been requested by the Quebec Justice Minister for the police forces in Quebec and Ontario?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I know nothing about that except what I read in the Montreal *Gazette*.

[*English*]

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—PRESENTATION OF GOVERNMENT'S GOALS REGARDING UNEMPLOYMENT AND PRICE INCREASES

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Inasmuch as the first item on the agenda of the conference with the premiers tomorrow is not known to us, can the Minister of Finance tell us whether or not the government is prepared to present at that time what its goals are with regard to unemployment and price increases in the coming year?

Hon. John N. Turner (Minister of Finance): I might say to the hon. member for Northumberland-Durham that the document was tabled and as soon as he ascertains the proper procedure I am sure he will get the document.

Some hon. Members: Hear, hear!

• (1430)

Mr. Lawrence: On a point of order, Mr. Speaker, because it is not covered in the little green book—

Some hon. Members: Yes, it is.

Mr. Foster: Check with Bill Davis.

Mr. Lawrence: —how do we get a copy of something that is tabled if we do not ask for it?

Some hon. Members: Hear, hear!

Mr. Stanfield: Mr. Speaker, my hon. friend is yelling that I have a copy. I want to assure you that I am just as devoid of copies as the hon. member for Northumberland-Durham.

Mr. Baldwin: On the same point of order, Mr. Speaker—

Some hon. Members: Oh, oh!

Mr. Baldwin: —most ministers of a responsible government would not file or table papers only the day before a conference.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I explained to the Leader of the Opposition two days ago what my restrictions were at that time, and to some extent I can understand the Chair's position in trying to find out who is the financial critic for the opposition.

Mr. Speaker: The hon. member for Don Valley on a supplementary.

Mr. Gillies: Mr. Speaker, I wonder if I might have an answer to my question.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I think the hon. gentleman and I have discussed the philosophy of targets before.

Mr. Hellyer: Yes, and you have not answered.

Mr. Gillies: For clarification, Mr. Speaker, may I say that we did discuss it before, but what I want to find out is whether it is the position of the government that we can make sound economic policies in this country without specific goals and targets?

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

Mr. Speaker: Order, please. The minister may be anxious to reply, but I suggest that is the kind of question that cannot be asked and ought not to be replied to at this time.

CO-ORDINATION OF CAPITAL BORROWING WITH PROVINCES

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, if we may get down to specifics, in light of the minister's repeated and I think justified concern about provincial borrowing abroad, would the minister report today on the progress, if any, on the proposal made previously about some practical inducement to the provinces to borrow more fully in Canada?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I dealt with the hon. member's question when his leader put it to me two days ago, suggesting that we had achieved an information centre for the capital requirements of the provinces—

Mr. Stanfield: That is more than we have achieved in this House.

Mr. Turner (Ottawa-Carleton): —and what they might need. I have not yet succeeded in persuading the provinces to co-ordinate their borrowing requirements both on Canadian capital markets and abroad, but that is a subject that will be discussed again on Thursday or Friday.

Mr. Lawrence: Is the government going to set up some machinery to assure the provinces that they will have access to sufficient funds in Canadian money markets at interest rates equal to what they have to pay abroad?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I would think that the Canadian market in the last six months, particularly since I put the proposition to the provinces, has been sufficiently flexible and fertile for provincial borrowing requirements. As a matter of fact, their rate of borrowing abroad has dropped considerably since the first six months of last year.

* * *

TRADE

IMPOSITION BY UNITED STATES OF DUTY ON MICHELIN TIRES IMPORTED FROM CANADA—REQUEST FOR TABLING OF PROTEST AND REPLY

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. In view of the important possible consequences of the recent American decision to impose a special duty on Michelin tires, and in view of the important need to have that decision reversed, would the minister table for hon. members the protest letter that was sent by the government of Canada to the United States and also at the same time table the reply, if one has yet been received?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I take this opportunity to clarify a reply I gave the hon. member yesterday. A formal note went to the United States government last summer. There have been representations—

Mr. Broadbent: Last summer!

Mr. Gillespie: There have been representations since, and there will be a formal note going forward very shortly. I will give consideration to whether that note should be made public.

Mr. Broadbent: In view of the fact the minister has waited almost two weeks to act in this matter, would he assure the House that not only will he consider tabling it but also, in view of the fact that I understand a protest has been sent to GATT, or at least that such a protest is being considered by the government, would he make a commitment to the House that that protest, in its exact wording, will be tabled?

Mr. Gillespie: Mr. Speaker, I will take that representation under consideration as well.

* * *

ADMINISTRATION OF JUSTICE

KILLING OF POLICEMEN—PLANS FOR REVISION OF BAIL REFORM LAW

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is directed to the Solicitor General and is prompted by the death of Constable James Lothian in Toronto recently and other attempted murders and deaths. In view of the

rapidly declining morale in police organizations and law enforcement agencies in the country, does the minister have any plans for a revision of the bail reform legislation which these organizations feel is causing these unfortunate incidents?

Some hon. Members: Hear, hear!

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I do not believe the bail reform law is within my jurisdiction. I believe it is within the jurisdiction of the Minister of Justice.

Mr. Nielsen: Mr. Speaker, I redirect the question to the Minister of Justice.

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I regret I have to ask the hon. member to repeat the question.

Mr. Nielsen: The question is prompted by the death of Constable James Lothian in Toronto recently and other murders and attempted murders. In view of the disturbing decline in the morale of police organizations and law enforcement agencies throughout the country, does the government have any plans for revision of its bail reform legislation which these agencies attribute as the cause of these unfortunate incidents?

Mr. Lang: Mr. Speaker, as I indicated in the House during my speech on the Speech from the Throne the other day, I believe we are beginning to gain that experience with the bail law as it now stands that is necessary to make it operate effectively. I drew specific attention then to the necessity for police officers, and particularly Crown prosecutors, to exercise their responsibilities in presenting to the courts in the appropriate cases the need to retain a person in custody rather than grant bail, as a definite part of the bail reform law itself. However, I do not anticipate any change that would return to the day when the poor were kept incarcerated and the rich were allowed to remain at large.

Some hon. Members: Hear, hear!

Mr. Nielsen: In view of the minister's reply, and I hasten to assure him that those on this side of the House are just as eager to see reform in bail legislation as anyone else—

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Nielsen: In view of that answer, can the Solicitor General tell us whether the government has any plans to consult with the provinces with respect to provincial law enforcement staffs, and specifically with regard to his own responsibility for the RCMP? Does the government have any plans to increase the staffs of these organizations in order to cope with the doors that have been opened by the bail reform legislation?

Mr. Allmand: Mr. Speaker, I believe the staffs of the organizations referred to by the hon. member are under provincial jurisdiction.

Mr. Nielsen: The RCMP?

Mr. Allmand: With respect to the RCMP we are doing everything possible to make it more effective, but the majority of the criminal law provisions are administered by the provincial departments of justice.

KILLING OF POLICEMEN—INQUIRY AS TO LEGISLATION TO RESTRICT FURTHER SALE AND DISTRIBUTION OF FIREARMS

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my supplementary question is directed to the Minister of Justice. It is also prompted by the incident in Toronto. In view of the increasing homicides occurring as a result of the use of rifles in this country, is the minister considering legislation to restrict further the sale and distribution of firearms?

Some hon. Members: Hear, hear!

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, that question is one which is under constant consideration and review. The House had an opportunity to address itself to it not long ago, and the government will be addressing itself further to that question.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Calgary North on one last supplementary on this subject and then try to move on to the next subject.

KILLING OF POLICEMEN—POLICY RESPECTING COMMUTATION OF DEATH SENTENCES OF THOSE CONVICTED

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I direct this question to the Solicitor General. In light of the fact that about ten people have been convicted of murdering police officers and their death sentences have been commuted by the government, is it the policy of the government of Canada to continue to commute sentences where people are charged and found guilty of murder and capital punishment applies?

• (1440)

Hon. Warren Allmand (Solicitor General): Mr. Speaker, since 1967 when the law was changed with respect to capital punishment there have been four commutations in cases involving policemen and prison guards and each case was decided on its merits. At the present time there are two cases but they have not yet exhausted the appeal procedures.

Mr. Woolliams: The minister says that discretion is used in each case. I think we had better get to the facts. Has there been any case in which someone was found guilty of the murder of a police officer and the government has not commuted the sentence to life imprisonment?

Mr. Allmand: Mr. Speaker, of the four cases since 1968 there has not been a case where there has been a hanging.

Oral Questions

[*Translation*]

HOUSING

MEASURES TO ASSIST PURCHASERS OF BADLY CONSTRUCTED HOMES FINANCED BY CMHC

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of State for Urban Affairs.

Could he tell us whether he has been advised that houses built 18 months ago and financed by the Central Mortgage and Housing Corporation at a cost of $14,000 already need repairs amounting to $5,000, since he told us Thursday last that the Corporation meant to control the quality of its dwellings? Could the minister state what he intends to do to assist the buyer who becomes aware during winter that the Corporation had delivered him a shack?

[*English*]

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, if the hon. member would identify the particular houses or subdivision I would ask for a report and see what can be done for these people.

Mr. Speaker: The hon. member for Peace River.

Mr. Baldwin: Mr. Speaker, I have a question—

[*Translation*]

Mr. Godin: Mr. Speaker, may I put a supplementary question?

Mr. Speaker: I suggest to the hon. member that such a question could easily be put on the order paper. If the hon. member wishes to put a supplementary question, he may do so now.

Mr. Godin: Ten o'clock, Mr. Speaker.

* * *

[*English*]

INCOME TAX

ADVERTISEMENTS CONCERNING FORM

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to put a question to the Minister of National Revenue. Is the minister responsible for the half million dollar advertising spectular which contains this notice which I show to him entitled, "Close up—it is easier than it looks".

Mr. Speaker: Order, please. The hon. member knows better than or possibly as well as any other member that he cannot use exhibits in the House.

Some hon. Members: Shame!

Mr. Baldwin: I appreciate the point but Your Honour will understand how difficult it is to make hon. members opposite understand things without showing them. I should like to ask the minister whether he is responsible for that spectular advertising campaign offering alleged free advice to the poor harried taxpayer, and is he aware of the contents including the statement with regard to the nine-page challenge known as the income tax form which says, "it is easier than it looks". Will the minister review the contents of that document?

Hon. Robert Stanbury (Minister of National Revenue): With pleasure, Mr. Speaker.

Mr. Baldwin: Can the minister indicate if that advertising campaign which is based on the fact that you have a wonderful form was dreamed up by the same bright man who said, "the land is strong"?

Mr. Speaker: The hon. member for Wellington.

Mr. Hellyer: A supplementary—

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Wellington.

Mr. Hellyer: A supplementary, Mr. Speaker—

Mr. Speaker: Will the hon. member resume his seat. The hon. member for Wellington has been recognized on a supplementary.

ALLEGED DIFFICULTY IN PREPARING DUPLICATE RETURNS

Mr. A. D. Hales (Wellington): Mr. Speaker, my supplementary is for the Minister of National Revenue. Is the minister aware that the new income tax forms are made of such heavy paper that only one copy can be typed at a time and it therefore costs more to type them separately than to make duplicate copies?

Hon. Robert Stanbury (Minister of National Revenue): No, Mr. Speaker.

Hon. Paul Hellyer (Trinity): I have a supplementary question for the Minister of Consumer and Corporate Affairs. Would the minister examine this advertising very critically in order to see if it violates his principles of false and misleading advertising?

Mr. Speaker: Order, please.

* * *

AIR TRANSPORT

REPORTED APPLICATION BY FOREIGN COUNTRY TO TEST SUPERSONIC JETS OVER CANADA

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of Transport. In view of information I have received that a foreign country has applied for permission to test supersonic transport jets over Canada, can the minister inform the House whether permission has been granted and, if so, to what country?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, if this is so the request was probably directed to the Canadian Transport Commission. I will inquire whether they have received such an application and, if so, what was decided.

[*Translation*]

FINANCE

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—REQUEST THAT CAPITAL GAINS TAX BE ABOLISHED ON BEQUEATHED FAMILY FARMS

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Finance.

In the course of the federal-provincial conference which begins tomorrow, does he intend to discuss the repeal of capital gains tax which unfairly affects the farmers of this country when there is a bequest of family farms?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, if this question is raised, I am prepared to answer it.

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

If this question is not on the agenda, will the minister take the initiative of raising it himself?

Mr. Turner (Ottawa-Carleton): This is one of a number of issues which are now of considerable concern to me, Mr. Speaker.

[*English*]

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—DISCUSSION OF APPROACHES AND OBJECTIVES IN PENDING TRADE TALKS WITH UNITED STATES

Mr. Heward Grafftey (Brome-Missisquoi): I have a supplementary question for the Minister of Finance, Mr. Speaker. At this conference is the minister going to outline the government's objectives and approaches with regard to the pending trade talks with the United States, and is he going to invite the provinces to make suggestions in this area and agree to hold a meeting with them on this critical matter?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, it is not specifically on the agenda although the first item is wide enough for it to be discussed. There are only two days and, as the hon. member can see if he reviews the agenda, we are dealing with the economic situation and outlook, the fiscal situation and outlook, seasonal employment, revenue sharing and taxation, health services financing, the ninth annual review of the Economic Council of Canada with the 15 indicators suggested by the council, and other business. If there is time for it to be discussed it will be, but whether there will be time I do not know.

* * *

INCOME TAX

SUGGESTED RETURN TO BASIC HERD CONCEPT FOR FARMERS

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Finance. Can the minister assure the House that he will give consideration to a return to the basic herd concept for farmers when he brings down his budget?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the Minister of Agriculture, the Minister of National Revenue and I have responsibility for a committee that Mr. Mahoney announced to the House in the last parliament. This committee was concerned and I am still concerned that the application of the Income Tax Act to the farming community of Canada is well understood not only by the farming community but by the people who write and interpret tax laws. That is one of the subjects under review.

Mr. Horner (Crowfoot): It is a little late.

* * *

LABOUR CONDITIONS

STEPS TO PREVENT LAY-OFF OF CANADIAN NATIONAL TELECOMMUNICATIONS EMPLOYEES—POSSIBLE VIOLATION OF PROVINCIAL LAWS REGARDING NOTICE

Mr. John Harney (Scarborough West): Mr. Speaker, my question is directed to the Minister of Transport. In view of the fact that there is an extremely high unemployment rate in the country and in view of the fact that a department of the government is supplying loans and incentives to increase employment, would the minister indicate to the House whether he proposes to take steps to obviate and eliminate the proposed lay-off of 200 employees of Canadian National Telecommunications?

Hon. Jean Marchand (Minister of Transport): I will have to inquire about that, Mr. Speaker.

Mr. Woolliams: You will be known as the minister of inquiry.

Mr. Harney: While the minister is getting the notice ready for this very large notice board of his, could he inquire whether the proposed lay-off of these 200 employees by Canadian National Telecommunications would in any way violate the provincial laws in Quebec and particularly in Ontario regarding the notice to be given to large groups of employees being laid off?

Mr. Speaker: Order, please. I suggest to the hon. member that perhaps he is making a representation to the minister. In any even, he is asking the minister to give a legal opinion. Perhaps the hon. member might limit himself to the original question.

* * *

TRADE

CANADA-UNITED STATES AUTO PACT—POSSIBLE DANGER TO CANADIAN INDEPENDENCE AND AUTONOMY

Mr. Terry O'Connor (Halton): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce, I gave him notice a few days ago. Has the minister given consideration to the increasing danger to Canadian independence and autonomy resulting from the Canada-U.S. auto pact, specifically as a result of the centralization of decision-making in the automobile industry in the United

States, which decisions are now based mainly on continental rather than national considerations?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I thank the hon. member for notice. I do not think that the automobile industry has changed significantly in terms of the decision-making centres since the auto pact.

* * *

• (1450)

AGRICULTURE

POSSIBILITY OF U.S. CATTLE GIVEN DIETHYLSTILBESTROL ENTERING CANADA DESPITE CANADIAN SUSPENSION OF USE OF DRUG

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, I wish to address a question to the Minister of Agriculture with regard to the use of diethylstilbestrol or DES as it is commonly known in the cattle feeding industry. Is the minister aware that after May 1 it will be possible for United States fed cattle that have been quite properly finished with DES implants to enter Canada for slaughter in spite of the Canadian suspension of the use of DES implants? If so, what is his department prepared to do about this situation?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I am aware that research is being carried on in the United States and we have some of our officials in the United States observing this research to learn their findings. I am not aware that the report is finalized. Until that report is finalized and brought to my attention, I am not in a position to make a decision.

Mr. Hargrave: Is the minister aware of the unfair advantage United States cattle feeders will have over Canadian feeders because of our loss of the use of DES and a resulting feeding efficiency loss of some 10 to 15 per cent as a result of this imbalance in Canada-United States DES regulations on this product? If so, what will he do about it?

Mr. Whelan: As I said, Mr. Speaker, I am aware of the study that is being carried on. I am hoping this report will come forward early in February. At least, this is what I have been told. I am also aware of the disadvantage our producers will be under if American producers are allowed to use the product DES, as it is commonly referred to, in the United States. I am willing to go as far as discussing the matter with my counterpart in the United States. I have also discussed it with the Minister of National Health and Welfare for Canada to find out where we will go from there if the use of DES is still allowed in the United States.

[*Later:*]

INVESTIGATION OF ANTIBIOTICS ADDED TO CATTLE FEED

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is to the Minister of Agriculture. It is supplementary to that asked by the hon. member for Medicine Hat. Is the minister prepared to take any action with regard to antibiotics routinely added to cattle feed as there is a good deal of evidence to indicate these may be more harmful to humans in some ways than diethylstilbestrol?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have been told by my department and the Department of National Health and Welfare that this is under constant study. Before any decisions are made, we want to make sure that we will be able to make the right decisions.

* * *

FISHERIES

CONSTRUCTION ON WEST COAST OF VESSELS FOR SERVICE IN THAT AREA

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Fisheries. During his speech on January 11 the minister promised the addition of three large ships and 12 medium-sized patrol craft to the fisheries and marine services. Can he now assure the House that at least the vessels for use on the west coast will be built on the west coast?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I cannot give that assurance. We always try to get these ships at the lowest possible cost. Nevertheless, it has been the habit of the government to buy in the area where the vessels are used.

* * *

[*Translation*]

SOCIAL SECURITY

CONSULTATION WITH PROVINCES BEFORE AMENDING OLD AGE SECURITY ACT

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

Does he intend to follow up the wishes expressed by the Quebec Minister of Social Affairs concerning the necessity to hold a federal-provincial conference before amending the Old Age Pensions Act?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, in this connection I received a letter from the Quebec Minister of Social Affairs. As a matter of fact, I am going to meet him as well as my provincial counterparts within the next few days on the occasion of a federal-provincial conference of health ministers. Following these consultations, we will take advisement on what steps to take next.

[*English*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR STATEMENT ON GRANT DISTRIBUTION AMONG INCOME CLASSES—CONSULTATION ON WEEKLY PAY RATE WITH PROVINCES

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, my question is addressed to the Secretary of State. Will the minister make a statement on motions outlining what measures the government has taken to ensure a more equitable distribution of the benefits of opportunities for youth grants among the youth of various income classes? In particular, what criteria are employed to guarantee that an adequate allocation of funds goes to youths of low-income families?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I am not sure I will do that by way of a statement on motions—

Some hon. Members: Oh, oh!

Mr. Faulkner: —but I would like to elaborate on this. The two points raised by the hon. member are important. It was one of the strengths of the opportunities for youth program in the past that it did get to low income and remote areas. I would like to find some method of providing some information to the House.

Mr. Speaker: The hon. member for York-Simcoe.

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

Mr. Speaker: Perhaps we might allow the hon. member for Sault Ste. Marie a supplementary. The Chair will then recognize the hon. member for York-Simcoe and then call orders of the day.

Mr. Symes: Will the Secretary of State inform the House whether he had any consultation with the provincial ministers responsible for post-secondary education about the financial requirements of students before he determined the weekly pay rate under the opportunities for youth program recently announced?

Mr. Faulkner: No, Mr. Speaker.

* * *

AIRPORTS

PICKERING TOWNSHIP SITE—POSSIBILITY OF USE OF LAND TO BE EXPROPRIATED FOR LAND BANK RATHER THAN AIRPORT

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Transport or the Minister of State for Urban Affairs. In view of widespread interest in the proposed Pickering airport, will the Minister of Transport inform the House whether the government now intends to use the lands which are under notice of expropriation in the Pickering area for a land bank rather than for the proposed second Toronto airport?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I believe I mentioned in the House that we have received the report of the commission which conducted an inquiry on the expropriations. We are now studying it and the cabinet will be taking a decision by February 2 and at that time the hon. member will no doubt be exactly informed of the government's decision concerning the Pickering airport.

[*English*]

Mr. Stevens: Mr. Speaker, I am not sure whether the minister understood my question. I am not speaking about the Swackhammer report. I am referring to the possible change of decision which I understand has been recommended or suggested to him. Has a decision been made to use the land for a land bank rather than for a second Toronto airport?

Mr. Marchand (Langelier): The answer is no, Mr. Speaker.

Mr. Speaker: Orders of the day.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I rise on a point of order. As this is the last day of the throne speech debate, possibly the government House leader might indicate the business for the rest of this week, next week and as far as he is able to look into the future.

Mr. MacEachen: Mr. Speaker, tomorrow we propose to call the resolution establishing the joint committee on food prices. Following that I would like to call the unemployment insurance bills, particularly Bill No. 1. Depending on the progress we make on these measures, we will then consider the capital punishment bill.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, with regard to the order of business, I wonder if I may put a question to the government House leader. In view of the confusion that is developing between the automatic increase in pensions that will take place in April and the government's promise to make a substantial increase in the rate of pensions, will the government bring on that pension bill at an early date so that people will know as soon as possible—

Some hon. Members: Oh, oh!

Mr. Hees: You voted against that.

Mr. MacEachen: Yes, Mr. Speaker. "At an early date" may be variously interpreted, but will be as soon as possible. It will not be delayed.

Mr. Knowles (Winnipeg North Centre): Good.

[*Translation*]

Mr. La Salle: Mr. Speaker, I rise on a question of privilege.

As I was unable to ask a question during the question period, I would like to ask the Chair if, in view of the importance for the Montreal Olympic Committee of the budget it must submit on February 3, the federal government still intends to refuse financial assistance for these games?

Mr. Speaker: Order, please. The hon. member could put this question only with the unanimous consent of the House and it is with reluctance that I allow members to ask questions after raising on a question of privilege or on a point of order once the question period has ended.

The hon. member might ask his question tomorrow since it is not urgent. At any rate I shall give the hon. member priority at that time.

* * *

• (1500)

[*English*] **SPEECH FROM THE THRONE**

CONTINUATION OF DEBATE ON ADDRESS IN REPLY

The House resumed from Tuesday, January 16, consideration of the motion of Mr. J. J. Blais for an address to His Excellency the Governor General in reply to his speech at the opening of the session.

Mr. Trevor Morgan (St. Catharines): Mr. Speaker, I have learned that it is traditional to congratulate you, Sir, on your election to the high office which you now hold; but what I have to say to Your Honour is not out of tradition nor out of custom but out of sincere sentiment, well founded. Your reputation, Sir, has gone before you; you are not like a prophet who is without honour in his own land.

Some hon. Members: Hear, hear!

Mr. Morgan: There is one thing on which I must compliment this government, new as they may be, and that is the appointment of the Deputy Speaker, the hon. member for Halifax-East Hants (Mr. McCleave). I believe in the principle that justice must not only be done but must be shown to be done, and I do congratulate Mr. Deputy Speaker.

Mr. Speaker, as a novice in this chamber I listened extremely carefully to the Speech from the Throne as presented to this House. I listened to and evaluated what other members said here, older and wiser ones than I, what they thought about the Speech from the Throne and just what it meant to the people of Canada. The sublimation of all this listening and all this evaluation can, for me, be reduced to a very few lines:

There was a young man from Australia,
On his backside was painted a dahlia,
The artistry was there,
The resemblance was there,
But the smell was a horrible failure.

Some hon. Members: Oh, oh!

Mr. Morgan: Mr. Speaker, I have the proud privilege of representing the riding of St. Catharines. The city of St. Catharines lies in the midst of the industrial fruitland. That is not a contradiction in terms, for in and about the riding of St. Catharines is the tender fruit industry which is a $50 million-a-year industry. This has a great deal of commercial vitality to the city of St. Catharines. St. Catharines has been potentially a very active industrial centre. I say "has been" and "potentially," for if the government ever attempted to sacrifice the safeguards of the auto pact, the dynamics of this industry would be destroyed. If this should ever happen, there should be such a hue and cry from the people in my riding that even the hon. member for York South (Mr. Lewis) would quickly quit the quiescent quilt where he now silently sleeps in the shade.

I have indicated to you, Mr. Speaker, that the city of St. Catharines is the business and commercial hub of the Niagara region, a region comprising some 350,000 people. St. Catharines is also the seat of government for the new regional municipality of Niagara which has been in existence for just over three years. I had the privilege of serving on that council from its inception until my election to this House.

The financial plight of this municipality, as well as all other municipalities across the country, must not and cannot be ignored by the government. More money must be funnelled into municipal coffers in order that the heavy burden on the home owner, through real estate taxation, can be alleviated. A distinction must surely be made between taxation representing services for people and taxation representing services for property. There is no logical reason why services such as welfare, education, hospitals, homes for the aged, day care centres, the work of children's aid societies, and so on, should be charged against land and buildings and become a burden on the home owner through real estate taxation.

The recent tri-level conference of federal, provincial and municipal leaders was perhaps a recognition of this problem and a first step, if a somewhat tentative one, toward a solution. The government has it in its power right now to assist the home owner in the dilemma in which he finds himself. I have already placed a notice of motion on the order paper calling for an amendment to the Income Tax Act to allow a home owner to deduct the real estate tax paid by him up to a maximum of $500 and to deduct from his taxable income, as well, the mortgage interest paid by him up to a maximum of $2,000. I shall, of course, have more to say on this topic at a later date.

This particular problem has been aggravated for the citizens of St. Catharines by the lack of growth in the industrial sector. In a recent survey of some 1,200 industries throughout 21 major industrial cities across Canada, in terms of growth the city of St. Catharines was twenty-first on the list. Dead last! The national average in terms of growth was just under 7 per cent. The percentage for St. Catharines was just over three.

I suggest there are two major reasons for this situation. First, there has been an unrealistic and unsympathetic approach on the part of DREE and by the Department of Industry, Trade and Commerce in making the grants and supplying the incentives necessary in the region of Niagara. Second—and I agree this is a provincial matter—there has been an unwarranted rise in hydro rates to power users. This has caused several industries to leave St. Catharines and the region of Niagara.

If it really cares, this government could do three things to alleviate the situation. First, DREE and the Department of Industry, Trade and Commerce could be more realistic, quicker to realize why we are losing these industries. They should provide the grants and incentives needed to make these industries stay in the area and become more prosperous. Secondly, I suggest that the Department of Transport, through the St. Lawrence Seaway Authority, commence immediately the construction of a new Welland ship canal, the land for which was expropriated and paid for four or five years ago. The land is sitting there idle and being allowed to waste. Formerly it was good farmland.

• (1510)

The construction of this canal would have a double effect on the city of St. Catharines and the Niagara region. Firstly, this kind of project would tend to have a high labour content and would compensate somewhat for the miserable conduct of the government in relieving unemployment. Secondly, although St. Catharines lies within a radius of about 500 miles of markets of well over 100 million people, due to the lack of adequate road and rail facilities these markets have been effectively closed. With a new canal, with fewer but larger and deeper locks, as well as adequate harbour facilities, we would go a very long way toward solving this problem.

There is a third way in which I think this matter of growth can be cured, not only for St. Catharines but for Canada as a whole: it is for the government to take a realistic approach in combating the DISC program of the U.S. by encouraging the growth of secondary manufacturing industry within Canada. I suggest a Canada-square program consisting of sensible quotas undertaken against resource exploitation—the words speak for themselves. With this three-pronged approach I am sure we would go a long way toward solving inadequate growth not only in the Niagara region and St. Catharines but throughout the country.

The right hon. member for Prince Albert (Mr. Diefenbaker), in using, if you will pardon the expression, Mr. Speaker, rather pregnant prose, described the mangled meeting which took place between the Minister of Justice (Mr. Lang) and the hon. member for York South (Mr. Lewis). I shall make no further comment than to say that when I heard about this particular incident my mind waxed somewhat lyrical as follows:

Two politicians alone in a room,
Both dreamed of power they wished to assume;
But they argued all night,
As to who had the right,
With what, and with which, and to whom.

The same right hon. member for Prince Albert, and the hon. member for St. Paul's (Mr. Atkey) also touched on the mumbo-jumbo recently espoused by the Prime Minister (Mr. Trudeau) regarding his constitutional authority to dissolve this House. That I will describe in one word—"poppycock". It is without a scintilla of truth, and I give him no credit for it.

When as a rookie Member of Parliament I first took my place in this House, I thought my job was fairly simple and straightforward, namely, to do the best job I could in getting good legislation through, not only for the people of St. Catharines but for every person in our beloved country. My hopes were soon dashed when I heard the Prime Minister on January 8. He reminded me of the man who was an agnostic until he realized that he was God. Then I, along with other members of the opposition, was subjected to vindictiveness, calumny, smear and character assassination. I happen to be very proud to be a Canadian and I think, with all humility, that I am a good one. Let me remind the Prime Minister of Iago:

He who steals my purse, steals trash. It is something, it is nothing. It was mine, it is his. Hide the tears. But he who filches from me my good name robs me of that which does not enrichen him but makes me poor indeed.

Then came the speech of the hon. member for York South, following which I went back to my office not knowing whether to laugh or cry. Sitting there silently, the words of a very old poem came to me and I should like to commend it to the Prime Minister and the hon. member for York South:

God giveth man a time like this to command.
Great minds, true faith, strong hearts and ready hands;
Men whom the lust of office cannot kill,
Men whom the spoils of office cannot buy,
Men who have opinions and a will,
Men who have honour,
Men who will not lie,
Men who can stand before a demagogue and damn his treacherous flatteries without winking,
Tall men who stand proud above the fog of public duty and in private thinking;
For a while the rabble with their thumbworn creeds,
Their large professions and their petty deeds,
Mingle in the common strife.
Lo freedom weeps,
Strong rules the land,
And waiting justice sleeps.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, I wish first of all to offer my congratulations on your appointment to your high office. I also congratulate Mr. Deputy Speaker. As I sit here and watch you perform your duties in the House, in the short time I have been here I have come to realize that yours was a most judicious choice and that this House is privileged to have a man of your wisdom preside over its deliberations. I also wish to extend my congratulations to the mover and the seconder of the Speech from the Throne; on their first appearance both certainly did a very honourable job.

I should also like to thank the people of Cardigan for the honour they have done me in electing me their representative in Ottawa. It is a great privilege, as well as a great responsibility, to represent a riding such as Cardigan. It is a challenge that I look forward to with great excitement. I think I have a fair knowledge of the problems of Cardigan riding, having lived there for so many years and having had the privilege of representing part of the riding in the provincial legislature of Prince Edward Island. May I simply say, Sir, that I intend to work my hardest and best on behalf of those wonderful people.

• (1520)

Some hon. Members: Hear, hear!

Mr. MacDonald (Cardigan): I feel even more privileged because the people of Cardigan decided to elect me at a

particularly exciting time in our political history. The party representation is such that the government could indeed be defeated in the House at any moment. However, I do not think hon. members—I am addressing myself here especially to my Liberal colleagues—should develop ulcers over this situation. I had the occasion of living through a situation similar to this in Prince Edward Island from 1966 to 1970. The Liberal government of Premier Alex Campbell governed Prince Edward Island with a majority of one vote, that of the Speaker. I think it is fair to say that this was a particularly successful period of our provincial history.

I am particularly pleased, Mr. Speaker, that my maiden speech in this House should coincide with the centennial of the province I have the honour of representing. As hon. members will know, Prince Edward Island celebrates this year its one hundredth anniversary as a member of the great Canadian confederation. We know that the road to confederation started in Prince Edward Island in 1864. However, Prince Edward Island took a few more years before joining confederation. We islanders like to think twice before we embark on any serious adventure, but in 1873 we felt that Canada was ready for us. It has now been 100 wonderful years and, needless to say, we have never regretted our decision nor do we regret it now.

Some hon. Members: Hear, hear!

Mr. MacDonald (Cardigan): As hon. members will know, the celebrations of our centennial have already started. We were privileged to have His Excellency the Governor General and Mrs. Michener officially open the centennial celebrations at the beginning of January. As was pointed out in the Speech from the Throne, we will be honoured by a visit by Her Majesty the Queen, later this year. Needless to say, Sir, all islanders look forward with great excitement to that historic occasion. If I may at this point, Mr. Speaker, I would like to extend, on behalf of all islanders, a most cordial invitation to all members of this House to visit us during our centennial year. Even hon. members opposite are invited!

Mr. Marshall: Transportation free?

Mr. MacDonald (Cardigan): For a short while islanders are prepared to forget even their politics and, God knows, this is not always too easy. It is our birthday and we invite you to come and celebrate it with us. It will be a year to remember for those who are lucky enough to be islanders and all those who wish they were.

Having regard to the island, Sir, there are a few points I should like to touch on briefly. Hon. members will recall that a comprehensive development plan came into effect in March, 1969. Implementation of the plan covers the 15 years from 1969 to 1984 and it involves further development of all major areas of activity on the island—from agriculture to tourist facilities, from fisheries to manufacturing industries and many other fields of activity. May I simply recall here that federal participation in the plan is in the order or $225 million.

In the agricultural sector a new family farm program has been initiated. Under this program, grants of up to $6,000 are available to farm operators who can demonstrate through the presentation of a five-year plan that a grant would improve their net income. The response to the program has been encouraging and it is evident that farmers are taking advantage of the results of research and agricultural counselling and are recommending modern agricultural practice in both the planning and implementation of their proposals.

The Land Development Corporation, a provincial Crown corporation, is also supported with DREE funds and provides many programs to assist farmers in the expansion and improvement of their operations. DREE has provided financial assistance in the design and construction of new or improved waste disposal systems for several food processing plants in Prince Edward Island. In addition, departmental grants of over $700,000 and loans of $1 million have been authorized for the construction of sewage disposal facilities in Souris, Montague, Summerside and Charlottetown. A road building program, in effect since 1969, is producing a system of all-weather roads to assist the social and economic development of the province, at a cost of over $7 million in federal funds.

As a result of an amendment to the plan in 1971 making provision for federal assistance in the construction of educational facilities, schools at Ellerslie and St. Louis have been completed, and work is under way on additional facilities at Cornwall, Sherwood and the Murray River-Sturgeon school. DREE is also helping with assistance to home improvement projects and home ownership in Prince Edward Island. Grants of up to $1,000 are available for home improvements, and forgiveable loans of up to $4,000 may be obtained to assist low-income families in the purchase of homes. To date, approximately 3,500 families have benefited under this program.

As an attraction for the many tourists visiting the island, the two governments have created a major tourist attraction at Brudenell, where a resort and golf course were built at a cost of approximately $2 million. A major urban development is now under way on the Summerside waterfront. I might say, when referring to this item, that it brings back the memory of something going on today in Prince Edward Island. The minister of the provincial government responsible for this program, a very smart young man of 47 years of age, is being buried today. I say this with due respect to him and the contribution he has made to Prince Edward Island. This major urban development is now under way on the Summerside waterfront—at least that dear fellow saw it commence—where a modern complex of commercial buildings, a convention hotel and marina are being constructed, with federal assistance, on reclaimed acreage in the harbour area.

Before leaving the topic of DREE programs, sir, I would add that I was extremely pleased to note in the Speech from the Throne that not only is the government pledged to carry on its fight to reduce regional economic disparities but the Department of Regional Economic Expansion will be decentralized to a greater degree. I think such a move will be most beneficial to those regions directly affected by the DREE programs, one of those regions being, of course, Prince Edward Island.

I should like to say a word about another industry which is vital to the economy of Prince Edward Island, that is, our fisheries. The year 1970 marked a turning

point in Prince Edward Island's fisheries development with the catch that year exceeding 100 million pounds, double the normal harvest, and worth a record $11 million to the fishermen. The catch and landed value dipped slightly from that mark in 1971, but preliminary figures indicate that the 1972 catch will again be worth more than $10 million. Lobsters are, of course, the island's most valuable fishery resource, with a landed value estimated at $6.3 million in 1972.

During the current fiscal year, approximately $100,000 has been allocated by the federal government toward shared-cost, federal-provincial projects aimed at extending and modernizing the fishing industry in Prince Edward Island. Approximately the same amount was allocated in 1971. These projects include the technical upgrading of fishermen to improve their efficiency, various types of exploratory fishing, and demonstration programs of new fishing methods and gear such as oyster rakes, otter boards, power blocks for use on small vessels, hydraulic-bar clam dredges and refrigeration aboard inshore boats.

• (1530)

Considerable attention has been devoted to developing the island's oyster industry, and during the past summer a new oyster leasing policy was introduced covering the entire maritime provinces. It is anticipated that the changes will substantially increase oyster production and will improve management by encouraging large lease holdings and the formation of small companies or co-operative fishing associations.

The opening of a new school of fisheries at Summerside, Prince Edward Island, last fall reflects the importance which the provincial government places on the development of the island's fishing industry and the need to keep its fishermen abreast of modern techniques and technology.

I was pleased the other day to hear my colleague, the Minister of the Environment and Minister of Fisheries (Mr. Davis), talk about new legislation that will provide financial assistance to small inshore fishermen who require ice-making, ice storage and fish-chilling facilities. As the minister pointed out in his speech, this legislation will be particularly helpful to the disadvantaged parts of the country. I was happy to hear the minister say that as a result of this new legislation the earnings of all our inshore fishermen should be increased by about 30 per cent. That indeed is very good news to the inshore fishermen.

My remarks about some of the issues pertaining to Prince Edward Island would not be complete without a word on transportation. We islanders are blessed with many advantages that mainlanders may not know about, but transportation in general and transportation costs are still problems that we have to face on a daily basis. Some progress is being made in that regard, but much remains to be done.

With regard to freight rates, I am particularly pleased that this government has announced its intention to meet with provincial governments to examine the impact of freight rates on economic development and consumer prices. While I do not believe that lower freight rates are the complete answer to the transportation problem of the Atlantic provinces, I do believe positive action must be taken to ensure economic transportation access to markets in central Canada for Atlantic provinces producers. I am encouraged by the co-operative attitude of the railways with whom the Minister of Transport (Mr. Marchand) has discussed this matter. Also, a closer interfacing with DREE is now envisaged and will help.

I am aware of the large amount of subsidy money, about $20 million per year, already contributed directly to transportation movements by road and rail under the Maritime Freight Rates Act and the Atlantic Region Freight Assistance Act. I am pleased to note the activities of the federal-provincial committee on Atlantic region transportation, working in co-operation with the Atlantic provinces transportation commission, to find more effective ways of spending this subsidy money, currently disbursed on a blanket basis for almost all commodity movements within and from the Atlantic provinces. I hope this work will help to provide some indication of how the over-all moneys might be channelled into more effectively solving this particular problem, that is, maintaining access to the eastern markets and offsetting transportation costs which are most disadvantageous to our region.

Another particular concern of my province is that of the future of the rail car fleet for moving potatoes. Within the next few years this fleet will be due for replacement. The impact of such replacement on rates for moving potatoes could be quite dramatic. This is a matter which might well be an item for discussion in the upcoming federal-provincial meeting on consumer prices. I am aware that the solution need not lie exclusively in the rail mode.

In so far as the ferry services to Prince Edward Island from the mainland are concerned, particularly with respect to the centennial year, I am pleased to note that plans have been implemented that should provide a service that will have even more increased capacity than P.E.I. enjoyed this past summer. In fact, in the planning a traffic increase of 17 per cent was used, to allow a sufficient margin for such an important event as the P.E.I. centennial celebration. To meet the projected demand, MV *Lucy Maud Montgomery* will be taken from the Newfoundland service and added to last year's fleet on the Borden-Cape Tormentine route.

Mr. Marshall: Watch it.

Mr. MacDonald (Cardigan): I thank the hon. member for his vote. Additionally, capacity was increased on the Wood Islands-Caribou service by 50 per cent by adding the new ferry, MV *Prince Edward*, in November, 1972. With these additions, I believe the previous high standard of service that was established in 1972 will be not only maintained but enhanced.

I would now like to say a few words about my own department. Having been elected Member of Parliament for Cardigan, I came to Ottawa, like any other freshman MP, ready to tackle the job. Needless to say, I was pleased, surprised and honoured when the Prime Minister (Mr. Trudeau) asked me to become Minister of Veterans Affairs. As hon. members may know, I have had a very close relationship with the department for a good number of years, and I believe I had a fair knowledge of the

department even before I came here. I realize that there is still a good deal to be learned.

After nearly 30 years of observation and experience of the veterans affairs department and agencies from the output point of view, I have been most interested to be able to study it from the input end. This I have been doing pretty intensively for the past two months. I am not going to take time on this occasion to talk at length about the Department of Veterans Affairs programs and achievements, however desirable that might be, but I do want to say a few words on two or three points that I think are of interest both to hon. members and to veterans in Canada.

The first point concerns pensions; more specifically, the basic rate of pensions. My ministerial legacy included a report on this subject by a joint study group composed of representatives of veterans' associations, the Department of Veterans Affairs and the Canadian Pension Commission. It was set up last July under the chairmanship of Allan O. Solomon, commission chairman, and its findings were announced early last November jointly by my predecessor Hon. Arthur Laing, now Senator Laing, and Robert Smellie, president of the Royal Canadian Legion.

In essence, the report recommends that the basic pension rate, which is the amount of compensation paid to an unmarried, 100 per cent disability pensioner, should be related directly to the earning power of five categories of unskilled employees in the federal public service. At pay rates in effect at the time the report was presented, that would make for a basic rate of $4,529 per year and that was the figure recommended in the report. As I pointed out in this House the other day, when the Standing Committee on Veterans Affairs has been reconstituted I will introduce a resolution referring the report to the standing committee.

Some hon. Members: Hear, hear!

Mr. MacDonald (Cardigan): My second point also concerns pensions—the adjudication of pension claims and why decisions are sometimes months in coming. I want to begin my comments on this point by saying that the chairman of the Pension Review Board and the chairman of the Canadian Pension Commission, the two adjudicating agencies, believe that their primary responsibility is to award pensions; they do not consider themselves to be guardians of the privy purse. I support them wholeheartedly in that philosophy. At the same time they, and I, realize that pension entitlement cannot be awarded irresponsibly, that enough credible evidence must be presented to justify a favourable decision being rendered on a claim.

The other pensions agency, the Bureau of Pensions Advocates, and the veterans' associations go to great lengths to obtain and present that evidence. But not generally known—certainly, I did not know it until recently—is the magnitude of the problem that has been faced by the Canadian Pension Commission which is responsible for the first two levels of the adjudication of claims.

• (1540)

The 1971 amendments to the Pension Act were described by the then minister of veterans affairs, the hon. member for Restigouche (Mr. Dubé), as the most extensive and comprehensive in half a century, giving Canada what I am sure is a world model for legislation dealing with compensation for disability and death related to military service. But perhaps of greater improtance from the veterans' point of view was the removal of restrictions and the expansion of the basis for pensions claims, a more generous definition of the benefit of the doubt clause, an improved adjudication procedure and a more liberal attitude toward pension claims generally.

It was a new ball game for pension applicants and also for the commissioners and the commissions' employees. The implications of the amended act had to be carefully considered, new procedures had to be worked out, new staff had to be found and trained, old employees had to be retrained, priorities had to be established and potential claimants had to be informed of the extended benefits, including the three year retroactivity provision.

As expected, a deluge of pension applications descended upon the commission. It may be easing a bit now, but it has continued at a higher level for much longer than was anticipated; for example, applications in November and December of 1972 were somewhat higher than in the same months of 1971. Predictably, many of these claims were the renewal of applications that had been turned down under the old act, or were from widows who were entitled to apply under the amended legislation. Very many of these applications were for pension entitlement for medical conditions identified years after service which may be attributable to incidents that took place 30 to 50 years ago.

Regardless of whether the end result is a favourable decision or an adverse one, the medical appreciation of a claim and the ultimate adjudication of it is very time consuming, and the decision must be a written one. The law requires that it be in complete detail if it is unfavourable. Then, in addition to the time required for these procedures, many man-hours may be devoted to seeking or verifying evidence required to justify a favourable decision; and sometimes this hinges on evidence provided by commanding officers, comrades, archives, and so on, resulting in further delays while records and memories are searched and letters and reports are written.

There is more I could say about the reasons for the substantial backlog of claims and about the time required to render decisions, but I prefer to talk about the way the commission is handling this problem. All claims for pension had a fresh start under the terms of the new legislation, that is, as of March 30, 1971, when the act was amended. The act also provides that pensions may be paid from the date of application or retroactively for three years, whichever is the later. There is provision, also, for further extensions to compensate for administrative delays, if that section needs to be invoked.

The first priorities of the commission were the automatic awards to Hong Kong veterans and to the exceptionally incapacitated. These groups were dealt with in accordance with the provisions of the amended act during the 1971-72 fiscal year. Generally speaking, widows' claims now have priority, especially is they have been recently widowed, veterans of World War I and their dependants have priority over those of World War II, for obvious reasons, and priority is also given to claims where there is a social or medical urgency attached to them. Apart from

these special considerations, applications are handled as far as possible in the order of receipt.

Thus, I can assure hon. members that whenever a justifiably urgent case is brought to the attention of the commission it is given priority attention. In other words, so far as we are aware prompt consideration is being given to all claims where there is real need. Last fall seven more commissioners were appointed and they will soon be able to carry their full share of the load. Support staff has also increased substantially and more will be taken on as fast as they can be trained for these highly specialized jobs.

The cumulative result of these measures is that the output of the commission is rising substantially. This trend, and the fact that the trend of new applications is downward, leads to the conclusion that, hopefully before summer comes, decisions rendered will outnumber applications received. But even when the current backlog has been completely eliminated, much time will still be required to deal with the continuing flow of applications based on service of long ago. As I have already said, this type of application constitutes a large part of those now awaiting decision.

Before leaving veterans affairs subjects I want to say a few words about our treatment services. In 1964 it was announced that the government was prepared to transfer DVA hospitals to suitable public authorities, subject to certain conditions. Stated briefly, those conditions would guarantee adequate accommodation and satisfactory standards of treatment for veterans, and the continued employment of the hospital staffs at rates of pay and other benefits equivalent to those they enjoyed as federal public servants. Since then, several DVA treatment institutions have been turned over to such authorities, notably Sunnybrook Hospital in Toronto, Ste. Foy Hospital near Quebec City and, last November, Lancaster Hospital near Saint John, New Brunswick. Negotiations for the transfer of other DVA hospitals are in various stages of discussion.

I want to assure hon. members that the policy of this government on that point remains the same. Indeed, it can be no other way if we are to fulfil our obligation of providing satisfactory medical treatment for the veterans for whom we have treatment responsibilities. Very few veterans are now under 50 years of age, and it is increasingly difficult to recruit highly qualified medical and technical staffs for hospitals which are chiefly providing chronic treatment to older people.

I do not want to imply that the standards of medical treatment in our remaining hospitals are not high. We still have many well qualified, dedicated, medical, nursing and technical services employees, but it is becoming more and more difficult to replace those who retire, for younger professionals in the medical sciences prefer to work in hospitals offering wider experience and more constructive challenges.

Our responsibility is to provide quality treatment for veterans, and we intend to do so. It is apparent that in the years to come it will be more effective and economical to buy that treatment than to provide it, and our policy is to continue to work toward that objective.

Mr. Knowles (Winnipeg North Centre): Would the minister permit a question? Can he tell us what the backlog of applications is at present? I am referring to the cases before the Canadian Pension Commission.

Mr. MacDonald (Cardigan): Mr. Speaker, I did not have my earpiece on, but I believe the hon. member asked about the backlog of applications at present. The figure may not be exact, but I believe that at present it amounts to 9,400.

Mr. Marshall: Mr. Speaker, first of all I should like to congratulate the new minister on his appointment. In view of the fact that it will be impossible to get evidence on cases which go back 10 or 15 years, would the minister consider and discuss with the pension commission the relaxation of the benefit of the doubt clause, because it seems to be part of the problem? If we are going to give them the benefit of the doubt, let us give them the real benefit of the doubt. Will the minister take that matter into account?

• (1550)

Mr. MacDonald (Cardigan): Yes, I will take it seriously into account. If I might be allowed to elaborate for a moment, Mr. Speaker, some of us know of cases of veterans with whom we served. We are aware of something that happened to them, something that is not recorded in their papers. This is why I would be in favour of this suggestion, and I will bring it to the attention of the commission.

Mr. Walter C. Carter (St. John's West): I should like to join other hon. members of the House who have taken part in this debate in extending to His Honour, the Speaker, my sincere congratulations on his re-election to that very important post. I have every confidence, as have my colleagues, that His Honour will discharge the awesome responsibility which has been entrusted to him with dignity and fairness to all members of the House. I would also like to extend to you, Sir, my sincere congratulations on your election to the very important office of Deputy Speaker. I am sure that you, too, will discharge your responsibilities with the same dignity and fairness to all members of the House regardless of political affiliation.

Needless to say, I am honoured to have been re-elected by the voters of St. John's West to represent them once more in this House. To other hon. members who were re-elected, I offer my sincere congratulations. To those who occupy seats in this House for the first time I wish the very best and I hope their tenure of office will be rewarding and fruitful to themselves and to the people they represent.

The Speech from the Throne opening this session of our twenty-ninth parliament contained very few surprises for the average Canadian. However, it does stand out as representing the fastest reversal, the fastest about-turn in government policy since the Prime Minister's recognition of the Queen. But I am afraid, Sir, that it contains about as much sincerity. It seems that the Prime Minister (Mr. Trudeau) and his ministers have come to realize that people, their needs, desires and expectations must be considered top priority by any legislative body, and the House of Commons is no exception. People are very important,

and they were very much in evidence on October 30 last. The lesson learned by the government that day must be a bitter one indeed.

One must credit the government for finally recognizing that something must be done to assist Canadians who are less fortunate than the majority. I am talking about the elderly people, the underpaid, the unemployed, those on welfare and those who are living in conditions that are less than satisfactory. However, it is questionable whether the government has in any real sense come to grips with the problems these people experience. It is questionable because although the Speech from the Throne sounds promising, it provides no real, fundamental changes in the programs being advocated as solutions by the government. The Speech from the Throne demonstrates clearly that the government has noticed there are problems in need of solution. However, it does not provide any assurance that the government is prepared to undertake any meaningful action to accomplish its stated objectives.

Representing, as I do, a Newfoundland constituency in the economy of which the fishing industry plays a very important part, I was most disappointed, but I might say not really surprised, to learn that the Speech from the Throne did not contain any reference to the fishing industry. The fishermen of my riding have become reconciled to the fact that the government is totally insensitive to their problems. The attitude of the Minister of Public Works (Mr. Dubé)—I am glad to see him in the House this afternoon—toward the need for improved and additional wharves, landing and harbour facilities in my riding would make Scrooge look like a big-time spender. In almost every community there you can see evidence of neglect on the part of the government. Public wharves are allowed to deteriorate, in many cases to a point where it is not safe for people to walk on them, and those that are being maintained are so overcrowded as to make their use by fishermen almost impossible.

Breakwaters are required in many parts of my riding. I presume the same situation prevails in most communities in eastern Canada. Breakwaters are required to provide shelter for boats and other property. Fishermen are forced to haul up their boats from the water on makeshift slipways. They run the risk of losing their boats during storms because of inadequate shelter and proper haul-out facilities. For this I give full marks to the Minister of Public Works because it is quite obvious that he and the Minister of the Environment and Minister of Fisheries (Mr. Davis) are still battling over the old question of which comes first, the hen or the egg or, in this case, which comes first, fishermen or fishing facilities.

The Minister of Public Works refuses to take any action to correct these problems, on the basis that his colleague, the Minister of Fisheries, will tell him there is no need for breakwaters in St. Mary's Bay, or a wharf or community stage, because there are no fishermen in St. Mary's Bay. What the minister does not realize is that in order for there to be fishermen in that part of my riding there must be fishing facilities. That is why it is amusing to see the struggle that is taking place within the minds of both ministers as to what we should do first, whether we should provide fishing facilities or try to provide fishermen.

I say to the Minister of Public Works that if the government accepted its responsibility, if it performed the function that it was intended and supposed to perform, there would be fishermen in that area. I ask him to be more sympathetic to the needs of the fishermen in my riding. In Newfoundland and eastern Canada generally, wharves, breakwaters and other facilities are an essential matter. The federal government has responsibility to provide and maintain certain marine facilities in our harbours. These facilities are essential to our fishermen if they are to be given a fighting chance to eke out a living for themselves and their families.

God knows, the life of a fisherman is not easy even under the best circumstances, but it is much more difficult when he has to operate under these conditions, when he has to contend with a government, with the Minister of Fisheries and the Minister of Public Works who are totally indifferent and insensitive to his needs.

Not only does the government have responsibility for the provision and maintenance of harbour facilities for our fishermen; it also has a responsibility to protect our fish stocks against the plundering of foreign fishing ships, and to protect our inshore fishermen against the encroachment of larger ships—I might say both foreign ships and local ships—which run rampant over their fishing grounds, leaving in their wake destruction and chaos.

• (1600)

Mr. Speaker, on numerous occasions I have reported to the Minister of Fisheries instances of foreign and local ships coming into the harbours and bays in my riding without regard to the fishermen and their gear. They use the fishing grounds and destroy gear, then thumb their noses at the fishermen and sail into the sunset, leaving no compensation to the people affected. Foreigh ships continue to plunder our fishing stocks, ignoring our rights and challenging our authority. This goes on without a word of protest from the Minister of the Environment or the Secretary of State for External Affairs (Mr. Sharp).

The fishermen of eastern Canada realized a long time ago, Mr. Speaker, that they were not going to get much sympathy from the Secretary of State for External Affairs. It is not hard to detect in his attitude his absolute dislike of fish and his indifference to the treatment of fishermen. I suppose we have to make some allowances for the fact that he is a big-time city slicker from Upper Canada. However, it is another matter when speaking of the Minister of Fisheries who now prefers to call himself Minister of the Environment. It cannot be overlooked that the Minister of Fisheries shows complete indifference to the problems of fishermen and the fishing industry. We are unable to forgive him for that. We expect our Minister of Fisheries to at least go through the motions of showing interest in what is happening and to support our fishermen in their fight for survival. We expect him to take a stand in their efforts to get protection against these twentieth century pirates who infest the waters of our coasts and our bays.

Some hon. Members: Hear, hear!

Mr. Carter: We expect the minister to show concern for the lack of proper harbour facilities, and we expect him to

impress upon his colleague, the Minister of Public Works, the need for funds to help the fishermen of this country. Unfortunately, the minister is so wrapped up in matters pertaining to the environment and protecting people against pollution that he appears to have forgotten the fishermen. It is not my intention to play down the need for efficient laws with respect to pollution—indeed, I think perhaps more rigid laws are needed to protect the environment—but a great many east coast fishermen have problems just as pressing, for which no solutions are forthcoming.

It is very difficult for a fisherman of St. Mary's Bay in my riding, or in the Ferryland district or the Placentia area to appreciate this government's expenditure of $2 million on a navy when he is left to his own resources in order to protect himself and his gear against foreign fishing ships.

There presently prevails across Canada a severe shortage of family housing at reasonable prices. Despite past efforts on the part of this government to alleviate the situation, there appears to be no improvement when one reviews the statistical information on the cost of housing, building materials and land. For these reasons, Mr. Speaker, I cannot become enthusiastic over the Speech from the Throne proposals in the area of housing and urban development.

Most of these proposals are not new. We must remember that the Minister of Manpower and Immigration (Mr. Andras) had the same proposals ready for introduction at the beginning of last year. Despite the timing of the Minister of Urban Affairs (Mr. Basford), breaking open the cookie jar did not prove too profitable for the rest of Canada when he introduced new measures last June, although they no doubt helped the minister's election results.

Having studied the previous proposals and realizing their shortcomings and the insufficient impact they would have on the social conditions of this country, I cannot believe the minister has suddenly taken a turn for the better and that matters will improve in his department in so far as helping those in need of housing is concerned. On the other hand, if by some stroke of luck things have changed, the minister might be interested to know something about housing problems in Newfoundland.

An article which appeared in this morning's issue of the *Globe and Mail* gave statistics with reference to the housing problem in my province. It stated that Newfoundland appears to have the worst record of housing of any province. Regretfully, I have to agree with that statement, Mr. Speaker. We have very serious overcrowding in my riding and in Newfoundland generally. There are not sufficient subsidized housing units to accommodate the people who are desperately anxious for a decent place in which to live and raise a family. In my city, with a population of less than 100,000, there are more than 500 families desperately in need of public housing. Their names have been listed with the St. John's housing authority for quite some time, but there is very little hope of their getting better housing in the foreseeable future.

The average cost of a new house built under the National Housing Act in St. John's, Newfoundland, exceeds the average cost of the same house built under the National Housing Act in other parts of Canada. That in itself is not so frightening, Mr. Speaker, until we realize that in my province and in my city the per capita income is far less than that enjoyed by other Canadians, in my province and in my city the rate of unemployment is higher than that experienced in other Canadian cities and provinces, and in my province and in my city the cost of living exceeds that in other provinces and cities.

When all these things are added together, I am sure it will be seen that there is a very serious problem for the average salaried, blue collar worker living in the city of St. John's and in Newfoundland in general. Mr. Speaker, we must ask ourselves how we can expect a person who is forced to live and raise a family in a home that is unfit for human habitation to appreciate the problems of national unity or the multimillion dollar spending spree of this government on bilingualism and biculturalism. It is about time members of this government, both English-speaking and French-speaking, faced a few very important facts of life. I should like to remind the Minister of Transport (Mr. Marchand) and the Prime Minister, who devoted their entire speeches in this debate to the problems of French Canada, that Quebec is not the only province whose people have problems and who in many instances are treated like second-class Canadians. I admit that in some areas these problems are peculiar to that province, but basically there is not much difference between the problems of Quebec and those of the other disadvantaged regions of Canada. These problems are as basic as bread and butter or meat and potatoes; they are as basic as the difference between have and have-not. Misery and suffering brought on by poverty knows no linguistic or cultural boundaries.

• (1610)

I would like the minister and the Prime Minister to appreciate that the extent to which the fishermen in Quebec must struggle for existence is no different from that of the fishermen in St. Mary's Bay in my constituency. The pleas of a child who is fighting to overcome the stigma of social welfare, struggling to make his own way, to find his place in the sun and beat the system that has forced him and his family on welfare, are no different whether they are spoken in English or in French.

I believe that the problems in Quebec and in other parts of Canada are not linguistic or cultural, as certain people would have us believe; rather, they are problems of people not unlike people in my constituency and in other parts of Canada who demand social and economic equality. Their problems are no different, no less acceptable and no less palatable than the problems of people living in Newfoundland or in other so-called have-not provinces.

I wish to make some comments with regard to the need for more and better legislation for consumer protection. We must recognize the fact that the rapid growth of consumer credit in Canada has created an urgent necessity for more rigid and restrictive standards of consumer protection. Lack of substantial controls and regulations in this area has allowed the public to be subjected to gross misrepresentation through false and deceitful advertising. Numerous worldwide cartels have imposed unfair prices and impositions on the consumer, with little opposition from the government.

Since the advent of television we have been mercilessly bombarded by the ingenious advertising gimmicks of Madison Avenue-type ad writers who have succeeded in giving their usurious clients an almost divine right to the minds, bodies and souls and, in many cases, the future earnings of unsuspecting consumers. It is for these reasons that a definite program of government control should be instituted in order to provide protection for the consumer.

In my opinion, the following steps should be taken by the government if it is willing to embark on a crusade to end exploitation of the consumer. A reorganization of the Consumer Council of Canada should be undertaken to assume the position of the major advisory link between the government and the consumer. The council should be reorganized along the following lines. More money should be granted to aid its purpose; more research staff should be added to pursue the ways and means that could be implemented to combat consumer exploitation; membership in the council should be extended to include provincial representatives in order to provide a more realistic link between the government and the people; the reformed council should be independent of the Department of Consumer and Corporate Affairs. This would ensure an unbiased look at the situation as it now exists.

Despite the fact that the council would be independent of the department, it would still have to proceed with full awareness of the government's intentions for consumer protection. The council must have a clearcut definition of its purposes and its function. I feel this is very essential. The council's reports should be made public. Its independence from the department would ensure that this would be made possible. If the council is to be at all effective, it should ensure that the public is made fully aware of its rights and what laws and regulations assure these rights. I feel these are worth while suggestions and should be given very careful consideration by the government.

If such a course of action as the one outlined above is enforced, the public will no longer have the problem of assessing the value of products purchased. The standards set by the council will not only improve the quality of the products on the market but the consumer will be made aware of the value of what he is buying.

A perfect example of the need for consumer protection is the plight of those plagued by finance companies. The "bill-payer loan", which promises to consolidate all monthly bills into one, fails to get the basic truth across. Its deceit lies in the fact that, while consolidating bills might be a good idea, the interest payments are not. In effect, when a consumer is talked into this type of arrangement he is paying for paying his bills. While many will say that in the case of finance companies it is the fault of the consumer for not reading the fine print, it is not until he becomes involved in this type of arrangement that he realizes the effect bill collectors and collection agencies can have on the mental and physical condition of those in such situations.

In many instances people who have committed themselves to become overextended, credit-wise, and have fallen into the clutches of loan sharks have been driven almost to the brink of insanity and physical exhaustion by the merciless hounding of the usurers or their representatives. Unfortunately, the vast majority of those who fall victim to these goings-on are those who through no fault of their own can least afford the costs involved and in too many cases are unable to look after themselves. All too often they are people who have not been permitted by the system to rise above the bottom half of the social and economic ladder in our society. They are the real victims of inflation, greedy landlords and selfish employers. They are the unemployed, the underpaid, the widowed and the exploited, the so-called have-nots. These are the people who because of their circumstances cannot afford legal counsel to protect them against the garnishee-brandishing, judgment-seeking people and money lenders who would have no more compunction about attaching a person's wages, home, furniture, the food on his table and the clothes on an orphan than they would in driking a double martini at their favourite country clubs. These are the people who continue to fall victims to the vultures in our society.

• (1620)

Since 1968, the government has passed ten bills dealing with consumer and corporate affairs. Four of them were amendments to existing legislation. The fact remains that the legislation was not properly co-ordinated; it was piecemeal. In addition there was a considerable time lag between the passage of a bill dealing with consumer protection and its actual operation. An example is the Hazardous Products Act which only became effective in January, 1972, almost two years after the bill had been passed by this House. The Packaging and Labelling Act was passed in June of 1971, yet I understand it has not yet been proclaimed; consequently, its regulations have no force in law. The government has been slow to ensure that acceptable standards of quality, safety and fairness characterize the production and sale of consumer products in this country.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired. He may, however, continue with unanimous consent. Is this agreed?

Some hon. Members: Agreed.

Mr. Carter: Thank you, Mr. Speaker. I have only a few more sentences—

Mr. Bell: Mr. Speaker, may I say that I hope my hon. friend will take just a minute or two, perhaps, in which to conclude. We have a long list of speakers who wish to take part in this debate.

Mr. Deputy Speaker: The hon. member has been given extra time and he may continue.

Mr. Carter: I apologize to the House. I realize I may have gone beyond the time allotted to me, but I felt that the matters raised were of sufficient importance to my riding, to my province, and maybe to the country, if I may be so bold as to say so, as to justify a little extra time being taken.

I shall close by saying that the government should take immediate action in many areas to correct serious inequities which exist in Canada, including serious inequities

which affect the fishermen in my constituency and the facilities afforded them. I hope the government will, indeed, take action to correct these inequities.

Mr. Harry Olaussen (Coast Chilcotin): Mr. Speaker, as a new member I have been impressed by the rituals and by the debates in the House of Commons. There is no doubt that the debates in the House play an important role in expressing the feelings of all parts of Canada through their elected representatives. As a new member from British Columbia it has been my privilege to meet members from various parts of Canada, most of whom, I am sure, are deeply concerned about the problems of their constituencies and the direction in which the country is headed. It is also my privilege, as a new member, to deal with the problems of my own riding and to take the necessary action.

A riding as large and as diversified as that of Coast Chilcotin has, no doubt, a diversity of problems some of which are brought to the member's attention to be dealt with as effectively as possible. I will touch on some of the problems in my riding, but first of all I would like to express my concern on one particular issue of interest.

Mr. Speaker, a good, reliable transportation system is the lifeline of a modern, civilized, industrial nation such as Canada. We have seen how transportation played a remarkable role in the opening-up and development of western Canada. We have seen how this country developed and grew as a result of the growth of a modern transportation system which enabled this huge country of ours to remain united in spite of the vast distances that separate the east from the west and the north from the south. We owe our existence as a sovereign nation to those who have struggled, sometimes under harsh conditions, to build, maintain and operate a transportation system which, despite some of its current shortcomings in many areas, can justify our sharing a sense of pride with all Canadians in the fulfilment of our national dream.

However, this pride gives way to a sense of guilt and shame when we consider that this country, one of the world's largest exporting nations and one of the most industrialized, has practically no merchant marine to speak of other than those ships engaged in coastal and inland waters. As an ex-merchant seaman, I am vitally interested in seeing this country develop a merchant marine, not only for economic reasons but also to give us a sense of pride in and respect for the maritime traditions which have been part of this country's development since the early settlers first arrived in Canada.

The subject of a Canadian merchant marine has been raised many times in past sessions of the House, and will undoubtedly be raised again in this and future sessions until such time as the matter can be resolved in accordance with the wishes of those who have repeatedly brought up the issue on their own behalf and on behalf of those who are interested in seeing the establishment and development of an active merchant marine. As a first step toward this goal, it is my feeling and the feeling of other concerned parties that the Darling report on the coastal trade of Canada and related marine activity must be implemented without delay.

Considering that services traditionally provided by Canadian ships and Canadian workers have been transferred to foreign flag vessels which are built, manned and supplied by other countries and are exempted from Canadian taxes, safety codes and labour standards, it is my fervent hope that members of this House will join me in endorsing the main recommendations set down in the report.

The first is that the Canadian coastal trade should be reserved to Canadian flag vessels only. Adoption of this recommendation would result in the employment of an estimated additional 40,000 seamen and shipbuilding workers, and would assure Canadian control over domestic shipping and Canadian sovereignty in our coastal and Arctic waters. Second, the development of resources in the Arctic and the offshore areas should contain conditions on the extent of use of Canadian shipping to be required. This policy would result in substantial participation of Canadian shipping and would be a logical part of any campaign to restore a Canadian flag, deep sea merchant marine. Third, the policy of issuing permits should be directed as far as possible toward replacing foreign vessels by Canadian vessels. Permits to non-Canadian flag vessels should be given only when Canadian vessels are either unavailable, insufficient or inadequate for the purpose. This policy would encourage the development of sufficient Canadian flag tonnage to handle all coastal trade requirements. Fourth, the reservation of coastal trade to Canadian flag vessels should extend to other marine activities, dredging, salvage, seismographic, supply and support vessels in offshore drilling.

It is recommended that marine activities in connection with the economic exploitation of the continental shelf be placed in the category of coastal trade and other marine activity which would be reserved to Canadian ships. It is unthinkable that the exploitation of Canadian resources should take place without the full coverage of Canadian law. It is also desirable that any exploitation of these resources provide the maximum return to Canada.

• (1630)

Fifth, government assistance to new industries in the marine sector should have attached to it conditions on the extent of use of Canadian shipping to be required. There is no doubt that shipping policy needs to be fully integrated into regional development policy, as recommended in this report, since shipping itself is one of the most likely possibilities for regional economic development, especially in areas such as the east coast.

It is my belief that there must be continual demands for a review of Canadian shipping policy, not only with regard to the coastal trade as recommended in the Darling report but with regard to the possibilities of a deep sea merchant marine. These studies, both of the coastal trade and of the deep sea fleet, are a necessary prelude to any development of an effective policy for the shipbuilding industry. Besides the many economic advantages to be gained from the development of an active Canadian deep sea merchant marine, this country would see to the training and development of a new generation of merchant seamen dedicated to Canada's maritime traditions, traditions that have played a very essential role in the growth and development of this country.

There is no doubt in my mind that a merchant marine as envisaged by me and others in the House will soon become a reality, reality that will result in an expanded shipbuilding industry on the west coast as well as on the east coast, one that will result in increased employment within the industry itself and in the other areas directly or indirectly associated with the shipping industry. Not only will the government derive more revenue from such a program but it will also be able, with this revenue, to offset subsidies that may be required.

Speaking for my province of British Columbia, I welcome a policy that will result in greater Canadian control of its shoreline in matters of pollution; I welcome a policy that will result in greater activity in the shipping industry, and I welcome a policy that will stimulate the economy and encourage the growth of secondary industry in the province.

It is indeed heartening to note that the government, in its throne speech, believes that a greater measure of decentralization of industrial activity is necessary and that it recognizes that western Canadians wish to build industrial strength on top of their region's great resource and energy base. It is also heartening to note that the government is suggesting improvement of the total transportation system, so basic to overcoming the problems of distance. This will be a matter of interest to my riding of Coast Chilcotin where federal-provincial co-operation is necessary in order to resolve some of the problems there, specifically with reference to a possible connecting line between the British Columbia railway and the Canadian National Railways in the Squamish-Lillooet area.

On the subject of the throne speech, it is also heartening to note that the government is interested in efficient communications between all parts of the country, that it will in the near future submit proposals for a national communications policy and for resolving problems arising from the growing interaction between broadcasting and other forms of telecommunication, giving due weight to the interests and concerns of the provinces. This will also be of some significance to my riding of Coast Chilcotin in which people living in isolated areas have little or no communication with the outside world and are virtually deprived of such facilities as are necessary in a civilized world. There is no room for little Siberias in a modern and enlightened country such as ours.

I welcome any significant changes that will improve the quality of life and benefit the people of Coast Chilcotin. I welcome the government's decision to recognize the needs of the western provinces and to take specific action as required in order to carry out its decisions. I have no doubt that the people in my riding will greatly benefit from the government's future course of action, one that can only help unite this country. It is the kind of action that has been long overdue, and if the proposals contained in the throne speech are carried out as promised there is no doubt that this country will greatly benefit from improved relations between the east and the west.

I assure you, Mr. Speaker, that the west stands on the threshold of a new era, an era in which economic and industrial growth will be accompanied by concern for the environment and a demand that effective anti-pollution standards must be enforced if industrial growth is to be encouraged. In my riding of Coast Chilcotin, great importance is attached to the environment as the riding is blessed with the kind of natural beauty probably unsurpassed by any other riding in Canada. It is our intention to keep as much of it as possible in its natural state, unspoiled by the blight of industrial growth so common to other areas of the world.

I am pleased to note that the government of British Columbia is anxious to bring about industrial development in the province and is also anxious to see to it that beautiful British Columbia will continue to be beautiful through effective pollution controls and concern for the environment. I am sure that many of my constituents in Coast Chilcotin share my feelings regarding industrial growth and the need at the same time to protect the environment. There is talk of zero growth in terms of population and industry; there is talk of wildlife protection, there is talk of unemployment, there is talk of pollution, there is talk of industrial growth, there is talk of improved transportation and communications, there is talk of incentives and government grants. These and other topics interest the people of my constituency because they are topics which are of great concern to western Canadians in their search for the good life. We must be willing to share their concern as Canadians, because by sharing their concern we can learn something about the good life and how to achieve it without destroying our environment.

This country has the opportunity and the resources to bring, not merely a higher standard of living to those who have so long been neglected but to improve the quality of life for all Canadians. I feel that in our search for a Canadian identity, in our search for the good life in terms of cultural and social advancements, and in our search for ways to preserve the environment, we are taking a course of action that identifies us as civilized and responsible people. It is a course of action that I approve and support. It is a course of action that is necessary if we are to enjoy the benefits of a civilized and environment-conscious country. However, we must remember that in our search for quality, human survival in terms of job requirements is essential. Not only is it important to reduce the high rate of unemployment that is part of our economic system; it is equally important to recognize the right of workers to organize and to have a voice in all areas of decision-making that affect their welfare.

It is unfortunate that in a country which believes in the sanctity of the free enterprise system there are more than five million unorganized workers who must accept a system in which human values are easily neglected in the mechanization of production. The master-servant relationship continues to be the only acceptable kind of relationship in the minds of economic and political dinosaurs who use any opportunity they can to discredit unions as scapegoats for our economic troubles.

The people of Canada have been led to believe that it is they who have to serve the corporate system and the corporate interests. It is not the people who have to serve the system, but the system that must serve the interests of the people, and it seems that members, who are elected by the people, are sometimes prone to ignore this fact. We

have an obligation to the people who elected us. Let us fulfil that obligation in the interests of the people.

Justice for the people means justice not only for majority groups but also for minority groups. The Indian people of Canada find themselves in perhaps the weakest position of all minorities. They constitute one of the most deprived groups of Canadian society. Their plight can be studied in the province of British Columbia in which 50,000 "status" Indians live, most in out-of-the-way parts of a vast and forbidding region.

• (1640)

One constituency in which almost a quarter of the British Columbia Indians make their homes happens to be my constituency of Coast Chilcotin. Large settlements are found on the coast at Sechelt, Powell River, Bella Bella and Bella Coola. Other large settlements are found at Squamish, Mount Currie, Lillooet and the Chilcotin country.

Early in this century the Chilcotins, like so many other Indians, were on the trail to extinction. That trend has been reversed since then, due to better health care and medical responsibilities. In the meantime, instances of violence and manslaughter continue to exist, and it is not surprising when one sees the misery, the alcoholism, the extremely high rate of unemployment and the lack of pride in an almost non-existent culture. This is the tragedy in which the Indians find themselves. This is the tragedy in which a once proud and resourceful race now finds itself.

However, progress is slow and the basic problems continue to exist. The government of British Columbia has taken the right initiative in areas such as financial assistance, education, legal rights and participation by native Indians in matters affecting Indians. It is time to realize that direct participation of Indians in all decisions affecting their development is essential, and that education must play an important role in their future development. There are very good reasons for the present high Indian drop-out rate and it is time something was done about this.

It has been my privilege over the past year to meet many progressive-minded Indians in my constituency who show deep concern for the future of their people. These are the people who have the capability of providing the kind of effective leadership that is essential to the future development of the Indian people. This is the kind of leadership that is required if Indian people are to participate directly in all decisions affecting their development. The paternalistic attitude of the government must be replaced by such participation on the part of the Indian people as a step in the right direction. It is my belief that we must focus our attention on the plight of minority groups in Canada, for there is no way in which a just society can be established unless we bring in effective measures to eliminate social and economic injustices which continue to exist in our society.

Mr. Speaker, in concluding my speech I wish to thank you for giving me the opportunity to address the House of Commons for the first time. May I also take this opportunity to congratulate you on your appointment as Speaker of the House and wish you every success in the discharge of your duties to the satisfaction of every member of this House.

[*Translation*]

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, each participant in this debate has opened his remarks by congratulating you and the hon. member for Stormont-Dundas (Mr. Lamoureux) for your election to the important offices which you hold. This however is more than mere routine. It shows a sincere conviction that the destiny of the House is in good hands and attests to the wisdom of its members. I so take this opportunity to join other hon. members who have expressed these feelings.

The Speech from the Throne includes proposals relating to almost every aspect of our nation's life and is in fact a varied and detailed program that has been welcomed by most hon. members. This response has indeed ensured the government of the confidence it needed to proceed forward and face the many and very real problems which confront any nation today.

However, what upsets me is awareness that some situations which should not create problems seem to do so, which tends to undermine the unity of Canada.

After 100 years of Confederation, the concept of bilingualism has found practical expression in the legislation of the country, and this due to the exceptional leadership of the right hon. Prime Minister (Mr. Trudeau).

I must however deplore the lack of understanding in some parts of Canada of the philosophy of bilingualism according to which a citizen should be able to communicate with his government in either of the two official languages. In fact, I find the persistence of this gap surprising. It might be less so to me if I were born in this country.

As all can notice from my pseudo Irish accent, I belong to the group of men and women who were born outside the boundaries of Canada and who deliberately chose this country to be their new fatherland. To put my thought in more simple terms, I am a Canadian not by accident, but by choice.

When, over 17 years ago, I was handed an immigration form to sign, it was bilingual. It should therefore not be surprising that millions of immigrants like myself instinctively sensed that they were entering a bilingual country. It was thus normal that we should consider that the controversy over bilingualism had been solved once and for all and that bilingualism was one of the values to be taken for granted in Canadian life. And this, not only in the text of the act, but also in our daily contacts with Canadians.

How can there be any hope of mutual understanding if we can only communicate through an interpreter? So long as all Canadians will not feel truly at home, whether in Quebec or in any other region of the country, we shall really not have achieved much in this country.

We must resolve this internal problem before we can consider dealing with the external problems that are in store for us. This is as essential as a close family relationship, when one has to be well prepared to face the outside world. If we are not united, how can we hope to sign agreements with the powerful European common market now that the United Kingdom is part of it? How can we

negotiate with other powerful trading countries or groups if we fail to put an end to our domestic problems?

• (1650)

We can find in our country the full measure of its force and energy only if we understand each other. And we will not achieve that understanding about which we are so anxious as long as we need interpreters to communicate among ourselves. As long as such aids are necessary, in this House or elsewhere, we shall remain strangers to each other.

Mr. Speaker, I also wish to point out that our exports to French-speaking countries have increased four-fold since 1968. That fact shows that when referring to bilingualism, we are at the same time referring to our daily bread and butter.

I shall also deal with another aspect of Canadian life which seems to violently contrast with the state of mind of our time which bears the stamp of space exploration, scientific and technological discoveries, rapid growth, speedy development of communications all over the globe, the behaviour of provincial governments within the Canadian framework. For instance, we are being informed of the intentions of a province that pursues some restricted goals and individual interests, while taking no account of the rest of Canada, as if it were a state by itself, that considers that the federal government is spending too much in another province, that, finally, wishes to share all its natural resources while the other provinces oppose such a policy. No wonder that some people are asking themselves whether the provincial premiers really have at heart the interest of Canada as a whole and where our country would end if Ottawa allowed all those provincial bigwigs to have their way.

As federal members, Mr. Speaker, we consider that there are no frontiers. As representatives of the federal government we direct our efforts where they are needed. We lend money in places where there is unemployment or again we attend to the needs in the housing field. We are not doing it for New Brunswick, Quebec or Nova Scotia but for Canada as a whole. This is why we feel repulsion at anything that smacks of ethnic favouritism.

Provinces have a role to play in the attainment of Canadian unity. They must have a larger vision of the events instead of trying only to get money from the federal government; they must think and act with a view to attaining national objectives. If they are so convinced, they will work through the Canadian offices abroad instead of their own offices throughout the world.

That behaviour on the part of some of the provinces which set up their own offices abroad proves a lack of confidence in Canada. We see it again, Mr. Speaker, when the provincial treasurers refuse to cooperate with the federal government, when the Minister of Finance (Mr. Turner) makes reasonable suggestions to co-ordinate the loans required to meet the needs of the provinces.

That is why, as we start a new year, we wonder where we are heading. For my part, Mr. Speaker, the answer is quite clear: We must endeavour to achieve that unity which will make us stronger and allow us to face the problems that will assail us from outside. We must stop our internal strifes; we must not tolerate provincial barons who pursue aims contrary to the national interest. On that highway that leads to Canadian unity, the provinces can and must play a positive role.

In addition, the daily practice of bilingualism, and not only its acceptances by all Canadians, can and must play a unifying role. We must accelerate and not decelerate, Mr. Speaker. We must not wait for the next generation to do it for us. It may then be too late. A bilingual Canada implies a multi-cultural Canada. Fashioned of all those strengths, Canada will grow richer.

[*English*]

Mr. Doug Neil (Moose Jaw): Mr. Speaker, may I first join other hon. members of the House in offering you my sincere congratulations. In the short period I have been in the House, your tactfulness and fairness in presiding over sometimes stormy debates and question periods have impressed me greatly. I also want to congratulate the hon. member for Halifax-East Hants (Mr. McCleave) on his election as Deputy Speaker.

As a new member, I wish to say that it is a great honour for me to be in the House representing the people of the Moose Jaw constituency. I will do my utmost to represent them in a good and statesmanlike manner and not betray the trust they have placed in me.

I represent a constituency where there are people of all racial extractions. There are people who came to Canada from various parts of Europe before the turn of the century to take up homesteads. There are descendants of these homesteaders, as well as newer immigrants—people of Ukrainian, Romanian, Russian, Finnish, English and Scottish extraction, as well as many others, all living together in harmony and proud to be Canadians. They are people who, while celebrating their national holidays and retaining much of their culture, place Canada first and foremost. I am proud, Mr. Speaker, to represent these people.

If any hon. members have travelled on the Trans-Canada highway through Saskatchewan, they will find, if they start at a point just east of the city of Moose Jaw and travel west to the town of Herbert, that this approximates the southern boundary of my constituency. The constituency stretches north from both Moose Jaw and Herbert to a line drawn east and west approximately 20 miles south of the city of Saskatoon. It is a large constituency, covering approximately 9,000 square miles, with a population of roughly 62,000. It contains some of the finest farmland in the west and, while a good deal of wheat and coarse grains are produced in the area, there is a large livestock industry. Potash and sodium sulphate are also mined in the area.

Within the boundaries of my constituency lies the Gardiner dam, an earthfilled dam some 210 feet in height, extending across the South Saskatchewan River valley some three miles. This dam is among the largest of its kind in the world. It dams the waters of the South Saskatchewan River and has created a man-made lake of mountain water some 140 miles in length, 185 feet in depth at the dam, with a shoreline of 475 miles. The lake is known as Diefenbaker Lake in honour of the right hon. member for Prince Albert (Mr. Diefenbaker) who as leader of the Conservative government in 1958 had the

foresight to enter into an agreement with the province of Saskatchewan to start construction of the project.

• (1700)

The dam is a source of power for the province, and the waters from the lake are fed into the Qu'Appelle River system, guaranteeing a domestic water supply for the cities of Moose Jaw and Regina. The project has created possibilities for extensive recreational development, not only on the lake itself but also by assuring a water supply in the Qu'Appelle River system. It has also provided a source of water to create Blackstrap Lake as a recreational area for the people of Saskatoon. It has made water available for irrigation in the Outlook area of the constituency.

Irrigation projects are costly in terms of capital investment, and many farmers who have become involved in an irrigation program are suffering from lack of capital. I suggest to the Minister of Agriculture (Mr. Whelan) that he and the officials of his department, when meeting with representatives of the province, give consideration to the development of a program to assist those farmers who are already involved in irrigation projects, as well as those who have land suitable for development.

The city of Moose Jaw, with a population of 32,000, is the only city in the constituency and is located in the extreme southeast corner. Moose Jaw is the home of the Kinsmen international band festival, the largest band festival in North America if not in the world. It is a three-day festival, held on the May 24 weekend, with competing bands and contestants coming from various parts of Canada and the U.S.A. It grew from a humble beginning in 1950, when there were two adjudicators judging 12 bands, to some ten adjudicators from Canada, the U.S.A. and Scotland judging some 70 bands, 700 soloists and 56 ensembles in 1972.

On behalf of the city of Moose Jaw I wish to invite all hon. members of the House and their families to visit Moose Jaw on the May 24 weekend this year to see one of the most spectacular band concerts and festivals in the world.

The Canadian forces base at Moose Jaw, a training station for Canadian and NATO pilots, is located three miles south of the city, and in 1972 hosted one of the largest air shows ever held in Canada. Some 125,000 people from the three prairie provinces and the northern United States attended. The commanding officer and his men did a commendable job, and it is hoped that with the blessing of the Department of National Defence this show will become an annual event.

The economy of the Moose Jaw constituency is primarily agricultural; there is very little industry. The proximity of the city of Moose Jaw to the capital city of Regina, some 40 miles away, has to a certain extent inhibited the industrial growth of Moose Jaw. There is a tendency for government at both the provincial and federal level to encourage industry to locate or expand in more densely populated centres. The result is that the smaller centres tend to stagnate and later deteriorate, losing the youth who have to leave their homes to find employment.

I hope that the Minister of Regional Economic Expansion (Mr. Jamieson), when considering programs and holding discussions with the provincial authorities, will give priority to the encouragement of industrial growth in smaller centres such as Moose Jaw and including some of the larger towns in the rural area.

I am aware of the fact that we on the Prairies cannot expect too much development in the field of primary industry, but there certainly is plenty of opportunity to develop secondary industries to process our agricultural products. This will require, however, the full co-operation of the Department of Regional Economic Expansion and a complete restructuring of our freight rates. I would therefore suggest to the House and to the minister that the development of secondary industry in Saskatchewan should be given top priority.

Saskatchewan has been losing population at the rate of 10,000 a year, primarily from the rural areas. Why is this happening? It is happening, not only because of the lack of industrial development to create jobs for the youth but also because of the fact that no attempt has been made in the past to retain the family farm. The loaning policies of the Farm Credit Corporation have been such that unless a young person had capital of his own, or unless a parent or close relative was in a position to assist him, he could not take up farming as a career. The result has been that farmers' sons born and raised on the farm and skilled in farming have no choice, on finishing their education, but to find their way into the labour market or professional field. Once established, they never return to farming.

The small farm development program will not solve the problem. It will require a widening of the regulations under the Farm Credit Corporation Act. I was pleased to hear the Minister of Agriculture indicate yesterday that he proposes changes in the act and regulations, and that he is open to suggestions. I imagine that he will be getting quite a few suggestions from many of the farmers and their representatives from the province of Saskatchewan.

I have been disturbed, however, by the recent announcements of the Minister of Agriculture. His news releases indicate that he advocates marketing boards. If he means marketing boards whose function is to develop markets for products, this is fine; but if he is talking about the supply management type of boards I would suggest to him that the farmers, particularly those in the west, do not want more controls, they do not want more programs like Operation Lift which by threat restricted the production of wheat and which cost the farmers approximately $600 million.

With all the starving people in the world today, we should be expanding the production of agricultural products by developing markets in the underdeveloped countries. The function of the federal government, I would suggest, is to develop these markets in co-operation with the other major grain producing countries in order that we can produce to the maximum and ensure stability of prices for the farmer.

• (1710)

I would now like to spend a few moments discussing the changes in the Income Tax Act as they relate to the farmer. For many years, farmers as well as fishermen were given the opportunity to use either the straight line part 17 or the diminishing balance part 11 method of

calculating depreciation. The majority of farmers I have dealt with have been making use of the straight line method. The few who have been using the diminishing balance method have done so at the suggestion of officers of the Department of National Revenue, much to their sorrow for they were locked into that method and could not change. This meant that on the sale of a piece of farm equipment they found that, unlike those on the straight line basis, they had to recapture the depreciation, if the article was sold for more than the undepreciated capital cost, and pay tax on the difference.

Under the new act, on new equipment purchased after January 1, 1973, a farmer has no option; he is compelled to calculate depreciation on the diminishing balance basis and to pay tax on any recaptured depreciation. With the rising cost of farm machinery over the past number of years, it is not uncommon for a farmer to trade in a piece of farm machinery, and obtain a trade-in price that is more than the undepreciated capital cost. This gave him a certain advantage when he was dealing in farm equipment, in that the difference in value between what he received for his trade-in and the undepreciated capital cost was not taxable in his hands. The effect of compelling a farmer to convert to the diminishing balance method of depreciation will, in the end, mean that the cost of a new machine is increased by the amount of income tax paid on the recaptured depreciation.

I think most hon. members are aware of the spiralling cost of farm machinery. For the government to add even more to its cost by the changes in the Income Tax Act is something that has not been well received by the western farmers. I would urge the Minister of National Revenue (Mr. Stanbury) to consider seriously an amendment to the act to allow a farmer to continue to use the straight line or part 17 method of calculating depreciation.

Further, Mr. Speaker, the institution of the capital gains tax as it affects the family farm, coupled with the provincial succession duties that we have in Saskatchewan and with the recaptured depreciation provision, will have a disastrous effect at the time of the death of a farmer. Very few farm estates are liquid, and the combination of these three taxes will mean that farmland will have to be sold in order to pay them, thus destroying the farm as a viable economic unit.

I can appreciate that this subject may be discussed when the federal and provincial ministers meet later this summer, but I feel that conferences of this nature generally discuss policies and not the results of the application of the policies. Politicians and civil servants administering acts do not appreciate the implications of taxing statutes.

Perhaps the answer is consultation with solicitors, accountants and trust companies actively involved in estate practice, as they are in a position to give concrete examples of the hardships involved and of what the practical application of a change in tax laws can mean to a particular segment of our society.

There are a number of other matters of vital concern to my constituents, Mr. Speaker, but time will not permit me to discuss them this afternoon. They include such items as rail line abandonment, the rationalization of grain handling and transportation facilities, the marketing of feed grains, the effect of the elimination of the basic herd, the Canada Pension Plan as it applies to farmers, low-cost housing, and pensions. I hope to be able to deal with these matters in the future.

Finally, I might say that while we in the west have sometimes felt ignored by eastern Canada and that we were being treated like poor relatives, we are proud of Canada. We believe in one Canada, a Canada that has regional differences but not a Canada of five countries, as the Minister of Transport (Mr. Marchand) suggested last Friday. We, as members, cannot afford the luxury of being supersensitive. We must be able to accept criticism or comment without taking it as a personal affront to ourselves, our constituency or region. The freedom to criticize or comment is basic to our democratic way of life. Criticism, Mr. Speaker, is not bigotry.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, first of all I would like to join those who have preceded me in congratulating you and your deputies on your well-merited election to office.

Since there is such a short time left in the Speech from the Throne debate, I have been asked to keep my remarks very brief so that another hon. member can follow me. I shall try to do that, but I do want to say a few words about a very important subject which I do not believe has yet been broached in this debate, and that is the high water condition on the Great Lakes. I know that many other honourable members of the House—I mention the hon. member for Sarnia (Mr. Cullen) in particular—are very concerned about this problem and I want to bring it to the attention of the House.

In the past year we have seen some record and many near-record water levels established on the Great Lakes. It is being freely predicted that in 1973 all records during the previous 70 years of record keeping will be surpassed. For the sale of perspective I think we should keep in mind that as recently as 1964 the water levels on the Great Lakes were at a critical low point, but, while this may be some consolation, it is no solution to the problem.

The Great Lakes system is comprised of some 95,000 square miles and is probably the largest body of fresh water in the world. It is bordered by eight of the American states and by the province of Ontario, has some 10,000 miles of shoreline and there are some 40 million people living on its shores.

The lake in the system with which I am most particularly concerned is Lake St. Clair, not one of the larger ones but nevertheless a very important lake, lying roughly halfway between Lake Huron and Lake Erie. As I have mentioned, the predictions for the present year are not encouraging ones. One engineering expert forecasts that all previous records may be surpassed, including records of damage done in the past, and most recently the damage done in 1952. I believe that in mid-November we had only a foretaste of what may be in store for us with the flooding that occurred in Lake St. Clair and Lake Erie.

There is considerable disagreement about what causes the present high levels. The position taken by the International Joint Commission, which has some responsibility for supervision in this area, is that there are no practical measures within its jurisdiction that can be taken to

afford relief. In its view any improvement can only be achieved by long-term changes such as are already being studied by the commission's international Great Lakes' levels board. In discussions with officials of the International Joint Commission I found that the tendency is to attribute the present high level of water to natural causes. While this may be the explanation, there are many people who feel otherwise. We have recently had brought to our attention a letter directed by 34 members of the United States House of Representatives to the President of the United States calling for action which would involve Canada as well as that country.

• (1720)

I have been in touch with Representative James O'Hara, one of the leading members of the group, and it seems to me that it is very important that we Canadians consider the proposals made by this group of American legislators, especially the suspicion which is implied in their views that the problem is, at least in part, man-made.

The three steps which these American legislators suggest to remedy the problem are as follows: first, significantly decreasing the amount of water flowing into the Great Lakes system from the Hudson Bay watershed. The water from two Canadian inland lakes has for years been diverted into Lake Superior for navigation and power purposes. They say they have been informed that the agreement under which this was done was a verbal one between United States and Canadian officials, and take the position that an arrangement as informal as this one should be readily susceptible to modification and certainly should not be allowed to continue to the detriment of the Great Lakes and the bordering communities.

Second, the Lake Superior board of control, an arm of the International Joint Commission, should agree to impound water in Lake Superior up to the limits currently permitted in the rules of regulation. By reducing the flow of water from Lake Superior into the rest of the Great Lakes system, the levels of these other lakes would be lowered and the threat of further flooding and flood-related damage would be eased. Third, the court case limiting the amount of water which the Chicago sanitary district can divert from Lake Michigan should be reopened, so that increased water can be drawn off through the Chicago ship canal, further lowering the level of the lakes in question.

The American Congressmen suggest that they were informed by an officer of the American Corps of Engineers in testimony before the Conference of Great Lakes Congressmen that these three steps, taken in concert, would result in lowering the levels of Lakes Michigan and Huron by eight inches in a year's time, with comparable but smaller reductions in the levels of Lakes St. Clair and Erie.

I am not competent to judge whether these proposals would in fact have the effect which the Congressmen wish them to have. There is a great deal of confusion on this subject and I think it is very important that the causes of and solutions to the present levels of the Great Lakes should be thoroughly and publicly investigated in Canada as well as in the United States. I believe that a committee of the provincial government is looking into this matter and I think that some federal body should be conducting a similar investigation.

Some hon. Members: Hear, hear!

Mr. MacGuigan: In addition to the question of the levels of the lakes themselves, Mr. Speaker, the damage which resulted from the mid-November floods showed us a number of the other aspects of the problem. For example, the Minister of Transport (Mr. Marchand) and the Solicitor General (Mr. Allmand), the latter through his responsibility for the RCMP, are involved with respect to alleged speeding by commercial vessels in the Great Lakes system. At a time of high water this speeding is especially detrimental to the shoreline because of the great waves which are sent crashing against either the structures which are there to protect it or in some cases the unprotected shoreline.

The Department of National Defence may be involved because of the insufficient number of sandbags for the protection of areas which are in the process of being flooded and the insufficient number of pumps for removing water once it has gained the land. The Department of Manpower and Immigration may be involved with respect to winter capital works projects. I have informed the three municipalities in my district, the city of Windsor, the town of Tecumseh and the village of St. Clair Beach, that they would be eligible for federal winter works projects, but I do not believe that any of them have submitted applications, although I think that the town of Tecumseh has asked the provincial government for some winter works assistance in this respect.

I suggest that the Department of Urban Affairs is also involved, Mr. Speaker. In the United States, in 1968 the federal government, through the department of housing and urban affairs, set up an emergency flood insurance program. It is difficult, if not impossible, for home owners to obtain commercial insurance which will protect them against the risk of flooding along the Great Lakes. Insurance companies do not look upon this as a very good risk for them. There is a serious need for a government program of insurance against flood damage in Canada just as there is in the United States.

The Department of Public Works is also involved because of the question of erosion. The Minister of Public Works has taken the position in regard to the waters of Lake St. Clair that because the distance to the navigation channel from the shoreline varies from 6,000 feet at Peach Island, which is the beginning of Lake St. Clair, to over 20,000 feet at Pike Creek east of St. Clair Beach, any erosion damage which occurs on shore is not sufficiently clearly related to commercial navigation to give rise to any federal responsibility. That part of my constituency along the St. Clair shore which was most severely affected by the storm would, therefore, not appear to have the right to claim any assistance from the Minister of Public Works (Mr. Dubé) under the existing erosion policy.

Mr. Speaker, this may be reasonable as the response of a single department which is concerned with the administration of one existing policy which has to do with erosion caused by commercial shipping, but it is not acceptable as the total response of the federal government to the problem which has arisen in the past few months. There is also

the possibility that the Emergency Measures Organization may have a continuing role to play.

I do not want to overlook the other levels of government either. All municipal governments are involved. In Essex County, a conservation authority has been voted down several times but I believe one is likely to be set up at the end of this month. Such a body and the municipalities may have some direct responsibility in dealing with all flooding problems.

In addition, there is the responsibility of the provincial government. I have been in touch with Mr. Bernier, the minister of lands and forests for Ontario, and he expects to be able to announce his government's policy with respect to the problems of lake flooding by the end of this month. In general, Mr. Speaker, after having contacted with half a dozen federal departments, the provincial minister of lands and forests and all the municipalities involved, I have to say that there has been an inadequate response by government in general to this most serious problem.

I would fear that the lake problem is likely to worsen. What we need is some co-ordination of the activities of all governments and departments involved. Action is necessary at the international level, at the national level, at the provincial level—and perhaps some action involving the provinces and states together—and at the municipal level, as well as involvement of bodies like the Ontario Water Resources Commission. We must put the interests of all these governments and bodies of governments into manageable form so that we can have a coherent and total policy to deal with all the problems which result from high lake waters.

At the moment, Mr. Speaker, I see no signs that this is being done and that is why I want to bring it to the floor of the House this afternoon. Whether there is an immediate solution for the problems of high lake levels directly—that is, whether or not we can in some way lower the levels of the lakes—we must still deal with the consequences of the flooding which may occur. We must have policies for holding back water, especially in some of the low lying areas, and we must establish an insurance policy for home owners along the lakes. It is not a viable position for us to suggest to the lakeshores owners that they should move their dwellings or move off their land.

• (1730)

The governments of this country bear a very considerable responsibility to assist the individual who happens to be located along the lakeshore in his battle with these natural forces. I should point out that it is not those who live right on the shore who may be involved. The people who live further inland found in the mid-November storm that they were likely to be as affected. Once the waters cross—the barriers on the shoreline, they may keep on coming. In some cases there is no appreciable flooding at the shoreline, but hundreds of feet inland. Since all the land in Essex county is low-lying, this presents a problem for all property owners, not just those who live along the shore but those who live inland as well.

Perhaps I have said enough to indicate the seriousness of this problem. I must allow time for the following speaker. However, I want to reiterate that we need co-ordinated action in this area. We need a coherent explanation to the public, as far as this is possible, by the federal government of the causes of the flooding and whether the solutions are as simple as many people believe them to be. Concerted action must be taken to deal with these problems. If we can have that within the next few months, we may be in a position to deal with the higher lake levels which may come in the spring. If we do not, we will surely bear a great responsibility to the people of Canada. I am not only speaking of the federal government but of the collective governments of Canada. They will bear a responsibility to the people in these areas for not having acted when there was time.

[Mr. MacGuigan.]

Some hon. Members: Hear, hear!

Mr. Knowles (Norfolk-Haldimand): Would the hon. member permit a question?

The Acting Speaker (Mr. Laniel): Order, please. The hon. member knows he can ask a question only with the hon. member's consent.

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, it is with great pleasure that I rise and follow the many fine replies to the Speech from the Throne. This will probably be one of the shortest speeches, because of the time; but one of the best speeches I ever heard was also one of the shortest. It was an after-dinner speech. It consisted of only four words, "I'll pick up the check".

As a new member serving his apprenticeship in this House, I congratulate you, Mr. Speaker, and your deputies on your appointments to the prestigious and important positions in which you now serve.

I am indeed the fortunate one in representing the riding of Hamilton Mountain. I say this in all sincerity, because I collected only 40 per cent of the popular vote. Let me assure you now, though, Mr. Speaker, as well as the 60 per cent who wanted a representative other than me, that I shall be constant to my duties and I promise to do the best I can for my country, Canada, in general and my riding in particular.

From Mountain lookout the visitor enjoys a scenic panorama with miles of residential and commercial developments in the foreground; in the middle distance, the heavy industry of Canada's third most important manufacturing city and Canada's two largest steel mills, the whole framed by the dramatic Burlington skyway in the background. Front and centre in Canada's golden horseshoe area, Hamilton is the industrial heart of the nation, at the strategic west end of Lake Ontario.

Only one third of Hamilton's labour force lives in the actual city. As is the trend in most large metropolises, many workers now live in the suburbs and commute to the city. Today 30 per cent of the population lives atop the escarpment, hence the term "split-level city" and hence the name Hamilton Mountain riding, which I proudly represent. I say this with great humility, Mr. Speaker, as a member of a large family that emigrated from my native land of Scotland 22 years ago.

Last week two hon. members stated with great pride the fact that they now represent ridings formerly represented by fathers of confederation. Well, let me tell you, Sir, I

was born and raised in the shadow of Sir John A. Macdonald's birthplace and bring to the House an accent similar to that great statesman—with full apologies to the interpreter. Just console yourself with the fact that I cannot speak French, because then you would really be in trouble, although I admit it is a rare gift indeed to be able to express oneself as eloquently as the Minister of Transport (Mr. Marchand) did last Friday.

In that speech he reminded me of the village bully who also had the only football in our poor area. If we did not play by his rules, he picked up the ball and went home. It may be of interest to some hon. members to know that I never learned how to play football. I do, however, recognize something sinister cooking when the minister states, "If the atmosphere does not get healthier, I don't think we will be here very long". This is either a game of blackmail or a frantic plea to get on the post office calendar mentioned by the hon. member for Richmond (Mr. Beaudoin) as "Saint Jean Marchand".

Much has been said about the implementation of the Official Languages Act. Let me say briefly and with all the sincerity I can muster, if the real reason for the bill was to keep Quebec in confederation, then in my opinion it is the wrong policy being pursued for the right reason. Confederation has to be preserved by other means. The only way I know to preserve it is by having all hon. members playing the game by the rules set down by this House. Surely ethnic background, religion, language or political affiliations can take a back seat to this crucial but worthwhile task.

Now, back briefly to Hamilton Mountain. The problems besetting the riding, I would say, are similar to those of other urban ridings; problems such as unemployment, concerns of the general management of the economy and the high cost of serviced land. Although we have a high percentage of home owners compared to the city proper, we have little or no heavy industry. We do, however, have a regional airport which the transport department wants to expand and which many constituents would like moved out of the area.

The many letters I receive also express concern about our penal system, and in light of the fact that the Mary Nelles kidnapping made the news yesterday, accompanied by the kidnapping of the wife of the mayor of North York, I think it appropriate to mention the rehabilitation and parole system. Here is a case where four of the criminals served approximately 18 months of a five-year sentence. The reason for their parole: they were rehabilitated.

I suggest, Mr. Speaker, that these bandits were rehabilitated the day they were caught. But what about the deterrent? The ringleader, who is awaiting parole after serving three years of a 15-year sentence, has been having a ball running a ski resort in Bracebridge. I can only assume that the reason he is still in custody is that he does not want to leave. And who would? What other position would reward him with six weeks' holidays a year?

I try to allay the fears of the people by telling them things will get better with the new Solicitor General (Mr. Allmand). They couldn't get much worse. However, I do not want to be too critical of the former Solicitor General, the Minister of Supply and Services (Mr. Goyer), as I understand he is a lover of Scottish people. Rumours persist that after last year's prison break from Kingston penitentiary, he was going around whistling that famous Scottish tune, "Will ye no come back again".

Some hon. Members: Hear, hear!

Mr. Beattie: What faith, what confidence in the perfectability of criminals! My constituents also write to me about capital punishment, an emotional issue on which I hope to speak during the debate. I also get letters, Mr. Speaker, about the punishment of capital. By that I mean the capital of those whose fixed incomes are rapidly being eroded by rampant inflation. I contend that more consideration should be given to people who have gone without many of life's luxuries in order to live the evening of their days in modest comfort.

• (1740)

I would say there is a great community spirit on "The Mountain" and many people work hard on various projects. The one foremost in my mind is the work done by volunteers in the fight against that killer disease, cancer. How much time will pass before we gain dominion over this disease? How many more lives will be lost? How many more will be blighted?

There are statistics, of course. It has been said that we North Americans are enamoured of those neat, bloodless figures. I shall not cite them here, impressive though they are, as humanity is not a game of numbers. Medical research, on the other hand, is very much a game of numbers. Increments, accidents and chance are still very applicable words to describe the processes of scientific research. But we have also learned that by careful organization, by systematic approaches, by co-ordinated efforts, by employing more highly qualified people and using more sophisticated equipment we can greatly affect the outcome of research. All of which is just another way of saying that the outcome of research is today as much dependent upon money as it is upon mentality. Money may not be the root of all progress in science, but it does possess the miraculous power to compress time. And we have at last begun to realize that time is what we are fighting against. Time is the enemy.

Now, what kinds of research are we going to buy? The priorities obsess our best minds. What comes first—population control or expansion of food supply; prevention of killer diseases or solutions to serious urban crises? Establishing a meaningful system of priorities in medical research is well-nigh impossible. Millions of dollars poured into one promising direction could yield nothing, while relatively modest sums expended in some other area might well bring about a significant advance. And there is always the possibility that one scientist may come up with something that turns all the priorities topsy-turvy, requiring an immediate shift of both money and manpower into some other hitherto unexplored avenue. Yet despite these obstacles, a massive assault on cancer deserves our support; for if it is successful, the same all-out approach might then become our means of dealing with other great scourges of mankind, medical, social and environmental.

Within the medical field itself, the priorities are by no means clearly established. What shall be done with the limited funds available? There are those who continue to insist on emphasizing research into the leading killer diseases. There are others, equally insistent, who feel we have a greater need right now for improving the delivery of health care services. It cannot be denied that health care is still very much a cottage industry. We urgently need to improve our means of making quality health care available to great masses of people.

Must this be done at the expense of research? And if so, how long could we hope to stay ahead of the game without finding still simpler and less costly ways of preventing and curing serious physical afflictions? The dilemma is even: we cannot afford to abandon basic research, nor can we ignore the need for improved health care delivery. Somehow we must accomplish both of these objectives. But how? Perhaps the answer is implicit in another question, the one that asks, "If we can land men on the moon, why can't we find a cure for cancer?"

With increasing frequency these days, this question leads to a demand that the United States make the conquest of cancer a national goal, just as its moonlanding effort was. How simple a solution that appears to be. And yet in many ways it poses problems considerably more complex than those of getting a man to the moon and back again. For one thing, an all-out attack on cancer lacks the element of competitiveness so inherent in the space race. I somehow have the feeling that very few people in Canada or the United States would be very upset if we learned tomorrow that the Russians had discovered a cure for cancer.

The Acting Speaker (Mr. Laniel): Order, please. It being 5.45 p.m. it is my duty, pursuant to Standing Order 38 (5), to interrupt these proceedings and forthwith put every question necessary to dispose of the main motion.

Is it the pleasure of the House to adopt the motion?

Mr. Baldwin: On division.

Motion (Mr. Blais) agreed to.

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That the said Address be engrossed and presented to His Excellency the Governor General by Mr. Speaker.

Motion agreed to.

* * *

SUPPLY

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That this House do, at its next sitting, consider the business of supply.

Motion agreed to.

Mr. Baldwin: Including Governor General's warrants.

The Acting Speaker (Mr. Laniel): Is it the pleasure of the House that we call it six o'clock?

Some hon. Members: Agreed.

At 5.50 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, January 18, 1973

The House met at 2 p.m.

PRIVILEGE

MR. HOWARD—FAILURE OF INFORMATION CANADA TO SUPPLY MEMBERS WITH CANADA GAZETTE CONTAINING PROPOSED CHANGES IN BRITISH COLUMBIA RIDING BOUNDARIES

Mr. Frank Howard (Skeena): Mr. Speaker, I rise on a question of privilege about which I have given Your Honour notice. My question of privilege relates to the advertisement by the Electoral Boundaries Commission for the province of British Columbia in the January 3 special edition of the Canada Gazette, wherein was published the proposed boundaries for the electoral districts in the province of British Columbia as a result of the 1971 census.

The deadline for making known to the commission the desire of anyone to appear before it to make representations is January 26. The Canada Gazette for January 3, within which these proposals were contained and which I understand Information Canada distributes has not been sent to any Member of Parliament as far as I have been able to determine, nor has it been sent, at least as of yesterday, to the Parliamentary Library. Indeed, it has not been sent to anyone.

My question of privilege is that the failure to distribute the information contained in the January 3 edition of the Canada Gazette interferes with the duties and responsibilities of the members of this House in their attempts to represent their constituents should they wish to make submissions or presentations to the Electoral Boundaries Commission for the province of British Columbia. Accordingly, if Your Honour finds that there is a prima facie case of privilege involved, and so that the matter will not founder because of lack of a motion, I move, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas):

That this House expresses the view that Information Canada should forthwith make available to members the proposals of the Electoral Boundaries Commission for the province of British Columbia, as advertised in the Canada Gazette for January 3, 1973.

Mr. Speaker: The hon. member for Skeena has given the Chair the written notice required by the Standing Orders. I have given some thought to the matter he is now proposing for the consideration of the House. I would think that the hon. member may have a grievance. Certainly he has justification, I am sure, for bringing this matter to the attention of the House. He knows—and this was confirmed, I believe, in conversations we had before the opening of proceedings this afternoon—that the commission reports to the House through the Speaker, not through Information Canada or any other government agency. It may very well be that the Chair could be of assistance to the hon. member and others interested in getting an early copy of this report and in ensuring that the report is circulated immediately to all interested members from British Columbia. I will undertake at this time to see that action is taken immediately.

ROUTINE PROCEEDINGS

STANDING COMMITTEES

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I have the honour to present the second report of the committee appointed to prepare and report lists of members to compose the standing committees of the House. I shall seek the concurrence of the House in this report on motions later today.

Mr. Speaker: I understand that the lists which are the substance of the motion to be proposed to the House later this afternoon by the President of the Privy Council are rather lengthy. Normally they should be read by the Clerk at the table. Perhaps this could be dispensed with. Is that agreed?

Some hon. Members: Agreed.

[Editor's note: The report referred to above is as follows:]

Your committee recommends that the standing committees of this House be composed of the following Members:

Agriculture

Messrs.

Beaudoin	Horner (Battleford-Kindersley)	McKinley
Caron	Hurlburt	Murta
Corriveau	Knight	Nesdoly
Côté	Korchinski	Peters
Danforth	Lambert (Bellechasse)	Roy (Laval)
Éthier	La Salle	Smith (Saint-Jean)
Fox	Lessard	Stewart (Okanagan-Kootenay)
Gleave	Marchand (Kamloops-Cariboo)	Whicher
Hamilton (Swift Current-Maple Creek)	McCain	Whittaker
Hargraves		Wise—(30).
Horner (Crowfoot)		

Standing Committees

Broadcasting, Films and Assistance to the Arts

Messrs.

Alkenbrack, Arrol, Bégin (Miss), Blaker, Fleming, Grafftey, Guilbault, Jarvis, Marceau, Matte, Mitges, Nowlan, Paproski, Rose, Roy (Timmins), Stewart (Cochrane), Stollery, Symes, Yewchuck—(19).

External Affairs and National Defence

Messrs.

Balfour, Brewin, Corbin, Cullen, Cyr, Danson, De Bané, Douglas, Dupras, Fairweather, Forrestall, Harney, Hees, Hopkins, Hymmen, Lachance, Langlois, Laprise, Matte, McKinnon, Munro (Esquimalt-Saanich), Nesbitt, Patterson, Pelletier (Sherbrooke), Reilly, Rowland, Stackhouse, Stewart (Marquette), Wagner, Walker—(30).

Finance, Trade and Economic Affairs

Messrs.

Baker, Breau, Buchanan, Clermont, Comtois, Danforth, Danson, Dick, Gillies, Hellyer, Herbert, Lambert (Edmonton West), Orlikow, Ritchie, Rondeau, Saltsman, Stevens, Trudel, Whicher—(19).

Fisheries and Forestry

Messrs.

Allard, Barnett, Béchard, Blenkarn, Campbell, Crouse, Cyr, Fraser, Guay (Lévis), Haliburton, Leblanc (Westmorland-Kent), Lundrigan, MacLean, McCain, Olaussen, Rompkey, Rooney, Smith (Northumberland-Miramichi), Wise—(19).

Health, Welfare and Social Affairs

Messrs.

Bégin (Miss), Cafik, Corbin, Gauthier (Ottawa East), Grafftey, Holmes, Hueglin, Isabelle, Jelinek, Lambert (Bellechasse), MacInnis (Mrs.), Macquarrie, Nystrom, Railton, Reynolds, Roche, Rynard, Thomas (Maisonneuve-Rosemont), Walker—(19).

Indian Affairs and Northern Development

Messrs.

Buchanan, Clark (Rocky Mountain), Côté, Cyr, Firth, Gauthier (Roberval), Hollands, Howard, Lajoie, L'Heureux, MacDonald (Miss), Marchand (Kamloops-Cariboo), McRae, Neil (Moose Jaw), Nielsen, Oberle, Schellenberger, Taylor, Watson—(19).

[Mr. Speaker.]

Justice and Legal Affairs

Messrs.

Atkey, Béchard, Blaker, Boisvert, Fairweather, Gilbert, Guay (Lévis), Jerome, Lawrence, Leggatt, Morgan, Morin, O'Connor, O'Sullivan, Poulin, Prud'homme, Wagner, Woolliams, Yanakis—(19).

Labour, Manpower and Immigration

Messrs.

Alexander, Andre, Beattie (Hamilton Mountain), Caccia, Dionne, Fleming, Knowles (Winnipeg North Centre), Loiselle, MacGuigan, McGrath, Muir, Neale (Vancouver East), Olivier, Portelance, Reilly, Skoreyko, Stollery, Turner (London East), Yewchuk—(19).

Miscellaneous Private Bills and Standing Orders

Messrs.

Baker, Campbell, Clermont, Coates, Duquet, Fortin, Lambert (Edmonton West), McKenzie, Nelson, Scott, Stollery, Yanakis—(12).

National Resources and Public Works

Messrs.

Andre, Bawden, Blackburn, Blais, Dinsdale, Éthier, Gendron, Haliburton, Hamilton (Qu'Appelle-Moose Mountain), Harding, Higson, Hymmen, Lajoie, McRae, Paproski, Rompkey, Rooney, Stevens, Tétrault—(19).

Privileges and Elections

Messrs.

Baker, Benjamin, Blais, Caccia, Clark (Rocky Mountain), Forrestall, Howard, Jerome, Lachance, Laflamme, MacDonald (Miss), Macquarrie, Matte, McKinley, McKinnon, O'Connor, Poulin, Reid, Stewart (Okanagan-Kootenay)—(19).

Procedure and Organization

Messrs.

Fortin, Foster, Knowles (Winnipeg North Centre), Lambert (Edmonton West), Leblanc (Westmorland-Kent), Morgan, Nielsen, Nowlan, Penner, Reid, Walker, Woolliams—(12).

Public Accounts

Messrs.

Caouette (Charlevoix)	Demers	Leblanc (Laurier)
Clarke (Vancouver Quadra)	Dupont	Mather
Cossitt	Dupras	Olivier
Crouse	Frank	Schumacher
Cullen	Gauthier (Ottawa East)	Thomas (Maisonneuve-Rosemont)
Darling	Hales	Towers—(19).
	Knight	

Regional Development

Messrs.

Blais	Leblanc (Westmorland-Kent)	Pelletier (Sherbrooke)
Broadbent	Lessard	Penner
Cossitt	Lundrigan	Prud'homme
Dick	MacInnis (Cape Breton-East Richmond)	Rodriguez
Dupont	MacKay	Smith (Saint-Jean)
Epp		Stewart, (Marquette)—(19).
Gauthier (Roberval)		
Howie		

Transport and Communications

Messrs.

Beatty (Wellington-Grey-Dufferin-Waterloo)	Duquet	Mazankowski
	Ellis	McKenzie
	Godin	Railton
Benjamin	Grier	Stewart (Cochrane)
Blouin	Guay (St. Boniface)	Thomas (Moncton)
Campbell	Horner (Crowfoot)	Trudel—(19).
Carter	Kuntz	
	Loiselle	

Veterans Affairs

Messrs.

Allard	Hamilton (Swift Current-Maple Creek)	Madill
Beattie (Hamilton Mountain)		Masniuk
	Herbert	Marshall
Cullen	Kempling	Peters
Dupras	Knowles (Winnipeg North Centre)	Scott (Victoria-Haliburton)
Foster		Thomas (Maisonneuve-Rosemont)
Guay (St. Boniface)	Knowles (Norfolk-Haldimand)	Turner (London East)—(19).
	Loiselle	

Your committee also recommends that the standing joint committees be composed of the following Members:

Library of Parliament

Messrs.

Bell	L'Heureux	Pelletier (Sherbrooke)
Blackburn	MacDonald (Egmont)	Prud'homme
Boisvert	MacGuigan	Reid
Cafik	MacKay	Ritchie
Caron	Mitges	Roche
Gauthier (Ottawa East)	O'Sullivan	Rose—(19).
Jelinek		

Standing Committees

Printing of Parliament

Messrs.

Barnett	Forrestall	Masniuk
Caouette (Charlevoix)	Fox	McRae
	Grafftey	Morin (Mrs.)
Corbin	Hopkins	Patterson
Dupont	Howie	Rowland
Ellis	Hymmen	Stackhouse—(19).
Éthier	Marshall	

Regulations and other Statutory Instruments

Messrs.

Atkey	Clark (Rocky Mountain)	Fox
Balfour		Marceau
Béchard	Fairweather	Morin (Mrs.)
Brewin	Fortin	Poulin
		Ritchie—(12).

And that the provisions of Standing Order 65(3) in relation to the number of members on the Joint Committees on the Library of Parliament and on Printing be suspended.

Your committee recommends that the members to serve on the Joint Committee on the direction of the Parliamentary Restaurant be as follows:

Restaurant of Parliament

Messrs.

Allard	Guay (St. Boniface)	Neil (Moose Jaw)
Bégin (Miss)	Hales	Nesbitt
Bell	Harding	Paproski
Crouse	Langlois	Portelance
Danson	Leblanc (Laurier)	Roy (Laval)
Foster	Munro (Esquimalt-Saanich)	Schumacher
Gleave		Thomas (Moncton)—(20).

And that a Message be sent to the Senate requesting that House to unite with this House in the formation of the Joint Committees on Printing, the Library of Parliament, Regulations and other Statutory Instruments, and the direction of the Parliamentary Restaurant.

Mr. MacEachen moved that the report be concurred in.

Motion agreed to.

* * *

AIRPORTS

TABLING OF REPORT OF HEARING OFFICER UNDER EXPROPRIATION ACT CONCERNING PROPOSED PICKERING AIRPORT

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, pursuant to Standing Order 41(2) I would like to

lay on the table the report of J. W. Swackhamer, the hearing officer under the Expropriation Act with reference to the proposed Pickering airport.

[*Translation*]

Mr. Speaker, this report is being translated and will be available in French at the beginning of next week.

* * *

• (1410)

[*English*]

AIR TRANSPORT

WARDAIR CHARTER FLIGHT SAFETY STANDARDS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Speaker: Is the hon. member rising on motions?

Mr. Paddy Neale (Vancouver East): Yes, Mr. Speaker. In view of the need to satisfy the public that working conditions for flight crews on Wardair charter flights are not so severe as to endanger the lives of passengers, and in view of the need to satisfy the public that the capacity to carry out emergency procedures properly is being maintained, I ask for the unanimous consent of the House under Standing Order 43 to move the following motion:

That this House calls upon the Minister of Labour to establish an inquiry under the Labour Code into the working conditions of Wardair flight crews in order to ascertain whether safety standards are being maintained.

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion therefore cannot be put.

Mr. Baldwin: You never say yes.

* * *

TERRITORIAL SEA AND FISHING ZONES ACT

EXTENSION OF FISHING ZONES

Mr. Frank Howard (Skeena) moved for leave to introduce Bill No. C-126, to amend the Territorial Sea and Fishing Zones Act.

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, in explaining the bill I should like to thank Your Honour for the advice you gave me yesterday and try to comply with it. The purpose of the bill is to establish as fishing zones an area off the coasts of Canada to the point where the depth of the ocean is 1,000 fathoms, in other words, to extend the zones to the edge of what I believe is referred to as the continental slope. I think it would be most appropriate that this be accomplished this year when we are to raise such matters at the conference on the law of the sea.

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

ORAL QUESTION PERIOD

ENERGY

SECURITY OF OIL SUPPLIES FOR EASTERN CANADA—POSITION OF DISCUSSIONS WITH UNITED STATES ON POSSIBLE AGREEMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources in respect of a possible agreement between Canada and the United States on the security of oil supplies for the eastern part of Canada. At the initiative of which government are these discussions taking place and an agreement being sought, the government of Canada or the government of the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, it was at the initiative of both governments arising out of the 1970 ministerial meeting between Canada and the United States. The hon. gentleman will recall that a press release issued at that time indicated that these particular discussions would be carried on for the purpose of arriving at a satisfactory agreement. I would confirm that at the moment there has been no agreement. There have been discussions for a lengthy period of time but at the present time I cannot predict when an agreement will be arrived at.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister whether the government of Canada in connection with this discussion is proposing that markets in eastern Canada be supplied by oil from western Canada, by oil from the United States or by both in the event our offshore supplies are cut off?

Mr. Macdonald (Rosedale): Mr. Speaker, it is rather more likely they will be supplied with oil from neither place. It depends very much on the nature of the international interruption. The most probable thing, for example, is that if there is a Middle East interruption there will be increased exports to Canada from Venezuela and Africa. It will depend on the international contingency. I would have to confirm this, but I think United States production at this time would not be in a position to satisfy the eastern Canadian market. We have no proposal at this time to expand the eastern shipment of Canadian crude from western Canada beyond the present position west of the Ottawa Valley line.

Mr. Stanfield: Mr. Speaker, in view of the fact it is apparent the government of Canada is expecting oil supplies from the United States to meet at least part of the requirements, I should like to ask the minister what *quid pro quo* the government of Canada is offering the United States for this assurance of meeting at least part of the requirements of eastern Canada in the event of such a cut-off, and will the minister give the House the assurance

that he will report to the House the terms of any such agreement with the United States before entering into it?

Mr. Macdonald (Rosedale): Mr. Speaker, we are not offering any *quid pro quo*. The United States position very naturally is to seek from Canada some assurance that Canadian supplies to the western United States would not be cut off in these particular circumstances. The negotiations will continue and I am certainly prepared to report to the House on their progress or otherwise from time to time.

SECURITY OIL SUPPLIES FOR EASTERN CANADA—NATURE OF PROPOSED SHARING BY UNITED STATES AND CANADA—EXTENSION OF PIPELINE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, since the deputy minister, Mr. Jack Austin, has spoken of these discussions as being related to sharing of oil supplies by Canada and the United States and in view of the fact our shipments of oil from western Canada are now at the maximum and fill the pipeline, is the Canadian government seeking to obtain United States supplies for the eastern market in the event that Middle East oil is cut off and, if so, what sharing would there be, what would Canada's share be? Does Canada propose to increase its supplies through the Rocky Mountain area or what would be the exchange for any additional supplies of oil from the United Staes for the eastern market in Canada?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I might advise the House that the report in the Canadian Press attributed to the deputy minister is, I understand, a false report which since has been corrected by another Canadian Press story. With regard to the discussions in respect of the contingent interruption of overseas oil the United States of course, is seeking some assurance that in that eventuality the exports from western Canada to the central United States and the western United States markets would not be interrupted. This is the position they are seeking. We are seeking to protect our supply on the east coast. These are the two basic interests involved in what is still a negotiation.

Mr. Douglas: Mr. Speaker, in view of the fact there is a strong feeling among the independent petroleum producers that the best way to secure Canadian supplies in eastern Canada is to extend the present pipeline at least as far as Montreal, and in view of the fact that the figures they have produced indicate this would be economically feasible, I should like to ask the minister whether the government is making any study of the possibility of extending the pipeline, whether or not that study is completed and whether or not on the basis of that study the government proposes to proceed or encourage proceeding with the extension of the pipeline?

Mr. Macdonald (Rosedale): Mr. Speaker, examination of an extension to Montreal is not active, the principal reason being that there is some hope everywhere in the House and particularly in eastern Canada that the current explorations on the Canadian east coast will yield a significant field. Very naturally we are reluctant to commit ourselves to a heavy expenditure on a pipeline continuing on to Montreal when, with eastern offshore discoveries, it might become obsolete.

Mr. Stanfield: Mr. Speaker, I apologize for a further supplementary, but I should like to ask the minister whether he proposes to take any action at all to overcome what appears to be the present situation, namely, that in the event offshore supplies to eastern Canada are cut off, eastern Canada would in fact be without anything like an adequate supply of oil?

Mr. Macdonald (Rosedale): Mr. Speaker, that is the purpose of the discussion.

* * *

POST OFFICE

DISPUTE WITH WORKERS—CLARIFICATION BY CONCILIATION BOARD CHAIRMAN OF RECOMMENDATION ON JOB CLASSIFICATION—GOVERNMENT PROPOSAL FOR SETTLEMENT OF GRIEVANCES

Mr. David Lewis (York South): Mr. Speaker, I should like to direct some questions to the Postmaster General with regard to the situation in the Post Office. I understood him to say yesterday that the chairman of the Public Service Staff Relations Board had requested the chairman of the conciliation board to clarify the conciliation board's recommendation in respect of grieving on classifications. May I ask the minister whether the chairman of the conciliation board is making such a clarification or has made it yet, or how long he expects it will be before he can present his clarification?

• (1420)

[*Translation*]

Hon. André Ouellet (Postmaster General): I understand, Mr. Speaker, that the request has already been made. In fact, Mr. Shime is presently considering this case and he should have an answer in the near future.

[*English*]

Mr. Lewis: Mr. Speaker, in view of the fact the employees of the Post Office are becoming pretty restive as a result of the delays—and may I say I cannot entirely blame them for that—is the minister making an appeal to Mr. Owen Shime—I believe that is the name of the chairman of the board—to give his clarification as soon as is humanly possible? It ought not to take him more than an hour or so to write what he meant by the words he used in the previous report. Is the minister making representation that this be done quickly?

[*Translation*]

Mr. Ouellet: Mr. Speaker, I realize indeed that the employees may begin to grow impatient, and I agree that there should be some possibility to return to the bargaining table and secure from the union representatives their acceptance of the majority report. Let them give us proof that they are prepared to sign the contract. As for us, we are prepared to sign right now which, by the way, would lead to a considerable improvement of the climate.

[*English*]

Mr. Speaker: Order, please. Perhaps the hon. member for York South might ask a further supplementary question, after which the Chair will recognize the hon. member for St. John's East.

Mr. Lewis: Mr. Speaker, I understood the minister to say yesterday that the government was agreeable to making objection to a classification matter a subject under the grievance procedure but that it is not agreeable to this going beyond internal discussion, that the government objects to it going to arbitration or adjudication, as it is called in the Public Service Staff Relations Act. May I ask the minister what procedures the employer has suggested to settle such a grievance if the parties remain apart? If the matter is not going to adjudication under the law for final and binding settlement, what alternative suggestion is the government making for a final and binding settlement of such a grievance?

[*Translation*]

Mr. Ouellet: Mr. Speaker, as recommended in the conciliator's report, the government is prepared to accept amendment of clause 9.03 of the contract, allowing any grievance concerning classification to be discussed within the department. We said we were prepared to accept the recommendation made in the conciliation board's report.

As for clause 9.04, dealing with grievances which can be submitted to arbitration, it has already been signed by both parties and there is no change, so that the exception relative to classification still stands.

I want to tell the hon. member that the matter can be discussed within the manpower committee, according to the suggestion made in the report, which we are prepared to accept.

[*English*]

DISPUTE WITH WORKERS—INQUIRY AS TO SUBSTANTIVE CHANGES BY GOVERNMENT IN DRAFT AGREEMENT FROM CONCILIATION BOARD REPORT

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I ask the Postmaster General whether the draft agreement proposed by the government contains any additions to or any substantive omissions from the majority report of the conciliation board?

[*Translation*]

Hon. André Ouellet (Postmaster General): I would tell the hon. member what I already stated here yesterday, namely that we have in no way altered the substance of the majority report. We are prepared to accept the report in its entirety, as recommended.

Furthermore, I would remind the hon. member that he would do far better if he encouraged the representatives of the employees to sign a contract, instead of making certain allegations.

[*English*]

Mr. Speaker: Order, please.

Mr. McGrath: The minister used the word "substantial" today. May I ask him what changes have been made, or what departures did he make from the majority report of the conciliation board in the government's proposal which was placed before the unions' negotiating team?

[*Translation*]

Mr. Ouellet: At the request of the employee representatives, we have submitted in a contractual form the recommendations of the majority report. We have submitted these recommendations in contractual language which means that if the union does not agree on certain words, the matter can certainly be discussed at the bargaining table without the service having to be interrupted, as workers do in certain cases.

[*English*]

Mr. McGrath: May I ask the minister whether he is prepared to lay the government's memorandum of settlement, which is the basis of the government's position, on the table of the House so that members will have an opportunity to compare it with the majority report of the conciliation board, which the government claims it has accepted?

[*Translation*]

Mr. Ouellet: Mr. Speaker, as I said a few moments ago, Mr. Shime has been asked to clarify the matter. Until it is done, I see no advantage for both parties to make our contractual representations public. I am willing, if the hon. member so wishes, to table the majority conciliation report and I can assure him that the recommendations contained in that report are fully endorsed by the government.

[*English*]

Mr. McGrath: On a question of privilege—

Mr. Speaker: Order, please. The hon. member rises on a question of privilege. Before I recognize the hon. member I might refer to the fact that there are a number of other hon. members who want to ask further supplementary questions. They will be given an opportunity to do so, but after hearing the question of privilege I will recognize first the hon. member for Témiscamingue. For the moment the hon. member for St. John's East rises on a question of privilege.

Mr. McGrath: Mr. Speaker, my question of privilege is based on the replies given by the minister today, and the replies given by the minister and by the President of the Treasury Board yesterday which can be found at page 391 of *Hansard*. At that time the President of the Treasury Board said the government was prepared to accept the majority report of the conciliation board provided it was also accepted by the unions. Well, Mr. Speaker, the unions have accepted the majority report. The issue is that the government has not accepted it.

The Postmaster General the same day indicated it was clear that the government had made no changes in the report. Today, Mr. Speaker, I asked the minister, in order to clarify the matter because it would appear the minister is misleading the House—

Some hon. Members: Oh, oh!

Mr. McGrath: —which in itself would be a very serious matter, to table the government's memorandum of settle-

ment so that hon. members would have an opportunity to compare that document with the majority report of the conciliation board and the House could satisfy itself if in fact changes were made. The minister has refused to do so. Therefore I move, in accordance with the provisions of Standing Order 17—this is the first and only opportunity I have had to raise the matter—that the substantive matter contained in my question of privilege, whereby the House would have an opportunity to compare the government's position with the conciliation board report—be referred to the Standing Committee on Privileges and Elections.

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member rises on a question of privilege and proposes that a motion be debated by the House at this time relating to a dispute between himself, possibly other members, and the minister as to the facts. There are many authorities as the hon. member and hon. members generally well know, to the effect that a dispute as to facts or statements made in the House cannot form the basis of a question of privilege. I would think that the motion proposed by the hon. member is a substantive motion and cannot be debated at this time under the heading of privilege. I would hope that the question as to what was or was not said, or what the facts were, could be pursued by the hon. member for St. John's East or by other hon. members in some way other than a debate under the heading of privilege.

• (1430)

Mr. McGrath: On a point of order, Mr. Speaker, may I ask for the unanimous consent of the House so that I can table the two documents and the House can then make its own judgment?

Some hon. Members: Hear, hear!

Some hon. Members: No.

Mr. Speaker: There are two difficulties here. One of them, of course, is that by the rules of the House and the practice of the House there is no provision for private members to table documents as is suggested by the hon. member. Even if this were done by asking for unanimous consent, the hon. member has heard, as I have, that there was not unanimous consent, so that second aspect in hypothetical.

An hon. Member: Who said no?

Mr. Speaker: Perhaps the hon. member can ascertain that. As far as I am concerned I go by my ears and I heard that there was not unanimous consent. Therefore, obviously the motion cannot be put.

Mr. McGrath: Mr. Speaker, is the government House leader prepared, with the consent of the House, to table under the provisions of Standing Order 41 the government's memorandum of settlement so that the House may make a judgment on this matter?

Mr. MacEachen: Mr. Speaker, an answer to that question has already been given by the Postmaster General.

An hon. Member: What are you hiding?

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—INQUIRY AS TO REASON FOR DELAY IN APPROVING PROJECTS

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

With regard to the LIP projects submitted to the officials of his department since December 5 last, is it normal that it should take so long to reach a decision? Can the minister tell us why it is taking so long to give an answer?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I hate to disagree with the hon. member but I think that by any past standards—and there is only one previous year of experience—we are dealing with these projects and approvals faster than previously. We have had some 14,000 projects from which to select those we can honour or approve, and a budget of $165 million versus appeals for something like $473 million. As of this date we have approved $128 million in projects, and we are pressing to get final approval through for the rest of the projects so they can come under the remainder of the allocation.

[*Translation*]

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

Can the minister tell us how many projects have been accepted out of the 17,000 submitted to date?

[*English*]

Mr. Andras: Mr. Speaker, the best information I have right now is 4,195.

[*Translation*]

LOCAL INITIATIVES PROGRAM—INQUIRY AS TO NUMBER OF PROJECTS APPROVED IN EASTERN TOWNSHIPS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, may I ask a supplementary?

Can the minister explain why, compared with last year, less than half the projects in the Eastern Townships of the province of Quebec alone have been approved so far?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, nationally I think the ratio of 4,195 approved to 14,000 received indicates that if the hon. member has had half his projects approved he is in pretty good shape.

Mr. Grafftey: Mr. Speaker, I should like to ask the minister again why in the region I represent only half the number of the projects have been approved in comparison with last year?

Mr. Speaker: Order, please. Perhaps the hon. member for Brome-Missisquoi—order, please.

[*Translation*]

I shall recognize the hon. member for Témiscamingue in a moment. I think we should allow the hon. member for Brome-Missisquoi to state his question and allow the minister to reply in peace, silence and order. The hon. member for Témiscamingue on a point of order.

Mr. Caouette (Témiscamingue): Mr. Speaker, the hon. member for Brome-Missisquoi has just said that half the projects were accepted.

Mr. Grafftey: No, this is not what I said.

Mr. Caouette (Témiscamingue): Half those of last year.

Mr. Speaker: Order. We could proceed faster if we allowed the hon. member for Brome-Missisquoi to ask his question.

Mr. Grafftey: Mr. Speaker, I wish to repeat my question.

The citizens of my constituency want to know whether the local initiative program is a political project or an actual project to reduce unemployment during the winter months. This is a serious question at the present time.

[*English*]

Mr. Andras: Mr. Speaker, it would be my desire to approve every project that merits it, but that is impossible in view of the number of applications we have received for which money is available. I am very sympathetic with the hon. member and if he will send me the details of the situation I shall do my best to reply. However, I rather doubt that we can hold out any hope that any member is going to get all his projects approved.

LOCAL INITIATIVES PROGRAM—SUGGESTED INCREASE IN FUNDS

Mr. John Lundrigan (Gander-Twillingate): I have a supplementary question, Mr. Speaker. In view of the fact that of the 10,000 projects, many of which will have to be rejected, many are identical with those that have been accepted and will be rejected because of the shortage of funds, can the minister tell the House whether he has approached his cabinet colleagues for an increase in funding for this program, whether a decision will be made shortly, and when we can expect an announcement?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I have not formally approached my cabinet colleagues on this matter but I think any further announcement of that order would probably be forthcoming when the Minister of Finance announces his budget.

Mr. Lundrigan: In view of the fact we are almost at the end of January in terms of decision-making under this program, can the minister give any indication when we can expect that kind of decision by the Minister of Finance?

Mr. Andras: Mr. Speaker, I think I would leave the announcement of the date of the budget to the Minister of Finance.

[Mr. Speaker.]

While I am on my feet I should like to make an appeal to all hon. members about a program I think is important but which is not receiving the attention we would like. I refer to the on-the-job training program. Subscriptions to this are not moving as quickly as I would like to see; yet it is recognized as one of the best that we have—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

[*Translation*]

LOCAL INITIATIVES PROGRAM—APPROVAL OF PROJECTS AND ALLOTMENT OF FUNDS

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration.

Since a very small number of projects had been accepted more than a month ago and that, in respect of some of them the government has not yet paid a cent, can the minister tell us if it is a directive from his department?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I would really need the details of the specific cases to which the hon. member is referring. If he would be kind enough to send them to me I shall do my best to render the necessary service.

LOCAL INITIATIVES PROGRAM—DEADLINE FOR PROCESSING OF APPLICATIONS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I have a supplementary question. In view of the fact that in the House last week or the week before the minister said that the deadline for processing applications was January 19, tomorrow, and that there are many applications still in his office, is there a new deadline or is tomorrow still the date?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I am holding my breath and hoping that by tomorrow we will have the applications processed. It may be that I shall have to seek the indulgence of the House to extend it by a day or two but I do not know yet.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I have a supplementary question. As the minister has indicated that the deadline is tomorrow, may I ask him if he will discontinue the practice of consulting with his colleagues with respect to approval as this smells of political patronage?

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Humber-St. George's-St. Barbe in a moment for a supplementary. I had given an undertaking that we would return to the original question as I believe

both the hon. member for Brandon-Souris and the hon. member for Winnipeg North have supplementaries. We will first hear from the hon. member for Humber-St. George's-St. Barbe and then the hon. member for Brandon-Souris.

INQUIRY AS TO PROPOSED NEW LOCAL EMPLOYMENT ASSITANCE PROGRAM

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, the minister indicated to me last week that he had another program called LEAP that would supplement the local initiatives program. In view of the fact he has agreed that he would like to see approval of many of the projects that were not approved, would he make a more definitive announcement about this new program or make a statement on motions as soon as possible?

• (1440)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I am not in a position to take the leap from LIP to LEAP yet. Although we are examining it, the hon. member for Trinity the other day suggested we should not be in too much of a hurry. However, I think it is a good program from what I have seen of it so far and we will be examining it shortly.

* * *

POST OFFICE

DISPUTE WITH WORKERS—MINISTER RESPONSIBLE FOR NEGOTIATIONS—STEPS TO MAINTAIN MAIL DELIVERY

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for the Postmaster General. It would appear that he has now taken over responsibility for negotiations with the employees from the President of the Treasury Board. Can the hon. gentleman confirm this and at the same time indicate what steps he has taken to ensure that, notwithstanding rain, sleet, strikes, etc., the mails will go through?

Mr. Paproski: If necessary, by pony express.

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, I want to say that I assume all my responsibilities. In dealing actively with this matter, I hope I can assure the Canadian people of a better and greatly improved postal service while taking the interest of all postal employees who are anxious to see their union leaders sign this contract with us very soon.

[*English*]

Mr. Dinsdale: Am I to take it from the Postmaster General's remarks that one of the measures he is taking is to ensure an early settlement of this long, drawn-out negotiation process?

DISPUTE WITH WORKERS—ACCEPTANCE BY GOVERNMENT OF CLARIFICATION OF RECOMMENDATIONS BY CONCILIATION BOARD CHAIRMAN

Mr. David Orlikow (Winnipeg North): I have a supplementary question, Mr. Speaker. As both the government and the unions have indicated that they accept the recommendations of the conciliation board and are willing to sign an agreement on that basis, as there seems to be some difference of opinion as to what precisely the conciliation board meant in some of its recommendations, and as the chairman has now been asked to reinterpret some clauses, can the minister assure the House that if the chairman in his explanation indicates that he believes that other sections, such as section 904 of the agreement, should be rewritten along the lines he recommended in section 903, the government would agree to such a proposal?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, the hon. member takes it for granted that the union have already clearly indicated their willingness to accept the majority report. The hon. member for St. John's East (Mr. McGrath) stated earlier that he also believed that the union have indicated their willingness to sign a contract. Unfortunately, this has not been clearly indicated to us as yet.

If the employees' representatives are truly prepared to accept the majority report, if they are willing to sign a contract as recommended by the majority report, I think we shall have made a very great step forward, that the language issue will be settled quickly and—

Mr. Speaker: Order. I regret I must interrupt the hon. minister but I think I should now recognize the hon. member for Joliette.

* * *

SPORTS

MONTREAL OLYMPIC GAMES, 1976—GOVERNMENT POSITION RESPECTING FINANCIAL ASSISTANCE—DISCUSSION WITH ORGANIZING COMMITTEE

Mr. Roch La Salle (Joliette): Mr. Speaker, my question is directed to the Minister of State for Urban Affairs.

In view of the fact that the Olympics organization committee will present their budget on February 3 and in view of the fact that $400 million are absolutely essential to avoid increasing Montrealers' financial burden, could the minister inform us whether the government has reviewed its position and is now prepared to grant financial assistance to ensure the success of those games?

[*English*]

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, the government's position has not changed. We have had some requests of a non-financial nature from the organizing committee which I have indicated are being considered by the government.

[*Translation*]

Mr. La Salle: Mr. Speaker, I have a supplementary.

Could the hon. minister tell us whether federal government officials intend to meet the Olympic games representatives before February 3 and perhaps negotiate financial assistance with them?

[*English*]

Mr. Basford: Mr. Speaker, with regard to the latter part of the question, the government's position has not changed. There have already been and I would anticipate there would be further communications with the organizing committee.

[*Translation*]

MONTREAL OLYMPIC GAMES, 1976—REQUEST BY CITY FOR FINANCIAL ASSISTANCE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to direct a supplementary question.

Did the authorities of the city of Montreal and the people responsible for the Olympic games request grants one way or another from the federal government?

[*English*]

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, they have asked for leave to issue some coins and stamps and things of that sort which I described as non-financial requests.

MONTREAL OLYMPIC GAMES, 1976—INQUIRY AS TO REQUEST BY CANADIAN BROADCASTING CORPORATION FOR ADDITIONAL FUNDS TO PROVIDE COVERAGE

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Secretary of State. Does the Secretary of State have a request from the CBC for additional financing of between $40 million and $50 million so the CBC can handle coverage of the Olympic games?

Hon. James Hugh Faulkner (Secretary of State): No, Mr. Speaker.

Mr. Nowlan: Would the minister take it upon himself to discuss this matter with the president of the CBC so that a consortium of the CBC and the CTV, using the best of both networks and thus keeping the cost down, can provide the sort of service for which there was a precedent at Munich in the last Olympic games?

Mr. Faulkner: Mr. Speaker, I have already had some discussions with the president of the CBC on this and other matters.

* * *

GRAIN

WHEAT—FORM OF POSSIBLE CHANGE IN PAYMENT UNDER TWO-PRICE SYSTEM

Mr. Jack Murta (Lisgar): Mr. Speaker, I wish to direct a question to the minister responsible for the Canadian Wheat Board. Is the minister considering changes at present in the pay-out under the two-price wheat system to western farmers. If so, what form would the changes take?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, we have received some representations from farm organizations in connection with this matter and we are giving consideration to those representations.

Mr. Murta: As the minister is giving consideration to those requests, can he inform us when the decision will be made? Also, if it is to be made, will it be made in such a way that the distribution will be more acceptable to wheat producers and not strictly as a political gimmick to entice western farmers to vote a certain way?

Mr. Speaker: Order, please. The hon. member will appreciate that a question asked in those terms is not in order.

PROVISION OF INCENTIVE TO FEED GRAIN AND OILSEED GROWERS TO MAINTAIN MARKETS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I ask the minister whether he will also give consideration to providing some incentive to growers of feed grains and oilseed so that the markets for those commodities that have already been established will not be lost in the coming year?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the various farm organizations have also made comments on this subject. We are earnestly examining the question to make sure that farmers in the prairie region continue to produce rapeseed and feed grains in adequate volumes so that we can sustain the very important export markets that we have developed. We are not at all sure at this stage what form the action to try to assure this will take. Certainly, action in bringing information to the attention of farmers will form an important part of what is done. We do anticipate, prior to March 1, making information available to the farmers of western Canada on initial prices and on expected sales prospects.

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

Mr. Speaker: Order, please. At least 25 hon. members are seeking to ask supplementaries on this subject. That could keep us busy all day. There are five minutes left before the end of the question period. I am prepared to recognize supplementaries on this matter and then call orders of the day. The hon. member for Mackenzie.

Mr. Korchinski: Mr. Speaker, has the minister made a firm resolve to discuss this matter with the Minister of Agriculture who apparently is advocating the growing of more wheat? Is the minister responsible for the Wheat Board advocating the growing of coarse grains? Has this question been resolved, or will this kind of decision be forthcoming before spring?

Mr. Lang: Mr. Speaker, I think the Minister of Agriculture and I agree that there are tremendous opportunities for exports of wheat at the present time. We are also determined to try to make sure that adequate volumes of

feed grain and rapeseed are produced. I share with the Minister of Agriculture the view that the fullest use should be made of fertilizers and sprays and the best possible techniques should be employed so that, now that we have the grain system operating well, the farmers will be in a position to produce grain at the lowest possible cost.

Mr. Speaker: Order, please.

• (1450)

SUGGESTED INCREASE IN SUBSIDIZED PRICE OF WHEAT FOR DOMESTIC CONSUMPTION

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a supplementary question relating to the two-price system. In view of the fact the international wheat price is at least 50 cents above the domestic price paid by the millers of $1.95½ a bushel, can the minister inform the House whether the subsidized price of $3 a bushel will be increased by at least 50 cents in comparison with what was paid last year?

Hon. Otto E. Lang (Minister of Justice): The $3 price ensures, of course, that the farmer in the prairie region obtains that price for the wheat consumed in Canada, and that price is still well above the international price.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Assiniboia for a last supplementary and then go to the hon. member for Richmond.

Mr. Knight: In view of the fact the pay-out is made on the basis of all six grains and that wheat producers could lose up to $30 million on the basis of what the millers are paying and the international price, can the minister inform the House whether the system will be revised so that payment can be made on the basis of bushels?

Mr. Lang: The matter of the difference in pay-out procedures was, of course, the subject of the original question which I answered. I should like to correct the hon. member though: payment was not made on the basis of six grains but rather on an acreage basis to the farmers—

Mr. Speaker: Order, please. Obviously this difficulty will not be resolved this afternoon or during the question period.

* * *

[*Translation*]

POST OFFICE

INQUIRY RESPECTING CALENDAR PUBLISHED BY DEPARTMENT

Therefore I recognize the hon. member for Richmond.

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to direct a question to the Postmaster General.

Since on January 10 the minister told the House that he would willingly take appropriate action concerning my request if he were given the proof that French Canadians send greeting cards for the St. John the Baptist day, could the hon. minister tell us whether he considers the possibility of having a new Post Office calendar published for 1973 in order to redress that injustice?

Hon. André Ouellet (Postmaster General): Mr. Speaker, I specified to the hon. member that there was no injustice in that, that it was not a real calendar and that next year we could check again—

Mr. Speaker: Order. I should like to suggest that this question, as I said a few days ago, could be placed on the order paper. I really do not see any urgency in that. Perhaps the hon. member could ask a supplementary question—

[*English*]

And after that I will recognize the hon. member for South Shore.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, could I ask the hon. minister whether he can inform the House of the criteria used to consider Hallowe'en and St. Patrick's as rush periods for the mail in Canada—

* * *

[*English*]

FISHERIES

INQUIRY AS TO RESCINDING OF BAN ON WHALING

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I have a whale of a question for the Minister of the Environment. In light of the scientific data on sustainable yield concerning whales and the minister's press release of July 4, 1972, advocating adherence to the optimum sustainable yield principle, is it the minister's intention to rescind his announced ban on Canadian whaling of December 22 in the hope that the whaling industry located at Blandford in Nova Scotia may continue its operations under a government controlled quota?

Hon. Jack Davis (Minister of the Environment): No, Mr. Speaker. As the hon. member is aware, the catch last year was three times the sustainable yield.

* * *

UNEMPLOYMENT INSURANCE

PROVISION OF IN PERSON SERVICE AT OFFICES—REQUEST FOR EXPEDITING OF PAYMENT OF CLAIMS

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the continuing long delays being experienced by claimants for unemployment insurance benefits, can the minister advise whether consideration is being given to in person service at unemployment insurance offices to expedite claims?

Hon. Robert K. Andras (Minister of Manpower and Immigration): That program was inaugurated about a month ago. If it has not yet reached the hon. member's constituency, perhaps he would be good enough to give me the details and I will see what can be done.

Mr. Muir: I thank the minister for his reply. In light of the hardship suffered by claimants and their families as a result of delays in receiving their cheques, such delays ranging from two weeks to 12 to 14 weeks, would the minister consider making it mandatory for these claims to be put into manual pay as soon as a delay of two weeks exists?

Mr. Andras: I really would appreciate from all hon. members exact details of these incidents so that I can have my office look into them. We had a session today with the chairman of the commission and I am satisfied he is exerting every effort to speed up these payments. But I should like to be given specific instances which might help me to assist him.

* * *

COMMUNICATIONS

BELL CANADA RATE INCREASE APPLICATION—INQUIRY AS TO OPPOSITION BY GOVERNMENT

Mr. Speaker: Does the hon. member for Wellington-Grey-Dufferin-Waterloo have a supplementary?

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): It is not a supplementary question, Mr. Speaker, but I do have an important question to ask.

Mr. Speaker: Perhaps the House will permit the hon. member to ask his question before we call orders of the day.

Some hon. Members: Hear, hear!

Mr. Beatty: Thank you, Mr. Speaker. My question is for the Minister of Communications. In light of the increased profit arising from last year's operations by Bell Canada, has the minister decided to make representations to the Canadian Transport Commission concerning their application for increases in rates?

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): I am happy, Mr. Speaker, that the hon. member asked me this question which had already been asked. We have completed our consideration of this issue. Our consideration led us to a negative conclusion; under the National Transportation Act the governor general in council has the power to change or cancel any decision made by the commission, either unilaterally or following a petition. Although this power has been rarely exercised the fact still remains that its use could place the government, considering it has already intervened at the tariff hearings, in the incompatible role of both judge and plaintiff.

However, the necessity of making representations from time to time being very important—

Mr. Speaker: Order. I am sorry to interrupt the hon. minister. I think he will agree with me that a statement such as the one he wishes to make at this time in the House should normally be made on motions. It seems to me that his answer to the hon. member although interesting and important goes somewhat beyond the normal time allotted to answer a question.

• (1500)

[*English*]

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL JOINT COMMITTEE OF SENATE AND HOUSE

Mr. MacEachen: On a point of order, Mr. Speaker, which might be dealt with by the House now. In view of the interest shown by hon. members in taking part in this debate, the suggestion has been made that following the initial statements subsequent speakers ought to limit their remarks to 20 minutes. I am not pressing this point, but I am raising it so that it might be settled now, rather than later, and in order that we may seek out some understanding.

Mr. Baldwin: We would agree with that. The urgency of the situation, the high cost of food, makes it imperative that as many members as possible participate in the debate.

Mr. Knowles (Winnipeg North Centre): I believe this was our proposal. We are glad it is being accepted.

Some hon. Members: Oh, oh!

[*Translation*]

Mr. Fortin: Mr. Speaker, I still maintain my support for this motion, as I did at the meeting of the House leaders.

[*English*]

Mr. Speaker: Is it agreed and so ordered?

Some hon. Members: Agreed.

Hon. Herb Gray (Minister of Consumer and Corporate Affairs) moved:

That a Special Joint Committee of the Senate and of the House of Commons be appointed to inquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends;

That 20 Members of the House of Commons to be designated by House at a later date be the members of the Special Joint Committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said Committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary; and

That a message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select if the

Senate deems it advisable, some of its Members to act on the proposed Special Joint Committee.

He said: Mr. Speaker, because of the interest which is being taken in this notice of motion, I do not think it is necessary for me to speak at any undue length in support of it. I want to begin by pointing out that in the Speech from the Throne the government confirmed the high priority it assigns to the economic policy of the area—to reduce unemployment, contain inflation and strengthen our economy generally.

The government's position with respect to rising food prices is reflected by the statement in the Speech from the Throne that, and I quote,

> . . . the government is determined to contain inflation in Canada, to protect the purchasing power of the Canadian dollar in the hands of the Canadian people and to protect Canada's position in world trade.

I think it is important to bear in mind the fact that this matter is a world wide problem to which no country has yet found a complete and final solution. This is indicated by the behaviour of consumer price indexes for the major western countries. Between September 1971 and September 1972, the over-all consumer price index for Canada increased by 5.3 per cent. Performance in the United States and Japan, where consumer prices increased over the period by little more than 3 per cent, was better than in Canada. But in France, Germany and Italy, consumer prices rose by over 6 per cent, and in the United Kingdom and the Netherlands they rose by 7 per cent or more in the year ending last September—the latest dates for which comparable figures were available.

The recent tendency for food prices to rise more than prices of non-food items is also world wide. As of last September, the Canadian food price index was up over the year by 8.3 per cent, a figure matched in the other countries I have mentioned only in France. The increases for other countries amounted to 8.1 per cent for the United Kingdom, 7.5 per cent for West Germany, 7.2 per cent for Italy, 5.6 per cent for the Netherlands, and 4.8 per cent for the United States.

The government is watching closely the trends in food prices here and abroad, as well as steps being taken by other countries to meet these problems. As the Prime Minister (Mr. Trudeau) mentioned in the House the other day, the advisability of instituting controls is constantly under review and work has been going on with respect to contingency planning in this area.

In considering the food price problem we should remember that the United States authorities, for example, have at no time during their experiments with price and income controls considered it practicable to impose controls on raw agricultural products. They have had controls only on processors' and producers' margins. There are indications also that a price war among food retailers in the United States has been another factor. In any case, the United States performance in the food sector does not match what it has achieved in other areas.

The upsurge in food prices in Canada is of fairly recent origin. On a long term basis, food prices at retail in Canada have risen at rates comparable to consumer prices in general, as measured by the consumer price index. Over the last year, on the other hand, food prices have risen more than twice as much as the average of prices for non-food items in the consumer price index. In statistical terms the increase in food prices from December 1971 to December 1972 was 8.6 per cent. Over the same period, the rise for all items other than food in the consumer price index was 3.8 per cent.

The government is concerned about trends in increases in food prices. After all, these affect every Canadian consumer. While I am informed that the proportions of incomes that Canadians spent on food have been declining, they do remain high relative to proportions spent in other main areas. Moreover, the lower income groups have no choice but to lay out a proportion of their income on food that is larger than the proportion that the rest of the population devotes to these commodities.

The House will recall that a joint committee of this House and the Senate conducted a very useful inquiry some years ago and food prices occupied a major part of its work. This committee, however, concluded its deliberations some six years ago. I submit, therefore, it is timely for the creation of another parliamentary inquiry of the kind proposed in the Speech from the Throne. I am, therefore, pleased to urge the adoption of the motion now before the House to appoint a special joint committee of the Senate and the House of Commons to inquire into and make recommendations upon the trends in food prices in Canada, and factors domestic and foreign which account for these trends. I look to such a committee being able to make a thorough inquiry and finding itself in a position, in a relatively short period of time, to make recommendations which can help lead to useful policy initiatives.

In assessing the causes of the current rapid rate of food price increase, the committee will no doubt wish to consider the world wide as well as purely domestic aspects of the problem. From the global standpoint, I am informed, for example, that poor crop yields have been a major factor. The most important crop failures have been in the eastern hemisphere and have affected yields of grains and other staples. Canadian consumers have been protected in part from the effects of the major increases in world grain prices because this has not been allowed to affect the price of wheat sold for human consumption in Canada. However, the world grain shortages are contributing to increases in the prices of meats and dairy products.

Grains are by no means the only farm products in short supply because of partial crop failures abroad. The large increase in sugar prices is partly the result of deficiences in the sugar beet crop in the Soviet Union and of the cane crop in Cuba, normally the principal source of Russian sugar imports. Demand from China has also been a factor.

Closer to home, bad weather in some vegetable producing areas in Canada and the United States has led to shortages that are clearly evident to the housewife. Poor crop conditions have been experienced in some parts of the western as well as the eastern hemisphere. For example, the frost experienced in Brazil in July of last year was followed immediately by a rise of almost 20 per cent in world prices of raw coffee. The information of an international cartel by coffee producing countries earlier last year has also contributed to the rise in coffee prices.

Again, closer to home, there have been weather problems in wide areas in Canada and also in the United States. The effects of these difficulties become clearly evident to the housewife when she comes to buy vegetables and fruits, as well as to the farmers whose crops have been affected.

I have described some of the more dramatic developments on the farm front of the very recent past. These have contributed to the rise of 8.7 per cent in the wholesale price index for Canadian farm products that occurred between November 1971 and November 1972. But it must be remembered that, while farm incomes have increased substantially in the last year, they have not kept up with increases in incomes in other sectors of the community over the last decade or more.

Farm prices are only one factor in food prices, and the proposed committee will, I am sure, devote much and perhaps more of its attention to processors' and retailers' margins. In considering processed foods, we have to keep in mind not only the increases in the prices that manufacturers pay for raw agricultural products, but also changes in prices of the other materials they use. Labour costs are also a factor. I am sure that the committee will also want to look into the question of profit margins.

Those of us who look at food prices primarily as consumers should recall that many of us nowadays want to buy potatoes, for example, peeled, sliced and fried ready for serving. Obviously, the more convenience foods that are bought, the higher the cost of the consumers' grocery order. This brings up the important question of the expense to which expenditures on packaging, advertising and promotion are sufficiently to the benefit of consumers and to what extent further action, if any, should be taken to see that their interests are more fully taken into account in operations in the food industries.

These have been some of the relevant factors which will likely be of interest to the committee and which they may therefore want to look into. In summary, the factors include such matters as to what extent poor yields both at home and abroad have affected the price of agricultural products; the cost elements affecting margins of producers, processors, distributors and retailers of food, and their profit margins. I have also mentioned the implications of the growing use of convenience foods, and the question of the effects of expenditures on packaging and promotion. I am sure, therefore, that the committee will be interested in looking generally into the cost elements and profit margins affecting prices to producers, processors, distributors and retailers, all those making up the food system chain.

• (1510)

If this motion has the support of the House, the committee thus created will have wide authority to examine witnesses, to obtain the assistance of expert staff and finally to inquire into and make recommendations with regard to trends in food prices and the factors which account for them.

In concluding, Mr. Speaker, let me say that I will look forward to having an opportunity of appearing before the committee to provide it with further information on the matters referred to it once it begins its work. I will also look forward to hearing with interest the points to be made by hon. members during the course of this debate, and I will attempt to respond to them when I speak at its closing. I am sure the recommendations of the proposed committee can be most useful in dealing with the serious issue of current trends in food prices, a matter of concern to the government and to the Canadian people generally. I, therefore, urge the speedy adoption of this motion.

Mr. Stanfield: Would the minister permit a question, Mr. Speaker?

Mr. Gray: Yes, Mr. Speaker.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister whether he would make available to the committee, when and if this motion is passed and it is established, all the memoranda, documents, reports and studies which may have been prepared by or on behalf of the Prices and Incomes Commission on food price increases, or indeed any related matter on which the committee may request information?

Mr. Gray: Mr. Speaker, a number of studies by the commission have already been released. I will be pleased to examine the extent to which further information based on the work of the commission can be provided or presented to the committee when it is established, as I hope it will be.

Mr. Gilbert: Mr. Speaker, in view of the time it will take the committee to hear the evidence and make either an interim or a full report, I should like to ask the minister whether he intends to take any immediate steps, either legislative or otherwise, to curb the high cost of foods?

Mr. Gray: Mr. Speaker, if such steps are to be taken they will be announced once a decision is made. Any other course of action would not be to the advantage of the Canadian consumer. I do hope the House will pass the motion before it as soon as possible, so the committee can make a prompt report and its recommendations can be taken under active consideration by the government.

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, like the hon. minister, I will certainly not take up my full allotment of 40 minutes. I hope to be brief and I hope to be a lot sharper than he was.

Some hon. Members: Hear, hear!

Mr. Lawrence: In the answer to the question by the hon. member for Broadview (Mr. Gilbert) I hope you noted the very small word with the very big meaning at the beginning of the answer. He said that "if" any action was to be taken by the government it would be announced in the House in due course. In light of what the minister has said, and in light of this being the only action the government has proposed, indisputably the government is mentally totally barren of any solution to the inflationary crisis in which we find ourselves today.

Some hon. Members: Hear, hear!

Mr. Lawrence: There have been no worthwhile and no specific measures laid before this House, Sir. There have

been no policy initiatives announced in the throne speech. There have been absolutely no changes or thrusts in new trends at all in respect of ministerial announcements or in speeches inside or outside this House by members of the Cabinet. The only idea put forward, and this is a time-worn crutch known to all governments, federal or provincial, is the appointment of a committee. This is a time-worn crutch which is used when the only answer you can come up with is the establishment of a joint parliamentary committee. For this group on this side of the House, I say to you that we do not believe this is either the answer or even an answer to the inflationary crisis we are in right now.

Some hon. Members: Hear, hear!

Mr. Lawrence: We had an election campaign, Sir, during which the policies of the parties were advocated. Certainly, this idea of a joint parliamentary committee was not what my leader advocated in that election campaign. It is not what we would have done had we been elected to power on October 30. For myself and my colleagues, I say that we are highly skeptical that anything worthwhile or any action fast enough to make any difference this winter will come out of this parliamentary committee. In spite of the lack of ideas and the lack of initiatives coming from the Cabinet or the ministerial benches, I can say to you that as a party we are willing to support it grudgingly, quizzically and doubtfully. We are willing to go along with this charade of setting up the committee in the hope that perhaps somehow, sometime and somewhere this Liberal delaying manoeuvre will produce something constructive, something worth while and something immediate to help the inflation trend in which we are now, certainly in respect of the cost of living.

There are conditions which we feel we must attach to our support and our co-operation in passing the motion to appoint a committee. Obviously, if the government had the time, and it does not, we should have liked to see the committee terms of reference wider. We think that focusing attention on food prices alone is only a meagre nibbling at the total problem of the cost of living. If the government had the backbone and had the time it could have taken a giant bite not only at food prices, but at housing and shelter costs, at clothing prices, at transportation, at health and personal care costs and even at recreational costs, all of which showed an increase in the indices published a week ago and which, as stated in the government's own press release "exceeded all other November to December increases of recent years".

The cost of living at the end of 1972, just last month, was 5.1 per cent above a year ago. The cost of food alone was up 8.6 per cent from a year ago. Housing costs were 5 per cent above a year ago and, indeed, in the long haul housing, shelter and accommodation have shown an even greater increase than food alone. Now, we are faced with the government's panacea to this crisis, and that is the establishment of a joint parliamentary committee. Perhaps this is indicative of the government's concern. Perhaps the government feels that those on fixed incomes, those on pensions and the hundreds of thousands of neglected citizens in Canada, referred to now sometimes contemptuously by Cabinet ministers as "the working poor", are not feeling any economic squeeze at the moment and perhaps the parliamentary inquiry will somehow satisfy their plight. I doubt it.

As a matter of fact, I think the government is 100 per cent wrong on this and I think the Prime Minister (Mr. Trudeau) was wrong the other day when he indicated to the House that economic matters were taking a subservient place in the government's attention. I know the Minister of Agriculture (Mr. Whelan) was wrong yesterday in Halifax when he said that consumers were getting a bargain in food prices and that they did not complain about the high prices of other goods in the economy today. I do not know where he has been. I have heard complaints concerning all items on the cost of living index, believe me, and not just food. I should certainly like to hear the Minister of Agriculture repeat his comment that food is a bargain before some of my constituents, some of whom are food producers.

• (1520)

If the opinions of the Minister of Agriculture are shared by his colleagues in the two front rows, I wonder why we are even considering the setting up of a committee on food prices. Why go through the exercise? The answer is simple: he is wrong and his colleagues are wrong. Food prices, like all prices, are simply running out of control today. Our whole economy is out of kilter. The government's answer to this crisis is to set up another committee. Just let me add this warning on food prices. If you want to consider it as a threat that is all right. However, I consider it to be a warning. Already this month the retail price of milk has gone up. Already this month the retail price of beef has continued to climb. Already this month, vegetable prices have increased. If the government is not panicky it should be. Next month's statistical release from the government will show these increases and others. Oil and fuel prices have already increased.

I think the publicity surrounding the formation of this committee is at best a weak-kneed effort, a heartless smokescreen to the people of this country. It is an attempt to suggest that the government is doing something about this crisis. At its very worst, it is an attempt by the government to shift its responsibility to some sort of all-party group, with the result that some of those detrimentally affected by what has happened and is now happening in respect of food costs will expect immediate, constructive action to take place. Obviously, this committee or any parliamentary committee will not be able to take action. Only the government can take action. But there will be people in this country who will believe from now on that these current and continuing price rises will be the fault of the committee, not the government.

I give the House fair warning that some of us intend to do our utmost, until some concrete, specific constructive measures are taken by this government, to lay the blame exactly where it belongs—on hon. members opposite, and particularly the ministry.

Some hon. Members: Hear, hear!

Mr. Lawrence: In spite of our doubts and our scepticism I am willing to admit, but only after a great deal of soul and heart searching, that we are willing to go along with the committee proposal. We will bring a constructive and

co-operative attitude to the deliberations of the committee in the hope, vain though it may prove to be, that some glimmer of policy change might become so apparent to the public that even this government may move in a direct, quick and efficient way. But we do have conditions. First, we believe the committee should be exclusively a House of Commons committee.

Some hon. Members: Hear, hear!

Mr. Lawrence: I shall be moving an amendment to strike out all reference to membership on the committee from the other place.

Some hon. Members: Hear, hear!

Mr. Lawrence: Our purpose, unlike that of my NDP friends, is not to slander the involvement of individual members of the Senate—

Some hon. Members: Oh, oh!

Mr. Lawrence: —but rather to give that body the opportunity to perform a responsibility in this current crisis for which it is better suited at the moment. A House of Commons committee under current conditions must stay in Ottawa. A House of Commons committee should work toward immediate and perhaps even short-term solutions. A House of Commons committee should reflect exclusively the party membership ratio of the present House of Commons.

Some hon. Members: Hear, hear!

Mr. Lawrence: This still leaves the Senate free—and indeed I urge it to do so—to set up its own inquiry, drawing on the wisdom, experience and connections which so many of the members of that body appear to have—

Some hon. Members: Hear, hear!

An hon. Member: Some connection!

Mr. Lawrence: —in order to look into the more long-term, permanent answers to this chronic and constant problem of inflation. That committee could travel around the country. We could not. The Senate committee could undertake a more in-depth study and take a more leisurely pace which is perhaps more suited to its method of work than that of this parliament and that which the country would expect from us.

Some hon. Members: Hear, hear!

Mr. Lawrence: We also feel that the past history of joint parliamentary committees is not something of which to be particularly proud. The past history I have been able to ascertain shows that most joint parliamentary committees have been neither as productive nor as fast in respect of their recommendations as both the nature of the problem and the time element require in this case.

None of the five joint parliamentary committees appointed by the Twenty-seventh Parliament completed their meetings within half a year; in fact, most took longer. The average time consumed in meetings of these committees was eleven months. The major joint parliamentary committee of the Twenty-eighth Parliament held meetings over a period of two years before it completed its deliberations. The Joint Committee on Consumer Credit and Food Prices, which sat during 1966 and 1967, took three months before submitting even an interim report. I say that these time periods are too long. The 1967 Royal Commission on the Rise of Food Prices took a year to publish its findings. Indeed, the subject has been so well researched, investigated, commissioned, inquired into and so committeed to death that apart from the argument about whether or not we should even have the committee, it is apparent that a time limit should be imposed on our committee forcing it to report within three months.

Some hon. Members: Hear, hear!

Mr. Lawrence: In addition, we feel very definitely that our committee should not cover old ground which previous committees have ploughed. Its historical research inquiry should date back only to the point at which the previous joint committee left off in 1966. My colleagues on this side of the House will be presenting in due course amendments to cover these points as the debate progresses. We feel that the current party representation on the Miscellaneous Estimates Committee properly reflects the partisan make-up of this House and should be a precedent for this committee. Therefore, an amendment will be moved later to the effect that the total number of members on the committee be 19, not 20. As a result, we would have eight members from the government benches, eight from the official opposition, two members from the party to my left, and one member from the Creditiste party. This is in accordance with the present make-up of the Miscellaneous Estimates Committee and, we think, more properly represents the party membership in the House.

• (1530)

Finally, an amendment restricting the choice of staff and counsel will be made by one of my colleagues in the belief that everything possible should be done to get this committee working as quickly as feasible. If this is the government's only answer to inflation—and it seems to be—we think much more could and should be done, but we do want to be co-operative and we do want to get cracking on it. Certain restrictions on the choice of staff will, therefore, be suggested later in an amendment from our side.

The sooner the debate is over, the sooner the committee will get to work. While we do have these amendments, we are quite willing to limit ourselves, providing the other parties do so, to one speaker per amendment in respect of this debate and this motion. Of course, if any of the other parties put up more than one speaker per amendment, we have many speakers, believe me, who are burning with desire to get into the discussion and we will have these members speak in the debate.

I move, seconded by the hon. member for Perth-Wilmot (Mr. Jarvis):

That the motion be amended by striking out

(a) the words "Special Joint Committee of the Senate and of the House of Commons" in the first paragraph and substituting therefor the words "Special Committee of this House",

(b) the word "Joint" on the second paragraph, and

(c) the fourth paragraph.

Mr. Speaker: Hon. members have heard the motion. It is difficult at the moment to compare the hon. member's motion with the main motion before us. I am not sure whether any hon. members would like to advise the Chair regarding the procedural aspect of the motion. If not, it will be put to the House.

Some hon. Members: Agreed.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I think this is one of the more important matters to come before the House and I am glad that it is being considered at an early stage. I am not saying that the committee will do what we want it to do or will go as far as we want it to go, but I do feel that a discussion of food prices and a move for action at this time is essential. After all, this is one of the measures which, more than most others, affects every one of us in our capacity as consumers. It affects us in varying degrees, it is true, but it affects us all.

I was glad that the minister laid down the terms of reference of the committee in the government resolution briefly and clearly, but when it comes to the official opposition there are a few things I want to say. The previous speaker urged the government to take a giant bite by including everything related to the cost of living in this motion. When he kept adding in all the expenses that go into the cost of living he reminded me of those old preachers who wanted paradise in one bite or else no paradise—you were condemned to go down below. I think we must take things step by step, and I feel sure that by decrying the suggestion that we start first with the most urgent matter, namely the price of food, the official opposition are actually making an excuse for not getting started on anything at all. For this reason, I am glad that we started with food prices.

The hon. member spoke of the lack of concrete measures in the government's program and said that the purpose of this committee must be to lay the blame on the government. But the people of this country cannot heap blame on the government, and to my way of thinking the official opposition so far has failed to give any notion in a concrete way of what they would have done or what they want to see come out of this committee.

Some hon. Members: Hear, hear!

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, whatever were their motives, we welcome their conversion in regard to the Senate as contained in their amendment. This was the only concrete proposal in the previous speech. A number of us have been busy lately speaking over the radio and television making no secret of the fact that we intended to move that members of the Senate be not included in this committee. So, I am very glad that at least one idea of a fruitful character has been picked out and used in the debate this afternoon by a member of the official opposition.

I should like to point out something else to members of the official opposition, and I wish the previous speaker would stay long enough to listen to the consequences of what he suggested. If the official opposition follows through with their suggestion, the net result will be to remove a comfortable majority of the Liberal members on the committee. If we eliminate members of the other place, we will be eliminating a very comfortable wedge of Liberal majority support for the government on this prices committee. This is surely a curious move for the official opposition to make.

Mr. Lawrence: That never occurred to me.

Mrs. MacInnis (Vancouver-Kingsway): I suppose that is true, because the whole matter of the control of food prices is quite foreign to the official opposition. They have not taken any concrete action in the past. Certainly, they have voiced objections, but they have not said what results they expect the committee to achieve.

Before I go further in my remarks I do not wish to neglect to say that if this committee is to amount to anything in the view of members of our party there must result from it the establishment of a prices review board or a similar monitoring agency which will continue to look after the price of food after the committee has made its recommendations. When those recommendations are before the government, we want the immediate implementation of the one requesting the establishment of a prices review board which will have the responsibility of looking at the proposed price increases and demanding that those who made the proposals justify the need for an increase or else that increase will not be granted. Such an agency must also have the power to roll back those price increases which are unjustified. Let members of the official opposition not tell me that they have been urging this, because they have not. It is we in this group who have been urging this, and this is a definite recommendation that we shall seek from this prices committee.

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

Mrs. MacInnis (Vancouver-Kingsway): Perhaps the hon. member could ask his question at the end of my remarks I can promise him that there will be an end.

I also say that the type of speech that I would like to hear from the official opposition is one which would include some of the things which they hope this committee could accomplish, or information on such accomplishments in other places, because what we get out of this committee will depend on what goes into it. If it is just a matter of one party in this House getting publicity for itself, then I do not think the committee will be worth while. But I believe that out of the committee can come the beginning of a pattern for controlling prices in Canada in such a way that possibly on a selective basis rising food prices can be kept in check, and people will be sure of getting the ingredients of a healthy diet to insure nutrition and energy at prices they can afford.

• (1540)

It is not important that this debate be rushed here with just one speaker from each party. The important thing is that a reasonable amount of time be taken by the commit-

tee of inquiry to get at the facts, to ascertain what each sector of the food industry contributes to rising prices. The committee must take time to come up with concrete recommendations to place some control on the movement of food prices. That is what we should be doing, Mr. Speaker.

The direction of the trend in food prices is upward. During the past two years the food component of the consumer price index has risen by over 17 per cent. The organization for Economic Co-operation and Development, at the end of 1972 in its assessment of trends for 1973, warned that in Canada the outlook for prices is a matter of concern. It warned that prices which have already gone up could be the forerunner of price inflation all along the line. I believe we should heed the words of the OECD in the work that we are setting out to do.

Although we were all pleased the other day to hear the Minister of National Health and Welfare (Mr. Lalonde) announce that we could expect "a substantial increase" in pensions, I would ask him what is the use of increasing old age pensions, or any other pensions, if we do not take steps to insure that the pension increases are not immediately gobbled up by other increases, of which the price of food is the greatest menace? We have to protect the living standards of our people, otherwise the business of raising pensions is merely a farce, an exercise like pouring water through a sieve, and an exercise in futility. What most people across the country want is a measure of stability in their living costs, and this at a level they can afford.

The minister pointed out that it is six years since the end of the previous prices inquiry. Actually, it is nearly seven years since that committee started its investigation of food prices. What happened as a result of the investigation at that time?

Mr. Howard (Skeena): Basford got into the cabinet.

Mrs. MacInnis (Vancouver-Kingsway): Yes, there were various little side effects, but the main thing was the establishment of the Department of Consumer and Corporate Affairs, even though I still regret that the corporate part was added to the consumer section. Also, Mr. Speaker, some safety measures were enacted, and I do not decry them. These were necessary in respect of clothing, drugs, and hazardous substances of various kinds. We also did something along the line of packaging, labelling, and the handling of consumer complaints. But we took no action on food prices, in spite of the final recommendation made by that committee of which I had the honour to be a member. It was that the Joint Committee on Consumer Credit Prices continue its investigations of concentration in the food industry. No action has been taken on that recommendation ever since the day in April, 1967, when we tabled our report. In my view this is unfinished business. This is where we come in now. This is where we must start the new inquiry afresh.

Over the years some of us tried to get that recommendation implemented. Last June, as more senior members of the House will recall, in the very limited time at our disposal the NDP tried to get the government to establish a special committee of the House to look into the matter of food prices. Because of the shortage of time, the investigation could not have been a thorough one. Even so, it could have had some particular effects. However, the government would have nothing to do with it. The government put forward all kinds of excuses. It said that rising food prices were a worldwide phenomenon and we could do nothing about them. The then minister of consumer and corporate affairs said that increasing food prices had only been the trend for a month or two, and that we should not do anything drastic because things might settle down. The Minister of Finance (Mr. Turner) contended that higher prices were due to poorer crops. Undoubtedly, these things are all factors, but they are not the whole answer to the question of why food prices have been rising so drastically.

Now, we have the consumers again demanding that something be done about food prices, and we have the government saying, as it has done in respect of other matters lately that it is in a receptive mood and is listening. I hope it is, because the proposed committee will test the receptiveness, ingenuity and ability of members on all sides of the House. There are cynics in the House who think that the committee will do nothing but a whitewash job. There are others who say, "You cannot control food prices; it is nonsense to think you can." There are others who think the farmers will be picked out and pilloried in the same way as the Prices and Incomes Commission picked out the wage earners and tried to pillory them. In passing I would point out that later its chairman declared that wage settlements had had very little effect on the over-all picture.

There are other members of the House who are afraid the taxpayers will be hurt. Over all this there is the honeyed propaganda of various firms in the food industry, saying the consumers are living in the best of all possible worlds, crying that those in the food industry are on the point of going out of business, claiming their profits are very low, and pleading that we should leave them alone. The other day a media representative asked me, "What makes you think you can hope for something better this time as a result of the proposed food inquiry than we had in 1967?" There are one or two answers to that, Mr. Speaker. The first is that we are now six years closer to monopoly control and dictatorship by the conglomerates that run the food industry in Canada. A second is that a number of countries have started experimenting with their own patterns, to try to control food and other prices. It is no longer possible to say that this cannot be done, that nobody else is doing it.

I refer to the efforts of three countries well known to us—Sweden, the United States and Great Britain. Sweden began its control measures in 1970, the United States began its in 1971, and Great Britain just last November. There are variations in the ways they have been trying to undertake this. They have all had their faults and their failures. There has been a great deal of criticism of these plans from outside and inside. Not one of those countries is completely happy with what is happening as a result of the measures it has taken, but I would like to point out to hon. members of this House that not one of those countries is letting go. Having started on this road they know they must continue. Although they have had to change, modify and switch their tactics and control machinery, not one of those countries now hopes to go along without a precise piece of monitoring machinery such as a prices

and incomes authority which we are proposing for this country, and which we in this group have proposed for the past three, four or five years when most ears were deaf to us. Those ears are now beginning to open and turn a little bit in our direction, as the logic of circumstances is making it necessary and desirable for them to listen.

• (1550)

We in Canada have to make our own start as well; we cannot be a carbon copy of any of these countries. We have not found the answers yet, but we have to make our own patterns and feel our way. We have our own problems, such as constitutional difficulties and our export trade difficulties as well as our relations with the provinces. In brief, to put it in a way with which we are so familiar, "Le Canada n'est pas un pays comme les autres."

We are not a country like those others and cannot pretend that we are. All I am saying this afternoon is that although we do not know the answers, we know that we must grapple with this problem of prices. We must begin with food prices and we must begin now. The longer we put it off the tougher it will be and the more human suffering there will be. This is a problem which affects us all, though it does not affect us all equally. That is the danger, the mischief of the talk of averages because people are not averages, they are flesh and blood. It is obvious that the woman with a brood of children and a tiny income is not in the same position as members of this House or people with a $40,000 or $60,000 income for whom the rising cost of food is at best a slight irritation. For people on pensions and fixed incomes, any rise can be catastrophic because it is an invitation to the gougers to move in on any increase in the pension or allowance.

I should like to return again to the experience of Sweden, which was the first country to set up this system and it is the most advanced. The other two countries that I mentioned are gaining experience with controls, but Sweden began in 1970 with specific, selective controls on specific products. About 50 per cent of food consumption in Sweden was affected—certain kinds of fish, vegetables, dairy products, flour and a few other things. This was later extended to a much wider range of foods. The result was that prices were held almost steady for the first year, 1970-71. In the fall of that year it was discovered that farm income needed to be strengthened. This sort of thing is done in Sweden; when a sector of the community needs strengthening, they do it. Food controls were relaxed to the extent that farmers were allowed to build up to the standard of the other sectors of the community. The result was an increase in the cost of living of 0.5 per cent. In the meantime, this was supplemented in various other ways where the need was demonstrated.

It was then discovered that a round of collective bargaining with trade unions had still to take place. Collective bargaining in Sweden operates within the framework of the increase in the gross national product in the previous year. The trade union membership decided that wage increases for 1971 were to go to the low wage earners. This resulted in an increase of 2.5 per cent in the cost of living. Between the increase to farmers and the increase to wage earners, there was approximately a 3 per cent increase in the cost of living.

In Sweden the system has been set up to monitor the cost of living, and wages and food prices are dealt with as I have indicated. We had news at the beginning of this year that compulsory controls were being abandoned in the United States, except in the areas of food prices, health prices and construction costs. In that country, the Cost of Living Council monitors price increases to see that they are held in line.

There is no easy answer, Mr. Speaker. I do not recommend that we should follow the United States model of compulsory wage controls while leaving other sectors free. I know that we will not do that in this country. Through the Prices and Incomes Commission, we have already learned that it cannot be done much as some people would like to do it. But we must make our own pattern, suitable to our country. As a result of what the United States did, their monthly food index during 1972 varied between 3.2 per cent and 5.4 per cent above that of 1971; in Canada during the first nine months of 1972 the monthly food index was 7.2 per cent higher than in the same period in 1971. In other words, unsatisfactory as the American model was, at least it had some effect in keeping the cost of living below our rate.

Mr. Speaker, I should now like to turn to the motion before us concerning the composition of the committee. We cheerfully support the amendment to eliminate members from the Senate.

Some hon. Members: Hear, hear!

Mrs. MacInnis (Vancouver-Kingsway): We have given notice that this is what we want. Later, we will give our reasons and I trust they will be better than those given by the speaker ahead of me. The terms of reference should be much more specific than those we have in the government's motion. I have a motion on the order paper which reads, in part:

> That the committee be empowered to call witnesses from the various sectors involved, including the consumer;
>
> That it be given authority to examine financial records and to investigate the profit on equity investment at each stage of the food industry;

Equity investment is all-important. The sales dollar is what the food industry wants as a measure of profit, but there is no mention of the real problem.

> That it be empowered to examine the corporate structure underlying the food industry, and inquire into agrobusiness, transportation, processing and packaging, distribution, advertising and promotion, retailing and any other aspects relevant to food prices;

That is the wording of the terms of reference, in part as we would like to see it. We want to see this investigation become a probe with a purpose, Mr. Speaker. We want to see a monitoring authority come out of it.

Mr. Horner (Crowfoot): You do not have a monopoly.

Mrs. MacInnis (Vancouver-Kingsway): I move, seconded by the hon. member for Yorkton-Melville (Mr. Nystrom):

> That the amendment be amended by changing the period at the end thereof to a comma, and by adding immediately thereafter the following words:
>
> "and that the motion be further amended by adding the following paragraph at the end thereof:

'And further that the committee make an interim report, including recommendations for action, within two months of its first meeting, and a final report upon the completion of its investigation."

• (1600)

Mr. Hellyer: Mr. Speaker, I wonder if the hon. lady would be willing to answer the question now that I referred to earlier. If she is successful in obtaining the prices review board that she referred to in her remarks, would she be willing to accept at the same time the establishment of a wage review board in order to achieve the purpose that she mentioned, that of controlling prices?

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, we have said from the very beginning that we believe there must be a relationship between prices and income. We have said that incomes are not exclusively made up of wages. Incomes include wages, salaries, rents, interest, profits, dividends and all other forms of income. If we include those things as well, then we will be prepared to accept an incomes board along with the prices review board.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. The Chair has some difficulty with the subamendment proposed by the hon. lady. Offhand, I am inclined to think that it is clearly not in order, because it is not directed towards the amendment offered by the hon. member for Northumberland-Durham (Mr. Lawrence) but is, rather, directed towards the main motion. I am prepared to entertain argument before making any final ruling with regard to the validity of this subamendment.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my colleagues are suggesting that you have thrown a real challenge to me, and I shall be the first to admit it. There is of course a rule, and no doubt this is what Your Honour had in mind, to the effect that a subamendment must be relevant to the amendment. Now, let me make my pitch.

The pith and substance of the amendment is that it changes the main motion. The hon. member for Northumberland-Durham (Mr. Lawrence) admitted that there are three or four respects in which he and his colleagues wish to change the main motion; so do we. If there had been no amendment before the House when my colleague from Vancouver-Kingsway (Mrs. MacInnis) rose to speak, she would have been in a position, we feel, to move an amendment that would change the motion in two or three respects. Since the amendment of the hon. member for Northumberland-Durham changes it in one respect only, we submit it is not completely illogical to try to change it in two respects at the same time. I hope my reputation in the field of procedure will not hang completely on this effort of mine.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): But it seemed to us that we ought to bring both these propositions before the House in one amendment, if that were possible. If Mr. Deputy Speaker, since his reputation is also before the House, should decide that what we are doing is out of order, we will not be offended. It simply means that at a later stage in the proceedings, if we can get the floor ahead of the Conservatives, we shall move an amendment calling for an interim report. We shall have one or two other amendments as well.

Mr. Baldwin: Mr. Speaker, there are reasons for supporting the validity of this motion in addition to the fact that it is being supported by the hon. member for Winnipeg North Centre (Mr. Knowles). That, of course, is a very sound reason most of the time. Although in our new roles I am not accustomed to supporting my friends to my left, we may at least begin doing so, since we may be called on to do that more often from time to time. Since the hon. member for Northumberland-Durham (Mr. Lawrence) has indicated that we would be moving other amendments if given the opportunity, we would not object to including both in one motion. I realize this is not sufficient reason for the Chair to accept them. I must say the hon. member for Winnipeg North Centre has presented such an exhaustive argument that he has left little room for anything to be added. I would point out, if I may borrow from his language, that the pith and substance of his motion is to inquire into and make recommendations upon trends in food prices, but which group does it is not relevant but collateral; how it is done is not relevant but collateral.

I suggest that it is competent for us to propose variations with respect to the collateral aspects of the motion, so long as they do not interfere with the pith and substance of it. If we were to make recommendations in addition to trends in food prices, in shelter, in wages and in excessive costs of government, then, of course, Your Honour might very well say that the hon. member for Winnipeg North Centre was arguing on slim grounds. But we are leaving untouched the kernel, the root—

Mr. MacEachen: What about the pith?

Mr. Baldwin: My hon. friend for Winnipeg North Centre has developed the pith.

Mr. MacEachen: The hon. member is now considering the kernel and root.

Mr. Baldwin: Mr. Speaker, I suggest that what we are doing is limiting the means by which we can bring about this inquiry and that, of course, is a collateral issue. It is, therefore, competent for the Chair to rule that the amendment of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) can be taken at the same time as that moved by my hon. friend for Northumberland-Durham. We might combine two votes in one and thus do our best in facilitating and accelerating the passage of this measure.

Mr. MacEachen: Mr. Speaker, I am not sure I followed the reasoning put forward by the hon. members who preceded me. It may be easier for Your Honour to deal with this subject in view of the position taken by the opposition parties in agreeing unanimously to have the subamendment put. Your Honour is not required to reason tortuously in order to justify a conclusion favourable to these arguments. I have no objection to the subamendment being put, with the consent of the House or otherwise, if Your Honour wishes to rule in that direction.

However, I would not accept the view of the hon. member for Peace River that the proposition can be put to the House in one package. These must be put to the House as separate propositions, in my opinion.

Mr. Deputy Speaker: Order, please. It is comforting for the Chair, embarking on the maiden voyage in ruling on a matter like this, to have had the assistance of the President of the Privy Council (Mr. MacEachen), the hon. member for Peace River (Mr. Baldwin) and the hon. member for Winnipeg North Centre (Mr. Knowles). One might be over-awed, at some other time, by the advice coming from such quarters. However, it seems to me that nobody presented a good argument for the subamendment to be merged with the motion and voted on in the House, and nobody seemed to feel that great damage would be done if the Chair were to rule that the subamendment could not be accepted now, as hon. members will have an opportunity to move the same amendment at a future time. That is not to say that the Chair would necessarily accept such subamendment then, either. In any event, having given these short reasons and being thankful for the participation of experts on the rules of procedure, I must regretfully declare that the subamendment as proffered is, at this time at least, out or order.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the subject matter of the motion now before us has been discussed for a good many years. As a matter of fact, intermediary or even government bodies have often studied the problem which we are considering today. There are two alternatives: either the government, in view of all the information which has been provided about this issue, does not now dare introduce the appropriate legislation, or all commissions and special committees which have already inquired into the problem have made recommendations which do not correspond with the government's intentions.

Now that everything is clear, Mr. Speaker, I wonder whether we should set up a joint committee of the Senate and of the House of Commons to review the problem of increasing prices. Surely we will approve new measures, but on the understanding that instead of doing nothing the government introduces in the very near future some measures based on studies which have already been made or which will be. In fact, I suggest that studies which have been made to date have provided enough information to justify the passage of legislation in the very near future.

To substantiate my allegations, I have here the 4th report of the Special Joint Committee of the Senate and of the House of Commons on Consumer Credit (Prices) tabled during the first two weeks of September, 1966, a committee which made very specific recommendations, but which remained in limbo. Will this new joint committee lead to the same results? If so it is a loss of time for Parliament to proceed with the setting up of this committee, and all the more so since regularly every year and every month in newspapers and journals we read articles in that connection.

If we only keep turning in a circle, Mr. Speaker, no doubt it is because we forgot all about the fundamental principles which should govern consumption. And one of these is simply that consumer goods should be paid at the real price of production, and if we do not try to find solutions with this fundamental principle in mind we shall never solve the problem. It is useless to talk about price control if we do not base our future legislation in this regard on essential principles.

• (1610)

What is causing prices to rise, Mr. Speaker? What is the reason for these increases which are often if not always exorbitant? What are the factors responsible for such a rise in prices?

People are willing to make studies; some have been made. All sorts of reasons are given but, unfortunately, the real ones are evaded. Mr. Speaker, do prices increase because food products are scarce?

By virtue of the law of supply and demand, if they were it might be justifiable to consider some increase but can one logically believe in a scarcity of goods in a country like ours where all resources, and in particular, food products exist in abundance? Indeed, we have so much that our problem often is that of knowing how to dispose of them. It cannot therefore be a problem of scarcity. We have here all we need for a balanced diet. Except for bananas, oranges and lemons, I believe we have all we need in Canada to feed our people well. The increase in prices is therefore not the result of a scarcity of food products.

In the last few years, legislation has been passed, rules have been adopted, like those that apply to the Canadian Dairy Commission, forcing milk producers to reduce their production. When small farmers and small milk producers were forced to give up their businesses, was there a shortage of goods? No, Mr. Speaker.

Therefore, there is no shortage of goods in Canada. Food products exist in abundance; we even try to export them, and that is one of the main problems of the government and especially that of the department of Industry, Trade and Commerce which tries to find markets for our produce.

In addition, can it be said that price increases are due to a scarcity of goods, when we know that over 500,000 workers, ready to promote greater production in the country, are unemployed?

Mr. Speaker, those people, should a scarcity of goods, develop, would be quite willing to take an active part in production. The problem does not lie there. What are the real reasons, unfortunately overlooked, which result in price increases? There are in the first place direct and indirect taxes which push prices up because all are ultimately included in the price of goods and are finally paid by consumers. This is one of the reasons. Consequently, if we want to find a solution to the problem, we must consider tax reductions.

As governments at the federal, provincial or municipal level are digging as much as they can in the taxpayers's pockets to levy funds, one can be sure that those tax increases involve price increases especially in the case of food. That is the first important factor to be considered. If we do not intend to reduce taxes, it will be very hard for us to solve this problem.

The second factor to be considered is rising wages. Even though they may be justified at times, they are automatically reflected in prices as wages are part of the cost of products and costs are reflected in prices.

Again we agree that salaries should be adequate. But we know very well the mad run on wage increases in many fields which lead to price increases. In such conditions, whenever the consumer buys products, he must pay a price that bears no relation to the production price and there are many reasons for that.

Mr. Speaker, there is another important reason for such increases. It might be said that the Créditistes have been harping on the same subject for many years, but that is where the trouble is. Why is it that in spite of all inquiries and the creation of a royal commission on prices and incomes a few years ago there has been no solution yet? This is because people prefer to ignore the true solutions. One really effective way to solve this problem would be to eliminate this debt money from our financial system. This debt money naturally bears interest and directly promotes price increases. Let me give an example: If a food dealer or producer is forced to borrow $10,000 from the bank and must pay back 10 per cent more at the end of one year, where will he take the $1,000 needed to pay the interest? He will certainly get it from the consumer's pockets by raising his prices. Considering that this happens in all fields of production, one realizes that by not applying the essential monetary reforms proposed by Social Credit, we shall go round in a circle forever and will never find a solution.

We are not content with criticizing. In looking for real solutions, we note the ill effects of the system in which we now dabble but we have alternative solutions and we should like them to be examined seriously.

To lower production costs, it must be realized that any production must be financed through new money. If we follow the principle that new money must be created for any new production, we shall avoid disorderly increases in prices resulting from fantastic interest rates. We should also recognize that public capital must be financed through interest-free loans, which would make it possible to reduce taxes.

• (1620)

Surely if we do not have to pay two, three or four times the real cost of labor, we will have more credit to give the consumers. If there is more money for the consumers, Mr. Speaker, we will reach an intelligent control of prices.

Finally, it happens that in spite of all our goodwill, in spite of the excellence of the producers with regards to the production of a particular product, it is very difficult to establish a suitable price for the consumers.

I say it again: there are solutions to this problem. The solution in the case involved would be as follows: prices should be reduced by giving discounts to the consumer.

Mr. Speaker, nobody can deny that compensated discount is economically justifiable. Not only is it justifiable but it is also necessary if we want to avoid bankruptcies caused by the existing unbalance between prices and purchasing power. The lack of a compensated discount is

what forcibly causes disorganized discounts which precede or come with commercial failures.

Mr. Speaker, if we stopped to seriously study this problem, I am sure that the solutions we are promoting would be considered justly and we could thus help the consumer, that is the whole population.

And as we must consume food products, this means we are studying a problem which involves 23 million Canadians.

Mr. Speaker, compensated discount would make this dilemma disappear. And if we considered it without partisanship, if we really tried to give it serious consideration, we could find that it is possible in Canada to grant everyone economic security—the purchasing power needed by each consumer to purchase all the essential products he needs.

Since we are sitting over unparalleled riches in this country, it is unthinkable that some families should lack money to obtain the food they need. This is a disgraceful situation.

Therefore, considering that other studies have already been made on the subject, I think that any additional inquiries should be short since the problem is urgent. In fact, it foils down to the purchasing power available to individuals. Such purchasing power can be increased—and we know that it could be increased—but we should avoid, as I said a moment ago, hiding behind a screen in order to shun the solutions I have just put forward.

[*English*]

Mr. Ross Whicher (Bruce): Mr. Speaker, I have had the privilege of listening most attentively to the other members who have spoken in this debate. I should like to pay my compliments to the minister, who I thought put the cards on the table indicating where we stand in connection with setting up a committee to study this very important problem—and problem it is in Canada.

I also listened to the hon. member for Northumberland-Durham (Mr. Lawrence) and the hon. member for Vancouver-Kingsway (Mrs. MacInnis). As far as that hon. member is concerned, no one can deny the great sincerity with which she speaks. This sincerity did not manifest itself just today; this problem has been close to her heart for many years, and I think all hon. members of the House owe her a pat on the back for the very effective way in which she presented this very serious problem to the House of Commons, and thus to the people of Canada. To the hon. member for Champlain (Mr. Matte), I also pay my compliments; he had some very good points that should be brought forth to the people of Canada.

It was my privilege to sit in the Ontario legislature with the hon. member for Northumberland-Durham for many years and I must say he has lost none of the fire he used to have in those days. Let me tell you, Mr. Speaker, that this hon. member is a very important man. He gave us some points this afternoon that certainly need to be read carefully in order to see what meat they contain. One of the things he suggested was that the committee would not be effective but, speaking on behalf of the Conservative party, he reluctantly agreed that such a committee should be set up. Let me suggest that the hon. member has changed his mind in the last several months. Let me tell

him something he well knows. No legislative body in the whole of Canada has as many committees as the Ontario legislature of which the hon. gentleman was a member. I hope that this committee will be more effective than some of the ones in that legislature.

• (1630)

The hon. member might be interested in knowing that one of those committees left the day after Christmas to visit Florida, where it remained until the day before New Year's, December 31, investigating the drainage problems of that State of Florida. Of course, the hon. member was not a member of that august body at Christmas of 1972, but he was a member for many years before. That is the absolute fact, and these committee members were paid at the rate of $50 a day, plus expenses in the best hotel in the whole state. I suggest to the hon. member that he must certainly have changed his mind in the last few months.

An hon. Member: He wishes he were back there.

Mr. Whicher: There are other ways in which the hon. gentleman has changed his mind. His whole speech contained criticism. I do not mind criticism as I feel opposition members have a duty to criticize. I had the privilege of being in the opposition for many years and a member of the so-called rump. I will likely be in that area again after the next election. In any event, I do not mind criticism from opposition members. The difficulty is that they say everything is wrong here in Canada, including the price of food, lower profits and so on. I must say I have never seen such a change as has taken place since October 1972.

In October 1972, the big blue machine from the province of Ontario with its chief lieutenant, the hon. gentleman now sitting in the front benches of the opposition, spent $5 million to $6 million on an advertisement which simply said that Ontario is a wonderful place to live. If I am wrong I am sure the hon. member will correct me, particularly if the amount was greater. Millions of dollars were spent in selling this theme throughout the province of Ontario and that party was successful. I cannot understand how, since my hon. friend left the legislature of the great province of Ontario, things have deteriorated so badly. Let me put this rhetorical question. What did the hon. member do when he was the chief lieutenant of the Premier of Ontario to assist in solving the food prices situation in this province which has one-third of the population of the whole of Canada?

I was very disappointed in one regard. The hon. member posed all the questions and said this was a horrible place in which to live, yet he did not provide any answers. I have yet to meet a single citizen in the whole of Canada who does not proudly say that Canada is the finest place in the whole world in which to live. The hon. member told us what was wrong, but he did not give us any solutions. We on this side of the House, and I am sure the hon. member for Vancouver-Kingsway (Mrs. MacInnis) will agree, hope that when this committee is set up to investigate the price of food it will provide an educational forum for all the people of Canada. If in so doing it can help bring down the price of food, which is the most important commodity since every citizen of the world uses it, so much the better.

There are four main areas of inquiry for this committee. I think it has to investigate the price paid to farmers. It must investigate service costs, such as the price of labour in supermarkets and in related fields. It must investigate the profits of supermarkets, if there are any. Lastly, the members of that committee must immediately realize that the consumer is of importance and that he must have some say about the price of food.

Let us look at my first point, the price paid to farmers. I quite frankly doubt that there is a world shortage of food or that there is a shortage here in Canada. If there is a shortage here, then I say this is the fault of this House of Commons, the legislative bodies all across Canada and in fact the people of Canada, because the farmers of this great nation have not had a square deal since 1945. There is no question about this at all, and if you want to be convinced all you have to do is consider the number of farmers who have gone out of business.

Costs to farmers have increased substantially. This is the only area in our economy where cost bears no relationship to the amount paid to the producer. The farmer gets as much or as little as he can, depending on what the market will pay. There are no unions in the agricultural field and as a result the farmer has been caught in this squeeze. The agriculture industry is very important to Canada. Let me read from a brochure under the heading "Farming and Food Costs—Some Facts and Figures". This gives figures to the end of 1972 and after the questions "What is the Importance of Agriculture to Canada? What does it Contribute to our Economy?" states:

—it is the most important primary industry in Canada

—has assets valued at more than $24 billion and is growing every year

—about one-third of our labor force is directly and indirectly tied to our food and agricultural industry

—agriculture directly employs about 523,000 people

—220,000 people are involved in food processing and the manufacturing of tobacco, leather products, and farm implements

—about one-sixth of the gross value of our manufacturing industry output is processed products of farm origin

—one-third of the freight moved through the St. Lawrence Seaway is agricultural

—one-fifth of all freight moved by our railways comes from farms

—farmers spend $3.7 billion each year on goods and services

—in 1971, Canadian farmers spent $178 million in property taxes

—in 1971, agricultural exports pumped $2 billion into the Canadian economy; these exports accounted for about 11% of Canada's trade surplus in 1971

—output per agricultural worker has increased 100% in the last 20 years while the area farmed in Canada has remained essentially constant; output per worker in other commercial industries increased 60%

I mention these facts to hon. members of this Chamber, although I am sure they are familiar with them, in an attempt to get this knowledge to our city friends who constantly feel that farmers are the people making the money in this great land of ours. Let me say to you that none of us, and I include myself because I have been in legislatures since 1955 and here since 1968, should hold his head up high in respect of what we have done for the agriculture industry of Canada. That industry deserves

more, and one of the first things the committee must do is prove to the people of Canada that those engaged in primary agriculture in Canada are certainly not over-paid.

• (1640)

The second matter to which I should like to refer is the price of services. All of us know that labour and transportation costs have increased substantially in the past number of years. They have increased at an even more rapid rate in the last year or two. I should like to quote from an article which appeared in the *Gazette* of January 18, in Saskatoon. Mr. Runciman, president of the United Grain Growers suggested the following:

> The answer to increased food prices lies not in excess profits to farmers, processors or distributors but in inflationary trends in service and labour costs.

The article continues:

> He said Statistics Canada figures show prices received by the farmer rose an average of only 15 per cent between 1961 and 1971 while food prices increased 36 per cent, the same rate as the cost of machinery and other materials used in farm production.
>
> In the same period, Mr. Runicman said in an address to a farm and home week gathering at the University of Saskatoon, service costs—which range from transportation down to the wages of a supermarket counter clerk—jumped 50 per cent.

That is a substantially greater increase than that received by our farmers. Third, I should like to speak for a moment about a famous bugbear of many people in Canada, something which must be investigated by this committee, namely, the profits or lack of profits received by our supermarkets in Canada. My hon. friend from Vancouver-Kingsway suggested that these supermarkets were conglomerates and that they had a monopoly in respect of the selling of food in Canada. I respectfully say to you, Mr. Speaker, and through you to the hon. lady, that I do not believe there is a monopoly in respect of the selling of food in Canada. I believe this is one of our most competitive businesses. I am glad in this instance that our friends do not suggest that the high prices are caused because these supermarkets are foreign controlled. To my knowledge there is only one large food chain in Canada controlled in the United States. Therefore, we must accept the responsibility ourselves.

An hon. Member: There are two.

Mr. Whicher: There may be two. I shall not deny that. In any event, there is one very large one. So, I would have to disagree with my hon. friend who suggests that supermarkets gain exorbitant profits. I think she should be fair about these things. The other day a question was addressed by the leader of the New Democratic Party to, I believe, the Minister of Consumer and Corporate Affairs (Mr. Gray). In his question he suggested that the profits of supermarkets were too large. He said they make a profit of one and one-half cents on a dollar's worth of sales, but 11 per cent on the capital investment. I do not think that has anything to do with it. A lawyer could very well have an office worth $25,000 and earn $50,000 a year. Would this mean there is a 200 per cent profit on the money invested? Supermarkets have a tendency not to own the property in which they operate. They may finance the building, but they sell the property and lease it back because the money they have is required for their inventory.

My hon. friend from York South suggested that 11 per cent is too high a figure. The words used by my friends in the New Democratic Party are "gouging the public". I really am not too much concerned about supermarkets. I do not place them on a pedestal. However, I say that the competition in the food business among the supermarkets and the efficient way in which they operate is something which could be copied by many other industries in Canada. For this reason, I respectfully suggest that "gouging the public by supermarkets" is an unfortunate phrase which should not be used more than is absolutely necessary.

The final point in respect of this committee is one which should be looked into and one which is of great interest to the consumers in Canada. All of us are consumers. The farmer, the factory worker and every person in Canada or in the world are all consumers of some type of food product. Of course, our study must be approached with full knowledge of this. If we can do anything to bring down the price of food, then of course it must be done.

On the other hand, I want to point out that things really are not as bad in Canada so far as food prices are concerned as has been suggested. If such a committee as is being proposed can accomplish anything in respect of briging down the prices of food, certainly it will have my support and I am sure the support of every member of this House. However, the fact is that Canadians spend now a smaller proportion of their pay cheque on food than ever before. I do not have the latest figures but I have them for the period up to the year 1971. These were the latest figures I could obtain. Between 1961 and 1971, the general price increase was 33.4 per cent. But in the same period, the retail food price index increased by only 27.4 per cent. Here is what an hour's work in a factory bought in 1971 and ten years earlier. In 1971 it bought 2.4 pounds of sirloin steak and in 1961 only 1.9 pounds. In 1971 it bought 3.7 pounds of pork chops and in 1961 2.5 pounds. In 1971 an hour's work would buy 15.8 pounds of bread while in 1961 it would buy only 11.5 pounds of bread.

So, while food prices have increased, and certainly we hope they may be lowered, in general the situation is not as bad as my hon. friends across the way suggest. Actually, in respect of world markets we really are holding up our heads because there is only one country in the world in which the proportion of a person's earnings spent on food is less than in Canada. That country, of course, is the United States. I suggest one reason for this is the fact that it is much easier to grow oranges in California and Florida than anywhere in Canada, as well as other citrus fruits. The weather plays an important part in this regard. In addition, the population in the United States is 210 million as against 22 million in Canada. Because of the population in the United States, products can be produced in very large quantity which has a tendency to reduce the price. For the benefit of the hon. member I might say the average person in the United States spends 18.3 per cent of his earnings on food while in Canada this figure is 19.3 per cent.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member but under the terms of the special order passed earlier this afternoon the 20 minute period allotted to him has expired.

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, the hon. member for Northumberland-Durham (Mr. Lawrence) suggested to this House that our party at least would agree to have one speaker only in respect of each amendment because we feel this is an emergency measure. There has been some indication that the New Democratic Party reject this suggestion. If not, I will be happy to resume my seat and allow the question to be put.

• (1650)

In addressing the House for the first time, I realize my limitations, particularly my inability to express to you the congratulations you deserve on being selected as Speaker. May I simply be content to say that the position you occupy is deserved, the dignity you and your associates bring to the position is a credit to you and to all members of the House, and may I say finally that your patience and your guidance, particularly to those of us who are new members, makes us your debtors.

I am not happy to find myself speaking to the unhappy situation explicit in this motion. I would have much preferred the opportunity of sharing with this House my pride in such things in my constituency as the Stratford Shakespearean festival, but how can I do so with any integrity while my senior citizen constituents are faced with the impossible task of feeding themselves satisfactorily until their January cheques arrive sometime next week, hopefully? Could I be comfortable in telling you of the hopes, aspirations and accomplishments of Perth-Wilmot's townsmen and villagers, while at this very moment the housewives in these communities face the hopeless task of preparing their shopping lists? How can I tell this House of the contributions that have been made by the Perth-Wilmot rural areas, while the mothers of Perth-Wilmot are desperately attempting to plan a balanced diet with one hand and holding in the other their food dollar which is shrinking before their eyes?

I join with the hon. member for Northumberland-Durham (Mr. Lawrence) in suggesting that we be brief because of this emergency, and I intend to heed his advice. Over the last few days I have listened to those in the Liberal party explain to the House and the country the results of last October 30. I make no comment on these explanations other than to express my surprise that not one of these hon. gentleman has had either the honesty or political wisdom to point out to us the one single factor that has permitted them to retain power. That one factor is luck, pure and simple good fortune. I submit to the House that had legislation dictated that our election be held on a Friday or Saturday, after the families of this nation had somehow once again survived the weekly crisis of purchasing their food supplies, the Liberal Party would be fortunate indeed to require the space occupied in this House by the New Democratic Party to my left. Indeed, if the election had fallen on the first or second day of any month after the families of this nation had met their monthly crisis of paying for shelter, the Liberals would find adequate room on the benches now occupied by the Social Credit Party.

One fairly trembles to think of the election results if polling date had been on a Friday or Saturday which coincided with the first or second day of the month, and we could only assume that the chairs of the independent members would provide more than adequate space for my friends opposite. I hope therefore that I might be permitted to congratulate my friends opposite on their good fortune. One cannot help but admire successful gamblers, but I have observed that once an intelligent gambler has succeeded in drawing to an inside straight, he does not pursue that course too often. I am astonished to see that the Minister of Consumer and Corporate Affairs (Mr. Gray) now intends to seek a royal flush by saying to Canadian housewives: "fear not, your troubles are over for we will have a committee examine the trends of food prices". Is one to believe that the minister does not know the trends of food prices? I claim to be no expert and therefore I do not pretend to advise him, but may I invite him to repair to the nearest grocery store or supermarket where the real experts, the housewives of Canada, will tell him the trends in terms that will leave no doubt in his mind.

To be charitable, the word "trend" in this motion may be simply poor draftsmanship and the key word may be "factors". In this case, I may be of assistance to the minister by introducing him to the hon. member for Essex-Windsor (Mr. Whelan), now the Minister of Agriculture, who will assure him of one thing, that it is not the Canadian farmer who is profiting from this uncontrolled inflation. Indeed each week the farmer's wife waits with alarm in the grocery line for the inevitable moment when the cashier pushes that fatal total button. She is the most expert of the vast array of talent available to the government because she knows best of all that the prices her husband receives for his farm products do not account for the erosion of the food dollar.

We have heard in recent days that the government, in repentance, intends now to listen to the Canadian citizen. What a day of enlightenment. I, for one, hasten to congratulate those opposite me on this transformation. As evidence of my good faith, and realizing the minister and his colleagues are hard pressed to be everywhere at once, I rush to their aid by way of being a courier of information from my constituents in Perth-Wilmot.

The people of Stratford, and of the towns, villages and rural areas of my riding have several messages for this government. Incidentally, they are disappointed that the message they sent to this government on October 30 was either misplaced, misunderstood or ignored, but they are quite willing to have me report it today, and it is as follows. You have permitted inflation to be uncontrolled and your only answer was to spend $2 billion on unemployment insurance costs. You have permitted the quality of life for those on fixed income to deteriorate to the point where prices have stripped them of dignity, let alone any ordinary comforts. You have now responded to your political crisis by suggesting yet another special committee, paid for by us, to inquire and make recommendations. This is not a response; you are still turning a deaf ear to our plight.

Food Prices Committee

A special joint committee suggested in this motion may have some semblance of merit in relation to long-term planning. A joint committee is no answer to a short term crisis. The housewives of Perth-Wilmot who are waiting with apprehension this very moment in our grocery stores are not able to form their joint committee. Those on fixed incomes, particularly our senior citizens, who must salvage what is left of December's cheques to humbly feed themselves for at least another week are not able to form a joint committee. The mothers of large families who dedicate a large part of their lives to attempting to supply their children with a reasonable diet cannot form a joint committee.

The minister moves that this House rescue him from the indefensible position of his government which has done nothing about a crisis situation for over four years. If there is a glimmer of hope for any short-term relief for the housewife, the pensioner, the mother in this nation, then I believe the minister will find the support he seeks. But I respectfully request him to look for hope and not to hide behind this motion in unrealistic expectation that it will bail this government out of the deep hole into which they have dug themselves.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order. It being five o'clock, it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Manpower—Local Initiative Programs—Request for statement on progress in approving projects; the hon. member for Scarborough West (Mr. Harney)—Canadian National Railways—Terms of Loan from Pension Fund to Fidinam (Ontario) Limited—Inquiry as to leasing by railway of part of Upper Canada Place; the hon. member for Vegreville (Mr. Mazankowski)—Air Transport—Northern Canada—Inquiry as to program for installation of improved navigational aids.

It being five o'clock, the House will now proceed to the consideration of private members business as listed on today's order paper, namely notices of motions, private bills, public bills. As there are no notices of motions (papers) or private bills, the House will proceed directly to private members' public bills.

Hon. members will recall that when 120 private members public bills were introduced last Monday in accordance with long standing practice, since it was not possible for the Chair to review the provisions of each and every one to determine their procedural acceptability, it was agreed that they should be deemed to be introduced, given first reading, and ordered to be printed subject to subsequent examination.

I have now had an opportunity to examine most of these bills and should like to enumerate a number of them which, in my view at least, appear to be money bills. Initially, there is the second item on the list of public bills, Bill C-6, an act to amend the National Housing Act, in the name of the hon. member for Hamilton West (Mr. Alexander) and number 24, introduced by the hon. member for Kingston and The Islands (Miss MacDonald). There is No. 26, Bill No. C-30, introduced by the hon. member for Cochrane (Mr. Stewart); No. 29, an act to provide for the constitution of a Federal Transport Commission of Inquiry; and a bill standing in the name of the hon. member for Oxford (Mr. Nesbitt), an act respecting rate fares for disabled persons on federal modes of transport, which is No. 41 on the list.

• (1700)

I am afraid that not too many of those further down the list will be reached, but there is also No. 88, an act to establish a Newfoundland Crossing Authority, standing in the name of the hon. member for Humbert-St. George's-St. Barbe (Mr. Marshall). These items will, of course, be allowed to remain on the list. I am not making a final ruling on them now, but if hon. members will look closely at the bills I have enumerated they will see that in many instances, if not in all instances, they appear to be money bills or encroach upon the financial initiative of the Crown.

What I propose to do is leave them on the order paper at the present time, and when they are called, starting with the one when we next have private members' public bills, in the name of hon. member for Hamilton West (Mr. Alexander), I will hear argument as to whether that bill is a money bill, and because of that whether it should be accepted for debate in the House. I am not making a ruling now, but I would be delighted to hear the arguments of hon. members who perhaps might be able to convince the Chair that the original judgment made at this time is not correct. We will now proceed with the first item under private bills.

Mr. Alexander: On a point of order, I will not take up too much of your time, Mr. Speaker, but I wish to express my appreciation of your permission to develop argument in respect of the bill which stands in my name. In order to assist you, I wish to advise that I shall be proceeding on the principle that I am not talking on a money bill, but seeking forgiveness from the Crown. I think this should make an interesting argument.

PRIVATE MEMBERS' PUBLIC BILLS

PENSION BENEFITS STANDARDS ACT

AMENDMENT TO INCREASE INFORMATION ON PENSION FUNDS TO EMPLOYEES

Mr. Mark Rose (Fraser Valley West) moved that Bill C-5 to amend the Pension Benefits Standards Act (information to employees) be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, this is the first opportunity I have had to speak in this session of parliament. It is not the first time I have had the opportunity to participate in private members' hour. I feel I owe a great deal to private members' hour since I participated fully in this particular hour with my colleagues from Skeena and Timiskaming during my first two sessions in parliament.

My bill, No. C-5, concerns private pension plans. It probably will come as no surprise to hon. members that my party has been concerned, and deeply concerned over the years, with pensions. Our record from the time the King government was forced to introduce the old age pension, down through the years until today as illustrated by the speeches of members like the hon. member for Winnipeg North Centre (Mr. Knowles) and others, indicates a continuing interest in this vital matter of security.

Our party has often been derided by our critics for what is considered to be the CCF-NDP pension paranoia. Criticism of us has been made on the grounds that our excessive pre-occupation with security somehow indicates or admits to our own basic insecurity as people, and that we lack initiative and incentive to compete in the great commercial and industrial world out there. Mr. Speaker, if my party in the past has been too concerned with pensions, other parties are now beginning to learn that the average voter is security conscious as well. It is not too unfair to say that both the Liberal and Conservative governments, past and the present, have never been too interested in pensions, either private or public, but if a choice had to be made by those old parties I believe it would be for the private kind, because then their friends in the financial institutions would at least have a fighting chance to get a piece of the action. Nevertheless, things are now changing.

Canadians are insecure. Because of the nature of the economy there is a change in outlook among people generally, and I suppose a change in values. Only last week this House witnessed a ludicrous if not hypocritical attempt by the Tories to exploit this insecurity. What the Tories were hoping to do was defeat the government and get power themselves on, of all issues, pensions.

Mr. Alexander: Get on with your own bill.

Mr. Rose: Mr. Speaker, I am pleased to hear from the hon. member for Hamilton West (Mr. Alexander). I recall that he was in the House one night when we were debating an increase in the minimum wage. There was an amendment before the House dealing with such an increase. It was put forward in the name of the hon. member for Winnipeg North Centre—

Mr. Alexander: On a point of order, Mr. Speaker, I think that when we are dealing with private members' hour it would be most important that all of us, particularly the hon. member who is speaking now, should refer to his bill, No. C-5, which all of us thought had some merit. I would think that when he starts to digress, as he is now doing, he is moving away from the intent and purpose of private members' hour. He is now talking about the minimum wage. I do not see that mentioned in his bill. I would hope he would restrict his remarks to Bill No. C-5.

Mr. Rose: Mr. Speaker, I regret this deflection. I was deflected from my topic by the hon. member for Hamilton West, and I think he is attempting to consume some of my debating time. To carry on I was about to say that he opposed raising the minimum wage at that time—

Mr. Alexander: For a good reason.

Mr. Rose: —and at that point I accused him of supporting an Alexander's Ragtime Plan. Nevertheless today, and this is specifically for the hon. member, I do not intend to talk about either the CPP, the OAS or the supplement, but about private pension plans to which employees and corporations jointly contribute. It is not that I am not interested in the others. On the contrary, I am vitally interested in them, and I believe it should be a priority of all parties not only to increase the benefits of public plans but to gradually lower the retirement age, perhaps to 55 years. In this way we could get out of this ludicrous position where we have 200,000 young people unemployed, subsisting on hand-outs such as the OFY and LIP, in effect pensioning off these kids at 21 years, and keeping the old man on the treadmill until he is 65. We have to do something about that, and we recognize this, but that is not what I want to concentrate on today.

I realize that I have learned a great deal from the hon. member for Prince Edward-Hastings (Mr. Hees), and from other hon. members, on how to be out of order and in order at the same time, Mr. Speaker, but now to deal specifically with Bill C-5.

Some hon. Members: Hear, hear!

Mr. Rose: To repudiate all the Liberal comments, may I say that all companies with federal incorporation, and that includes railways, airlines, and liquor interests such as Seagrams, come under a federal statute known as the Pension Benefits Standards Act. There is equivalent legislation regulating provincial companies, particularly in the provinces of British Columbia, Ontario and Quebec. My bill seeks to amend the federal statute in one specific instance. In this regard and only in this regard, my bill seeks an additional clause calling for an open book policy to reveal to employees all pertinent aspects of the contributory plan including investment policies of the plan, the return of employer contributions to the fund, vesting privileges, benefits and so on.

• (1710)

The present act fails to call for complete disclosure and because of this limitation many employees in the thousands of private plans across the country are frustrated and resentful. They believe that the enforced blindness of pension plan details have cheated them out of their democratic rights as contributors; even worse it has cheated them out of financial and economic returns which should have accrued to them as workers rather than to the benefit of the companies by whom they are employed.

The classic example of this of course is with the railway workers and their resentment about the parsimonious pensions has led them almost to the point of revolution, not only against the company but against their own unions. I should like to paraphrase an article which appeared in the *Financial Times* on October 2, saying that

the demand of the non-op railway unions for more say in the administration of their pension plans is the first stage of a move to get more control over the investment policies of $1.5 billion worth of funds. This gives us some idea of the tremendous pool of capital in these pension plans; capital which rightfully belongs to employees and which is being managed in a great number of cases, and in some cases entirely, by companies. Other examples which have come to my attention are cases like the Seagram workers in British Columbia, who have again and again been refused any details of the interest paid on their contributions or where their money is invested. Under the present federal statute the employer has no legal obligation to make that information available to employees. My bill would overcome this response from management.

In my opinion, companies historically have yielded to the demand for pension plans only when convinced that the control of the fund would be to corporate benefit, and not because companies wish to contribute to the workers interests or security. For far too long control of the administration of the plans has been considered the sole prerogative of management. I do not agree with this nor does John G. Doherty, writing in the *Financial Times* on November 13, 1972 under the headline "Crunch coming in pensions", when he said:

> Some planners (pensions) feel that if pensions are really a form of deferred income, then the employee should have rights to his company's contributions, regardless of how long his tenure is.

He then refers briefly to the "locked in" situation in regulations in many company plans in which the vesting remains with the company. Thus, an employee who decides to leave the company leaves his benefits to the benefit of the company. He says further that:

> This causes problems because the employer's share of the annual funding is usually much smaller than a young employee's share.

Statistics Canada, in a special study of this subject, indicates that nearly 40 per cent of our labour force is covered by private plans, so the pool of capital under the direct control of management is far from insignificant. The immensity of the pool reveals, I think, why management is so determined to have complete control over this $11 billion fund and why the corporate interests of this country will probably not be too enamoured of my proposed amendment.

I should point out that under the United States law revelation of the trust agreement is demanded. We have not directed our legal energies toward such an open book policy but my bill attempts to overcome this. The United Transportation Union News states frankly that this union is out for more power over their workers' pension rights, and is demanding equal representation on the board. If we agree that pensions are really deferred income, a fringe of the wage package, then both contributions, the employer's and the employee's belong not to the company but to the workers.

Some hon. Members: Hear, hear!

Mr. Rose: Why should the employee's priorities in spending his own money not be borne in mind? Why should the employee not decide on the investment practices of his fund so that if he thought it desirable, for example, that increased benefits be paid and the plan could afford it, it could be done. If he thought the fund should be used for public housing or worker's housing, this also could be accomplished. This is not the case today and it is for this reason I ask that the workers be given the right to control their own money, a right effectively denied by the limitations of the statute I am seeking to amend.

Why should any company be allowed to fudge on its contributions by limiting those contributions to some conservative actuarial projection? If the worker's income is projected to be lower, then it follows the company's portion is lower and less money is required for the fund. But the pensions also become lower. Why should a company have the right to have its workers subsidize its own pool of private capital, thus allowing it to expand by this regular supply of cheap capital?

I know that quotations are not particularly interesting and I would avoid them if I could. However, I think it is important that we consider the suggestion outlined by D. H. Fullerton writing in the Vancouver *Province* on March 19, 1969. He called the column "A bill of rights for pension fund contributors" and made several extremely important points. He said:

> When an employee contributes to a fund, however, he has every right to demand full participation in its management, and full protection of his interests.

How on earth can any employee do this if he does not even have a copy of the agreement or is denied it? Mr. Fullerton goes on to suggest, in his bill of rights:

> All employer and employee contributions to the fund and income and capital gains earned by it, must be regarded as accruing to the sole benefit of the pensioners. As things stand now, in most funds the employer is the residual beneficiary.

This practice is blatantly unfair and discriminatory and I think should end. It is because I have great faith in the fairness of members I have great faith that hon. members will support my bill when it comes to a vote.

Mr. Fullerton states further:

> Employers as well as employees must have representation in the management of a fund.

He later goes on to criticize the actuarial assumptions on which deductions and benefits are based and he concludes by saying:

> Such a bill of rights should eliminate many of the abuses which arise from employer domination of pension fund policy and management.

I think I have made whatever case I can of this relatively technical matter, one which is perhaps not apparent to many young workers. Like most young people, young workers think they are going to live forever. Of course, they will find as they grow older that they will become intensely interested in pensions—like certain parliamentarians are interested in pensions—especially their own.

I realize that my amendment will not remove all possibilities of abuse in private pension schemes, and I use the word "schemes" advisedly. However, I believe my bill will go a long way towards bringing to light some of the previously furtive managerial practices in pension plans which have definitely not, I repeat, not been in the interest of workers in general. I think my amendment will allow workers, through the collective bargaining process, to

become masters of their own pension house. I hope I can depend on hon. members of this House to support the bill standing in my name, Bill C-5.

• (1720)

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in speaking to on this bill, one is tempted to make many observations pertaining to CNR and CPR railroad pensions.

Mr. Benjamin: Go ahead.

Mr. Guay (St. Boniface): However, I want to say a few words about certain questions to which Bill C-5 makes reference and explain how I feel. I wish to make it known that I have attended three meetings of railroad pensioners' meetings which were held in Winnipeg this year. I want to go on record as saying that I agree wholeheartedly with the railroad pensioners' requests. They say that, the CNR being a Crown corporation, their pension should be on a basis of parity with those available to employees of Air Canada, which is also a Crown corporation.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): Mr. Speaker, these people are not asking for air passes; they are asking only for equally good pensions. They are also requesting that the voluntary retirement age be set at 60. I would agree with Mr. Picket, of Edmonton, the chairman of the association, that this would create additional jobs in this country. I, personally, have made representations to the national caucus of the Liberal party. I know, also, that the hon. member for Lévis (Mr. Guay) and the hon. member for London East (Mr. Turner) have made representations, along with mine, to the minister. I wish it to be known that our representations have certainly been taken into consideration and that the minister is aware of what the railroad pensioners would like to see. I hope that in the near future active consideration will be given to that end.

Mr. Alexander: You sound like a minister, Joe. I am flattering you.

Mr. Guay (St. Boniface): Mr. Speaker, any amendments to the Pension Benefits Standards Act require the most careful consideration by reason of the relationship between this legislation and similar legislation in a number of the provinces, particularly in Ontario and Quebec. The first legislation in this field was passed by Ontario following an extensive study by a special committee of the legislature. Similar legislation was adopted in Quebec and the federal legislation was designed to follow as closely as possible the legislation adopted by the provinces. Uniformity of legislation in this field is most important in order that employers and their employees who are subject to the federal legislation, will not be at an advantage or disadvantage as compared with employers and employees who are subject to the provincial legislation. As a consequence, any amendments in the federal legislation or the provincial legislation are usually discussed in considerable detail among the various jurisdictions, to ensure so far as possible that the legislation will remain uniform.

It is of interest in this connection to note that Ontario has recently published a Green Paper outlining possible amendments to the Ontario legislation having to do with a change in the vesting requirements. The present act requires that all benefits accruing in respect of service after the introduction of the legislation be fully invested in employees after they reach the age of 45 and have achieved ten years of service. Consideration is also being given to a change in this requirement, to make vesting effective at the age of 40 after five years of service. The paper published by Ontario was for the purpose of raising this possibility for discussion, and many representations have been made. The information thus gathered will be of much interest to other jurisdictions having similar legislation or considerations to meet.

The question of information to be provided to employees is dealt with in all of this legislation on a uniform basis. The present requirement is spelled out in section 11, particularly in paragraph (c) of that section.

Mr. Rose: I beg to differ.

Mr. Guay (St. Boniface): In accordance with this paragraph, a pension plan is required, if it is to be eligible for registration, to provide for an explanation to be given to each member of the plan of the terms and conditions of the plan and any amendments thereto that are applicable to him. This is quite clear, Mr. Speaker. He is also required to have an explanation of his rights and duties with respect to the benefits available to him under the plan. The section also includes the authority to adopt regulations with respect to the provision of other information for the employee.

Mr. Rose: On a point of order, Mr. Speaker, may I ask the hon. member for St. Boniface to suggest to the House where in section 11, paragraph (c), there is reference to financial matters affecting the plan?

The Acting Speaker (Mr. Boulanger): Order, please. I do not think that is a point of order. It is a question for debate.

Mr. Guay (St. Boniface): Mr. Speaker, I wish the hon. member would stay in the House and listen to what I am saying. He would understand me better. I will repeat those remarks having to do with information to be provided to employees. As I said near the beginning of my remarks, the question of information to be provided to employees is dealt with in all the legislation on a uniform basis and the present requirement is spelled out in section 11, particularly in paragraph (c) of that section. I will repeat also what I said after that. In accordance with this paragraph, a pension plan is required, if it is to be eligible for registration, to provide for an explanation to be given to each member of the plan of the terms and conditions of the plan and any amendments thereto that are applicable to him. He is also required to have an explanation of his rights and duties with respect to benefits available to him under the plan. The section also includes authority to adopt regulations with regard to the provision of other information for the employee.

It is certainly reasonable and desirable that each employee should have full information concerning the

terms of the pension plan, since this appears of major importance to him in planning his financial affairs. There may be some argument, too, that he should receive information year-by-year concerning his accrued benefits. Great care would have to be taken, however, in legislating in this respect. Some employers now provide this information to their employees on a regular basis. Where the records of the pension plan are on computers, it may be fairly simple to compute the accrued benefit for each employee and provide an annual statement to him. However, in some cases the calculation of such information would be extremely difficult and costly. One could probably feel that such information would be valuable to each employee, but it would be better to leave this matter to the particular employer and employee to work out between them having regard to its complexity and the administrative costs involved. It is to be kept in mind that any such calculation would have to be accurate, otherwise employees might be led to rely on incorrect information in their pension planning. This would give rise to much controversy and difficulty later on.

• (1730)

The amendment proposed by this bill seems to concentrate on the financial position of the fund rather than on the terms of the plan and the position of each individual as regards his own benefits. The Pension Benefits Standards Act as it now stands contains considerable material concerning the financial position of the plan. In fact, the main purpose of the act is to require that pension plans be put on a sound financial basis. Periodic actuarial reports are required to be made and these have to be submitted to the Department of Insurance which administers the act. Annual returns are also required to be made in respect of each plan in order that its financial position may be known. The act and the regulations control the investments of funds of the pension plan. The act contains requirements concerning the liquidation of any deficits which may be revealed as a consequence of the actuarial valuations.

It would appear, therefore, that the legislation goes as far as is reasonably possible to ensure that the promises made in the pension plan are adequately funded. Where there is a deficit, that is, where the assets in the pension fund are not sufficient to cover the liabilities represented by the benefits accrued to the valuation date, the law requires that this deficit be liquidated over a period of years. It is generally desirable to have such deficits liquidated as soon as possible, but some balance is always needed between a rapid liquidation of existing deficits, on the one hand, and appropriate modifications to the pension plan, on the other, to try to maintain benefits at an adequate rate.

The principal purpose of the Pension Benefits Standards Act is to require adequate financing of pension plans and thereby to increase the confidence employees have in the payment of their pensions when they reach retirement age. One cannot, of course, object to the provision of more information to employees and to their associations concerning the financial position of the plan, but it is not clear that the provision of such information would of itself serve to increase employee confidence. The existing legislation dealing with the requirements of funding is better designed for this purpose.

Some of the difficulties in legislating in this respect are illustrated by the terms of Bill C-5 itself. It refers to the trust deed or to pertinent financial information. Usually, the trust deed will be the terms of the arrangement between the employer and a trustee. The trustee will usually be the custodian of the assets of the pension plan fund, but his responsibilities will vary widely from one plan to another. In some cases he will be the custodian of the assets only and will be required to pay them out on direction from the pension committee or the employer. Thus, the trust deed would spell out the responsibilities of the trustee but would not contain any particular financial information. It is not likely that the terms of the trust deed would be helpful in ascertaining the current financial position of a pension fund.

The reference to pertinent financial information seems to be very imprecise. It might refer to the assets of the fund, to the interest rate earned on the assets, to contributions received from employees and from the employer, to special contributions in respect of unliquidated deficits, or to estimated liabilities under the plan. Uncertainty exists, also, as to the frequency with which such information would have to be provided. It is to be noted, also, that in many cases there would be no employees' association or employees' union. It would be uncertain, then, whether any information should be provided or not. One might note, also, that there are a number of plans to whose funds employees do not make any contribution. There is, thus, such a variety of cases that it is difficult to legislate the provision of information of this type. In many cases there are pension administration boards which include representation from employees as well as from the employer. Such a board would receive all financial information concerning the plan, and since there are representatives of the employees on it one would suppose that this would be an adequate disclosure of information for employee purposes.

I referred a while ago to the CNR pension plan, and I am sure that I got a smile from some hon. members on the other side when I did so. But I wish to end by saying I was pleased to hear from the hon. member for Winnipeg North Centre (Mr. Knowles), who the other day also made representations on the subject during the debate on the address. He attended the meetings to which I referred a while ago; I believe he has been doing so for a number of years. I am not associating myself directly with him but indirectly I may say that in this instance, as in so many others, I wholeheartedly agree with him.

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, the principle of the bill now before us is an excellent one and it is supported, I am sure, by all members of this House. The confidence of employees in contributory pension programs would be enhanced if more information were made available to employee contributors. The whole area of private pension plans has been attracting growing public concern. Their viability, and in some cases their integrity, has been questioned. While I believe they have been and can continue to be useful institutions, this area has not been reviewed for a long time and should be reviewed now. It is understandable that questions are

being asked about their administration and their value. However, I regret that I cannot support this proposal as either a reasonable or practical measure.

We can easily support the suggestion of providing a copy of the trust agreement to the employees, but we cannot responsibly support the additional proposition which is worded "other pertinent financial information." It could end up requiring the disclosure of everything in a company's books, or almost nothing at all. To be effective and acceptable, there would need to be a definition of "pertinent" which could reliably be applied.

• (1740)

Turning to the general intent of the bill, that of confidence between employees and employers, I should like to make the following suggestions. First, a formal and extensive re-examination of the administration and value of private pension plans is long overdue. Such an inquiry is essential to maintain rational support for these institutions.

Second, the general challenge of confidence between employees and employers requires a fundamental change in economic policy. It is a change that I look forward to. I think, though, that we should be laying down a new economic policy, consistent with the logic of business and technology, that would coincide with the historic values of the Canadian people. The time has come for us to formulate a plan to accelerate the growth of the economy while simultaneously broadening the ownership of its production capital, so as to build the working population's future income increases on capital incomes—which, incidentally, do not raise prices—rather than upon increased pay for the same or less work input, the very essence of cost-push inflation.

Within the logic of our economy and within the logic of our morality, full employment in the production of goods and services relevant to the needs of the poor can only be based upon raising the legitimate incomes of consumers. There is no way to achieve this except by making the ownership of capital accessible to the approximately 95 per cent of the population who do not own it today on the same terms that have always been regarded as minimal by business: access to investments that normally will pay for themselves.

Mr. Speaker, I do not wish to use any more of the time allotted to me. I am sure that other members would like to speak, and I am anxious to hear what they have to say. I simply repeat that while we cannot support this proposal before us, we look forward to this parliament making meaningful progress in this area.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I want to add a few comments to those delivered by my colleague. I think he put his finger on the problem in the hon. member's bill when he indicated that he was quite content with the purpose and principle of the bill but drew the line when it got to the question of pertinent financial information. When I see members to the left of my party move amendments dealing with corporations, I certainly become a little nervous and get a little excited since I know their love for corporations and the financial structures of same.

I am all in favour of the free enterprise system and what it means in terms of reward for initiative, and this is why the hon. member's bill makes me a little nervous. I was pleased to hear the speaker from the government benches elaborate on the problem he saw in the hon. member's bill, and I should like to tell the hon. member, with respect, that I do not think he did any research into whether this sort of bill should be introduced following discussions with the provinces.

If I may touch lightly on the remark that the hon. member was forced to make regarding "Alexander's Ragtime Plan", it is in this area that I find it necessary not to go along with the New Democratic Party which wants to increase holus-bolus the minimum wage without having any kind of consultation or deliberation with the provinces.

Mr. Rose: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Boulanger): Order. The hon. member is rising on a point of order.

Mr. Rose: It is a genuine point of order, Mr. Speaker. I should like to point out to Your Honour that the hon. member for Hamilton West (Mr. Alexander) objected, on a point of order, to lack of relevancy in certain of the remarks I made. I think he now is guilty of the same charge.

Mr. Alexander: You are right.

The Acting Speaker (Mr. Boulanger): The hon. member has heard the point of order. I give the floor back to the hon. member for Hamilton West (Mr. Alexander).

Mr. Alexander: Mr. Speaker, I appreciate the comments of my friend the hon. member for Fraser Valley West (Mr. Rose). He is quite right. But I did want just two or three seconds to make some rebuttal of his remarks. Surely we are all concerned about pensions and trust agreements on which pension plans are set up. I think we would all want to see employees in such a plan receive a copy of the trust agreement. Obviously, this would be to their benefit, and as I understand it, it would also be to the benefit of the employer.

The parliamentary secretary rambled on and on but never got to the meat of the matter sufficiently to say that he did not think the employees should have a copy of the trust agreement. He said that they could get this information, and in fact he read subsection (c) of the act, which I should like to reread in order to clarify the situation. To the best of my knowledge, all that an employee can obtain under the provisions of the present act is that which is contained in the legislation. Section (11)(c) provides as follows:

> (c) for a written explanation to be given to each member of the plan of the terms and conditions of the plan and any amendments thereto applicable to him, together with an explanation of the rights and duties of the member with reference to the benefits available to him under the terms of the plan and such other information as may be prescribed by the regulations.

That does not include the trust agreement, which is what the hon. member forcefully pointed out this evening. Employees who have every right to have a copy of the trust agreement placed in their hands are being denied

that right, and certainly I believe the hon. member has made a valid point for our consideration. I am not saying that it is true of all, but some companies have a very high rate of investment compared to the pensions paid to their employees. Why should this be? Why do the employees not know this? Apparently they do not know because that sort of thing is not disclosed.

With regard to vesting, I understood the hon. member to say that vesting takes place at age 45 after ten years of service. This is an important step. I hoped the parliamentary secretary would indicate to his minister or to the department responsible that this is the kind of legislation in which the federal government should become involved. Although my knowledge of the meaning of vesting is somewhat limited, I think employees should be given more opportunity to know what is happening to their money.

I understand that something like $11 billion which is presently tied up in this country in various pension schemes could be redirected into housing, and I think here we have lost a great impetus. Perhaps those who are guiding our fortunes do not place very much importance on the provision of shelter, but I suggest each and every member of the House believes that this money could be redirected into housing, thus producing some very significant results in terms of increased housing starts, particularly for those on low incomes.

I think the hon. member's motion is excellent, but I make this one point. The hon. member is asking that the following be added:

—for a copy of the trust agreement or other pertinent financial information to the employee's organization or union.

• (1750)

I do not question the hon. member's motive in this regard, but knowing what he thinks of companies and financial structures I may feel that this is a devious way in which the hon. member can go into a company's books holus-bolus. Along with other hon. members, I would take a dim view of such a move on the part of an hon. member. Incidentally, I had a confidential conversation with the hon. member which I will now tell all hon. members about. In that conversation he explained that he did not mean what he appears to state. For us to support such a motion, the hon. member would have to be more explicit.

Knowing the expertise of hon. members on the other side in respect of drafting resolutions, I am quite shocked that they let the hon. member bring this one before the House. It is about as bad as my trying to obtain an amendment to the National Housing Act; although it was ruled out of order, the door was not closed in respect of forgiveness on loans for sewage systems. I do not have the expertise of those in the hon. member's party, but even though the bill does have some merit we must be continually concerned about movement in areas which call for consultation, deliberation and co-operation with the provinces. In this area alone I think the hon. member should have done a little more research.

An hon. Member: A private member?

Mr. Alexander: Whether it is a private member or a government member, one should not bring in a bill until he has attempted to research it. I think the hon. member has failed in this regard. The principle which has been brought before us deserves consideration.

Mr. Knowles (Winnipeg North Centre): Question.

Mr. Alexander: Mr. Speaker, the hon. member for Winnipeg North Centre (Mr. Knowles), for whom I have a great deal of respect, has called for the question. I will sit down, even though I know someone on the other side is always prepared to kill a private member's bill. This is very unfortunate because I think that in order to make this place more meaningful we should have the opportunity of the government accepting private members' bills. In this way we could truly be part of the democratic process. As matters stand now, this is an exercise in frustration for hon. members because they know that someone on the other side will stand and talk out the bill. I see that one hon. member is ready to stand now, or just as soon as I sit down.

The Acting Speaker (Mr. Boulanger): Order, please. I regret to interrupt the hon. member, but I think he is going far beyond the principle of the bill before us.

Mr. Alexander: I agree, Mr. Speaker, but at least the latter part of my remarks was serious. There has to be more consideration of private members' bills or this hour becomes a farce, because they will never become legislation but will only give members an opportunity to be reported by the press so that people back home will know their member is trying to advance the type of program they deserve.

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I think first I should congratulate the hon. member for Fraser Valley West (Mr. Rose) on his good fortune in having his bill drawn first for discussion in private members' hour.

Before I heard the hon. member for Hamilton West (Mr. Alexander) speak, I thought that this was a particularly good bill and one we might proceed with; but having heard the comments of the hon. member for Hamilton West I have come to the conclusion that there are definite defects in the bill. Perhaps the hon. member will want to reconsider his bill and reintroduce it in the next parliament which, hopefully, will not be for some time.

The hon. member for Hamilton West made some comments on the question of provincial co-operation with the federal government in the adjudication and supervision of pension plans. On the basis of that I obtained a copy of the report of the Superintendent of Insurance on the administration of the Pension Benefits Standards Act for the year ended March 31, 1972.

This is a very important area in federal-provincial relations. As hon. members to my right will understand, a great deal of the history of Canada has resulted from an attempt to deal adequately with conflicting claims of the provincial and federal governments regarding areas of jurisdiction. Here is an example where the provinces and the federal government have been able to work out an equitable relationship where in some cases pension plans which normally fall under the jurisdiction of the federal government are administered and supervised by the

requisite provincial authority. Also, there have been provincial authorities which have attempted to provide for federal jurisdiction over matters of purely provincial interest.

I am sure hon. members will be delighted to know what the Superintendent of Insurance said in his report for the year ending March 31, 1972.

On December 17, 1970, the Minister of Finance and the appropriate authorities of the provinces having pension benefits legislation agreed to extend respective agreements indefinitely subject to the proviso that each party to the agreement can terminate the agreement by giving the other party three months' notice in writing.

This means that relationships between the federal government and provincial governments in this particular area are in very good hands indeed and that, for a change, instead of having to place all matters of jurisdiction under constant strain, with attack and counter-attack from each side, we have been able to work out a measure of co-operation and co-ordination.

In terms of the point raised by the hon. member for St. Boniface (Mr. Guay), the parliamentary secretary, concerning CNR and CPR pensions, a standing committee of the House of Commons received a reference from the House last year and conducted a fairly extensive investigation into the status of CNR and CPR plans in this respect.

Mr. Knowles (Winnipeg North Centre): CN only.

Mr. Reid: I thank the hon. member. In the course of its hearing, the committee heard representations from Canadian Pacific which came before them to discuss investment policy followed by the CPR pension fund in order to compare and contrast it with that of the CNR pension fund.

I feel that the point raised by the hon. member for Fraser Valley West, that individuals who must subscribe to these pension plans do not have sufficient information, is certainly true. In my opinion, and that of the hon. member for Winnipeg North Centre (Mr. Knowles), if there is one constant gripe of employees of the CNR and CPR it is that they do not have enough information about their pension plans. Their particular grievance is not about the trust agreement; it is twofold—it is on the question of how that money is invested, and exactly what their pension rights are.

Mr. Knowles (Winnipeg North Centre): Their particular grievance now is that you have talked-out this bill.

The Acting Speaker (Mr. Boulanger): Order, please. I might say, this being my first experience in private members' hour this year, that, like some of the new members, it is perhaps good to listen to hon. members at this time because sometimes they are the best speakers in the House.

[*Translation*]

The hour provided for private members' business having expired, I do now leave the chair until eight o'clock.

At six o'clock the House took recess.

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL JOINT COMMITTEE OF SENATE AND HOUSE

The House resumed consideration of the motion of Mr. Gray:

That a special joint committee of the Senate and of the House of Commons be appointed to enquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends;

That 20 members of the House of Commons to be designated by the House at a later date be the members of the special joint committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary and

That a message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select if the Senate deems it advisable, some of its members to act on the proposed special joint committee.

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, at five o'clock, along with others in the House, I was attempting to find some hope for those who need it most in the words of the motion placed before this House by the minister. If there is any glimmer of hope for any short-term relief for the housewife, the pensioner or the mothers of this nation, then I believe the minister will find the support he seeks. I seriously request him to look for that hope and not to hide behind this motion in the expectation that it will take the government out of the deep hole they have dug for themselves.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, in rising to participate in this debate I welcome the motion before the House. I wish to remind hon. members that our party was in the forefront last session in attempting to get the government to do something about the increase in the cost of food. We wanted something done at that time because food prices were going up quite drastically. The government at that time did not listen to us. It was not until after the election of October 30 that the government decided to take the preliminary measure of establishing a committee to study the trend of increasing food prices in this country.

At the outset I wish to make it clear that I hope the committee will do more than study the increase in the price of food and will, indeed, make recommendations to the government upon which the government will act immediately. Our experience in the past has been that we

have had commissions and committees of this House and of both Houses which have made very elaborate recommendations which have not been acted upon. The people of the country will no longer tolerate such action by this place or by the government of Canada.

During the last six years there have been two major studies carried out in respect of food prices in this country. One such study was carried out by a House of Commons and Senate committee in the mid-1960s, a committee on which the hon. member for Vancouver-Kingsway (Mrs. MacInnis) served. There was also the Batten commission established by the governments of Manitoba, Alberta and Saskatchewan in the mid-1960s. Both these bodies made elaborate studies and investigations of food prices in this country. They also made serious recommendations. Some of those recommendations have been acted upon, and many others have been shoved aside or tossed into the wastepaper basket.

At the outset I wish to encourage this House to see to it that the committee takes up the work where the others left off and investigates the conglomerate structure involved in our food industry and the many other factors which go into the prices of food in this country. Also at the outset I should like to make it very clear that the farmer is not the person at whom the finger of blame should be pointed. The farmer has spent his fair share of the food dollar per year during the past 20 or 25 years. Very often there is no relationship between the price he receives for his commodity and the price the consumer, or the farmer's wife must pay for the commodities she buys.

When I was a young person living on a farm in Saskatchewan I was very often puzzled when I saw my family sell livestock or grain and then go to the grocery store and buy these commodities highly priced when processed at the other end of the chain. When we have this study we should not blame the farmer, because his share of the food dollar is going down every year. In 1949 the farmer received 57 per cent of every food dollar spent in this country. In 1972 he received 38 per cent of every food dollar spent in this country. The farmer's share had slumped to 37 per cent or 38 per cent. That is quite a drop in that particular period. As we have seen, the processors, marketers and middlemen are gobbling up more and more of the consumer food dollar each year, and the farmer is receiving less. This is true in respect of almost every food commodity one might take a look at.

I should like to refer to some figures taken from the "Saskatchewan Economic Review," based on Statistics Canada data for 1972. Here I compare the years 1961 and 1970. We find, in 1961, for wheat turned into bread the farmer's share was 12.9 per cent of the consumer dollar. In 1970 it was 9 per cent of the consumer dollar, a drop of 3.9 per cent in respect of what the farmer previously received. The same is true in respect of potatoes. In 1961 he received 37 per cent, and in 1970 he received 34 per cent of the consumer dollar. In respect of canned peas, in 1961 he received 18.4 per cent of the consumer dollar, and in 1970 he received 13 per cent.

So we see that the share of the consumer dollar the farmer is receiving has been going down during the past decade despite the increased cost of food to the consumer. It is very clear that when this committee commences its work it must look at the middlemen and not the primary producer in this country, because it is not at the doorstep of the farmer that the fault lies for the increase in food prices.

Over the past ten years in many communities farm income has declined; the farmer has not had a fair deal in respect of the pricing of commodities in this country. We all know that in the last few months the price of beef, and so on, has been increasing but that has not been the trend in general over the past few years. Indeed, the farmer has been receiving the short end of the stick.

Once again I wish to refer to the statistics for 1972 reported in the "Saskatchewan Economic Review". There are some figures here which show 1961 as the base year with an index of 100. We find, ten years later in 1971, that the index in respect of farm prices for Saskatchewan farmers had fallen to 89.7 per cent of what it was in 1961. I realize that in the past year this figure has risen and that perhaps now it is as high as it was in 1961.

Farm costs have been increasing very rapidly. The Barber commission report on the price of farm machinery, tabled in this House a year or so ago, stated that farm machinery prices increased by 85 per cent between 1949 and 1971. The price of farm machinery has increased more than that during the past few years, as also has the price of farm machinery parts which the farmer must buy in order to maintain his farm equipment.

Once again I want to refer to the statistics provided by the "Saskatchewan Economic Review" to show that the cost of farm equipment, and so on, has been increasing in the last few years. Taking the year 1961 as the base year with an index of 100, we find that by 1971 the index for farmland and farm buildings had increased to 155.5 and that farm machinery had increased to 127.4.

It is very obvious that the cost to the farmer of producing food in the last ten years has increased drastically while his income has not followed suit. In fact, the increase in farm income has been, in general, far behind the increase in the income of almost every major economic sector in this country, and that is one of the things the committee will have to keep in mind when investigating food prices and recommending action.

• (2010)

All the committee has to do is look at the population trends in this country to know that farmers have been receiving the short end of the stick. Between 1949 and 1969 the rural population in Canada dropped from three million to two million people. Between 1966 and 1971, 15 per cent of Canada's farms disappeared, all of this despite the fact that the productivity of the farmer has risen very rapidly. In fact, in the last few years his productivity has risen at twice the pace of the non-agricultural sector of our population, namely, our nation's industrial population. So when we commence the study of food prices in this country we must begin, not with the farmer but with the real culprit, namely, the middleman in the food industry.

The farmer has been shafted, the consumer is paying a very high price for food and in many cases the man working in the store as a clerk is not getting a sufficiently high wage. Indeed, there are people in other areas whom

we must investigate very thoroughly in studying the price of food to the consumer. Some of these areas include the processing and the packaging of food, which has become very elaborate and expensive in the past few years. We must investigate in depth the distribution of food in this country, its transportation and freight rate costs. For some of us on the Prairies this is a very important factor because we feel we are often discriminated against, in terms of freight rates, to the benefit of some industries in central Canada.

We must investigate very thoroughly the advertising and promotional costs which go into the food industry today and look at much of the advertising gimmicks in the advertising of food. We must take a very close look at the conglomerate structure of the food industry in this country, at chain stores, at the profit these chain stores are making, at the proliferation of many supermarkets in the suburbs where you have on one street a supermarket and on the next corner another supermarket. Often the space in the supermarkets is not utilized to its fullest capacity; this means an additional cost to the consumer who shops for his groceries. These are just a few of the things the committee should investigate if we are to get to the crux of the problem regarding food prices in this country.

We must look, as well, at the lack of competition, at some of the huge near-monopolies such as the Garfield-Weston Company that has a controlling interest in about 60 companies in this country which are producing food. While we are doing this, we must make very clear that what we are looking at is the profits on equity investment rather than the profit on sales. I know that the leader of my party, when speaking in the House last week, referred to the example of Dominion Stores who say they make a profit of only .6 per cent on sales. When we look at the equity investment, we find that their profit is really some 11 per cent—and that is what counts when we look at the cost of food to the consumer in this country.

I believe it was either the Batten report or the report of another study which said that the profits reaped by food wholesalers and retailers are often above the profits reaped by wholesalers and retailers in other industries. In 1968 food retailers had a profit of 17.5 per cent. Food wholesalers had a profit of 19.5 per cent in the same year. These are the areas which we should study when we consider the price of food in this country.

I now want to urge upon hon. members, especially those who will be members of the committee, that one of the recommendations which we surely must make if we are to achieve anything in this area is one calling for the establishment of a prices review board, as suggested by the hon. member for Vancouver-Kingsway earlier this afternoon. This prices review board must, when there is a huge jump in the price of food, have the power to demand that the company justify the increase and if it is not justified the board must have the power to control the price or, indeed, at times to roll it back. When I talk about justifying the price of food I am talking, first of all, about giving the farmer a fair deal as well as giving a fair deal to those who work in the food industry. I refer primarily to the close scrutiny which we should give to the middleman in the food industry.

I now want to say a word or two about the amendment that was moved in the House earlier by the spokesman for the Conservative Party regarding the exclusion of members of the Senate from the membership of this committee. I wonder how sincere the Conservative party is in wishing to abolish the Senate in this country, and whether it is just a move at this time—

Mr. Deputy Speaker: Order, please. The hon. member for Peace River (Mr. Baldwin) rises on a point of order.

Mr. Baldwin: I know the hon. member does not mean it, but I do not think it is allowable for an hon. member to reflect on the motives of other hon. members. Of course, our motives are always well known and they are always perfectly honourable.

Some hon. Members: Hear, hear!

Mr. Lewis: Read your own speech about us.

Mr. Baldwin: The hon. member cannot comment on the motives which prompted the hon. member for Northumberland-Durham (Mr. Lawrence) to move his motion. They are there and they speak for themselves.

Mr. Howard: Mr. Speaker, I wonder if I might speak on the point of order that has been raised by the hon. member for Peace River (Mr. Baldwin) and say to him that it is not necessary to comment on the motives of the Conservative party; we know that they are—they are ulterior and selfish.

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. I think the points that have been raised and the language that has been used are not outside the realm of debate in this chamber. However, I do not think a point or order was raised.

Mr. Baldwin: Mr. Speaker, I rise on the point of order raised by the hon. member for Skeena (Mr. Howard), who has certainly departed from parliamentary practice. I must say that a party which, at least in the number of years that I have been here, has continually moved motions which have no chance of succeeding has no business to make this kind of statement. The hon. member is entirely out of order. His statements should not have been made; they are improper and I suggest to Your Honour that the hon. member should be cautioned.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: I think perhaps hon. members on both sides have made their point. I now call on the hon. member for Yorkton-Melville (Mr. Nystrom).

Mr. Nystrom: Mr. Speaker, I wonder if the conscience of the hon. member for Peace River (Mr. Baldwin) is bothering him since he interjected in this debate. It struck me, when the hon. member for Northumberland-Durham (Mr. Lawrence) was speaking earlier in this debate, that he started off by saying the committee must be established quickly and must begin its study immediately; that for that reason Senators should not be members of the committee; they can set up their own group and go into the

matter at a more leisurely pace; they may take their time in proceeding with the study because they have all kinds of time and connections. I wonder whether those two statements are not somewhat contradictory.

Our party has other reasons for being suspicious and for not wanting members of the Senate to be on the committee. First and foremost, members of the other place are not democratically elected by the people of this country. I believe that is a very important point which we should make. I hope that the members of the Conservative party, when others of us in this House move for abolition of the other place, will support us with the same enthusiasm as that with which they apparently moved this amendment. I am sure the hon. member for Winnipeg North Centre (Mr. Knowles) is fully expecting their support when his motion comes up for debate later this session.

• (2020)

In the next two or three minutes, Mr. Speaker, I would like to refer to two or three matters which I think will throw a little light upon some of the members of the other place and why it might be preferable not to have them on this committee. I quote a short paragraph from the December issue of *Saturday Night* magazine as follows:

> Among themselves they share 180 corporation directorships and 53 senior executive positions. Eight of them are bank directors.

Many of them are also interested in the food industry. Many of them sit on the boards of directors of some of the food companies, or have interests in industries associated with food. We have Senator Beaubien, who is involved in the Dominion Sugar Company. Senator Desruisseaux is involved in Melchers Distilleries Ltd., Lucky One Beverages Inc., Standard Brands Ltd., and Canadian Cocoa and Chocolate Co. Senator Gélinas is involved in John Labatt Ltd., Montreal Refrigerating and Storage Ltd., the Canadian Salt Co. Ltd., the Ogilvie Flour Mills Co. Ltd., Distillers Corporation and Seagram Ltd. Then we have Senator Hayden, who is involved in Atlantic Sugar Refineries Co. Ltd., Acadia-Atlantic Sugar Co., Canadian Tuna Co. Ltd., Atlantic Fish Processors Ltd., and Scott's Restaurants Co. Ltd. Then there is Senator McLean, who is involved in Seal Cove Canning Ltd., Quoddy Seafoods Ltd., and Craft Canning Co. Ltd. There is Senator Molson, who I understand has some interest in Molson Industries Ltd., and Senator Robichaud who is involved in National Sea Products Ltd. These people do have an interest in food prices but they do not have the same interests as the average constituent, the farmers and consumers who live in my riding.

Therefore, Mr. Speaker, I appeal to this House to get on with its work, to study the increase in the cost of food, and to remember that the farmer is not responsible for that increase any more than the average worker employed in the industry who is not reaping the cream of the crop in terms of the increase in food prices. I hope we soon get down to work and study the conglomerate structure of the food industry, food transportation costs and promotion, advertising and packaging costs. It is in the middleman that I am sure the House and anyone interested in studying the increase in the cost of food will find the culprit.

[Mr. Nystrom.]

Mr. Barnett J. Danson (York North): Mr. Speaker, I am delighted to participate in this debate and, it being my first opportunity to speak in this parliament, I would like to congratulate you on your unanimous re-election. Those who previously served in this House gained the greatest respect for you, Sir; and I may warn new members that behind that velvet exterior lies a mailed fist.

I should also like to congratulate Mr. Deputy Speaker, and I congratulate parliament on the precedent it set, not only in drawing the Deputy Speaker from the official opposition but on the quality of the individual selected. He is a man I have been privileged to serve with. He knows I am not put down easily and I may tell him that from previous experience he should know that, like the bishop's wife, I will try harder each time. That is a local joke between the Deputy Speaker and myself. We were once seated with a bishop of a diocese that will remain unnamed. His wife was with him and she mentioned that she was his second wife. I told her that being number two, she would have to try harder.

I appreciate the introductory remarks of the minister who put the problem and the reasons for setting up the committee in their proper context. I also appreciate the comments of my colleague from Bruce (Mr. Whicher) who was most forceful and interesting in his remarks regarding the hon. member for Northumberland-Durham (Mr. Lawrence). Incidentally, I wish to congratulate the latter, (a) for being in order and (b) for keeping us alert. I have heard of the cut and thrust of debate in the provincial house and I am pleased to see that it is being brought here.

The hon. member for Northumberland-Durham stated the problems. Mr. Speaker, I do not think there is any great trick to stating the problems. We all know what the problems are. Then he demanded action, but I never heard from him what his party's suggestions were. This is the quality of the opposition which wants to take over government simply because it wants to form a government. It is a highly commendable ambition. That is why we are here—we want to form a government too, but I would suggest that we do it with constructive suggestions.

The hon. member for Northumberland-Durham wanted action. He criticized the government and then he said he would support the establishment of the committee, with certain conditions. At that stage he began to get interesting. I thought he was going to come up with some intelligent suggestions. But what were these great conditions, Mr. Speaker? They were procedural. They had nothing to do with the cost of food. Of all things, they were procedural. He was disturbed because it was to be a joint committee of the Senate and the House of Commons—a joint committee because it was to be made up of members of this joint and members of the other joint.

Some hon. Members: Oh, oh!

Mr. Danson: I think that is a commendable thing. We are dealing with a very fundamental problem, but I do not believe this is the way to face it. We should not be debating the role of the Senate in this connection. Incidentally, it is a role with which they themselves continually struggle. I think it would be extremely valuable to have the contribution of Senators, because we want to know the

response to rising food costs of people who are already living on a guaranteed annual income.

One thing that the hon. member for Yorkton-Melville (Mr. Nystrom) suggested was that Senators should not contribute to the committee because of their experience. That is something that disturbs me as a businessman who came here to do what I can. Is he suggesting that I should hide whatever experience I have simply because I am a businessman? Farmers come here and speak on behalf of the interests of farmers, and I think that is legitimate. I do not think there is anything wrong with having people who are well motivated and trusted by their colleagues speaking on a matter of which they have experience. They would lend balance to such a committee.

Some of the things happening in this House, Mr. Speaker, are quite remarkable. I have never been in a minority government, yet some of the things we are able to do now in a spirit of co-operation and, incidentally, of survival on both sides are amazing to me. As a supporter of the government, I am delighted at the haste with which we are getting some things done, things that we could not get done when we were in a majority position. In fact, there is an advantage to being in a minority House.

The hon. member for Vancouver-Kingsway (Mrs. MacInnis) spoke earlier in the debate. I am always delighted to speak after her, Mr. Speaker, because she makes a unique contribution to this House. Up until this time she was the lone representative of the so-called weaker sex and I am delighted that we are now joined by other women who have a great contribution to make to this House. I always thought that it was a great weakness in the last parliament that it had only one, even though a very capable spokesman for the women's point of view, because in a debate of this nature when we are speaking about food costs, that point of view is most important. As is the case when speaking on abortion, it is very difficult for a man to go through it.

The hon. member's suggestion was a constructive one—it was repeated by the hon. member for Yorkton-Melville—having to do with a prices review board. This is the sort of thing that will get to the guts of the problem. I think this is a progressive, though not a Progressive Conservative, suggestion. It is the type of thing we must do and to which the committee will bend its efforts.

• (2030)

If we look at the beginning of the Manitoba experience when they published the producer price and the retail price, we will recognize the gap between them. A lot of questions will be asked about that. As well motivated as farmers and businessmen are, it does not help to have someone looking over our shoulders all the time. The hon. member for Vancouver-Kingsway overlooked the fact that pension increases are and will be tied to the rising cost of living. I think the committee should investigate the Swedish experience which the hon. member mentioned, as well as the United States experience. This is something which we all must consider.

We have avoided wage and price controls in this country. We have a good record in containing inflation relative to other nations, but still I think we must watch the American experience in this respect. It is true that controls have all but been lifted, but they have had an interesting impact on rising inflation. If prices start to rise now, it will indicate that controls are really not very effective. This is a situation which we might watch carefully.

I was interested to hear the hon. member for Perth-Wilmot (Mr. Jarvis) make his distinguished speech. He appears to be a distinguished Member of Parliament following a member who had a distinguished career on this side of the House. I wish the new member for Perth-Wilmot a distinguished and short career as well.

There is nothing magic in this situation, Mr. Speaker. In the last parliament the finance committee studied interest rates, but this time we really want to study the full question of inflation. We know that there are no magic solutions. We could say that this is a sort of motherhood operation, but no one except the hon. member for Vancouver-Kingsway has offered suggestions as to what might be done. I think we have a responsibility in this House to look at those suggestions. Even if it were only educational, I think we would all want to know the answers and know that the right questions are being asked of the right people in the committee.

One cannot isolate food costs from all the other factors which create inflation—the psychology, the effect of wages, the effect of dividends and the return on investment. Things we do not have time to deal with in this House can be dealt with in detail in committee. We gentlemen in this House are not as familiar with this subject as are our wives. Just about 50 per cent of the married people in this country are women!

Some hon. Members: Hear, hear!

Mr. Danson: I would like to keep it that way, Mr. Speaker. Food prices are highly visible and are reflected every day in the household budget. Women spend the highest percentage of our incomes and it is very important that they be given an opportunity to sit on this committee and to appear before it. In that sense it is a motherhood resolution because they are the people most deeply concerned.

There are many cost factors that we will have to consider in the committee. There is the question of consumer selection—"shopping" is the old-fashioned word. It will be my thirtieth wedding anniversary in a week or two, Mr. Speaker. We have raised four sons—

Some hon. Members: Hear, hear!

Mr. Danson: That is on February 6, Mr. Speaker; and I believe it is the money anniversary, if any hon. members are sending gifts. I do not mean to get syrupy about it, but it has not been an easy thing to raise a young family. It was easier for me than for my wife. When she is shopping and lamb chops are expensive, she buys pork chops; and when they are too expensive, then she might buy cut-up chicken. It is not so terrible—

An hon. Member: What about boloney?

Mr. Danson: Boloney is not too bad. Its price will go down; with so many new members on the Conservative benches it should be in oversupply.

The other night I watched a television program called Viewpoint which comes on after the eleven o'clock news. Ruth Fremes spoke about consumer selection. She pointed out the options open to the shopper, and this is something we should bring out very strongly in the committee hearings. Perhaps we could have at the committee someone such as this lady, who was articulate and a home economist, someone who speaks to women in women's language and does not turn men off. Such a person could tell the committee about the choices we have.

If we need a certain amount of vitamins, we can get them in frozen orange juice at four cents an ounce, say, or in half a grapefruit at five cents. There is nothing wrong in sending out for pizza or Kentucky fried chicken, but it is not shopping. The choice is yours, as a consumer, and if you want frozen everything you can have it; but then do not say that you do not understand why food costs so much. The cost is rising because we want things prepared in different ways and in easier packages.

In the middle of the election campaign I remember one day going into the Ponderosa steakhouse when a mother came in with a family to buy inexpensive steaks—inexpensive by restaurant standards. She might have had good reason, of course, but I was shocked. It is easy for men to talk, because they do not have to stand over the stove, but still we must put these things in some sort of perspective.

Mr. Speaker, we have to see to it in this House that senior citizens have a fair chance in these periods of spiralling inflation. The rest of society can roll with it—can eat something else or go somewhere else. If everything were easy, fresh frozen and ready to go, life would be dull for us. But senior citizens do not have that flexibility; they cannot raise their income or go somewhere else, and they have to contend with rising food and drug costs. Sometimes the big question for them is whether to get proper medication or proper food. We have a special obligation to these people and we can discharge part of it by looking after the pension increase. But part of it we will have to deal with in the committee. Consideration of these obligations will help the whole of society and will help us get our priorities straight.

• (2040)

If each time we think of this problem, we think of senior citizens and those on fixed income who have to make a trade off between medication and nutrition, we will admit, if we are honest with ourselves, that we must examine this problem. That is why the remarks of the hon. member for Yorkton-Melville were most interesting. He began to articulate, in an eloquent manner, the problems of the farmer. We have heard such speeches before. Certainly the hon. member has mentioned these problems many times, as have other hon. members such as the hon. member for Crowfoot (Mr. Horner) and other distinguished members of the House who have spoken on behalf of farmers.

An hon. Member: They have not spoken well, but they have spoken.

Mr. Danson: Yes, they have not spoken well, but they have spoken. I do not think you will see farmers getting rich because of high food costs. I remember last year we debated, with the hon. member for Vancouver-Kingsway, the entire question of food distribution and retail costs and costs associated with chain stores. There was some confusion in the minds of hon. members over the question of profits. There was a price war which didn't make for logical comparison. In some instances it actually lowered prices but raised the profits of an individual chain because its sales increased immensely. However, profits over-all have not increased at the same rate. We have not looked at the middleman, as the hon. member for Yorkton-Melville said, or the processor and distributor. Studies have been made in this area and it would be worth our while taking another look at it. I was surprised at the hon. member for Yorkton-Melville, an NDP member, referring to the middleman. I think we ought to call him the middleperson. I think that is male chauvinism at its worst.

The hon. member for Bruce mentioned one major United States-based food chain. He did not mention the one that is coming to the east from the west. May I say, without using any trade names, that this great chain that is coming to eastern Canada from western Canada is bringing a breath of fresh air with it. We are seeing our eastern chains being challenged by people who treat their customers as human beings. They care about them and appreciate them as customers. Perhaps we ought to talk about that also.

The other problem we must consider is the multiplicity of sizes and shapes with which we must contend. At one time, small sizes of anything were called sample sizes. Now they start as giant sizes; then there are the super-giant and magnificent-giant sizes. On the store shelves we find Whiz and Wham and Woof and Bam, each in ten different sizes. The poor retailer needs a mile-long shelf to handle all these sizes. That does not seem sensible in this modern day and age. Then, as well, we must consider increases in commodity prices. The price of coffee in Brazil might go up by two cents a pound, but back here in the supermarket the clerks immediately rush around to mark coffee prices up by ten cents a pound at the retail level before the coffee beans have even been taken off the bushes in Brazil.

An hon. Member: Include plastics, too.

Mr. Danson: I include plastics. Of course, there may be reasons for these sharp increases in costs; the chain may have lost money through decreases in prices of other foods. Nevertheless, let us find out how valid those arguments are, I suggest because prices are raised with indecent haste. We cannot look at this sort of thing in isolation, because it is part of a total, specific and visible problem. We want answers. We do not want to use this committee for playing games to see who is to be in government and who is not. Those sorts of games will be played soon enough. The committee must seek to serve the purposes of our senior citizens and others who are caught in the squeeze where they must make a trade-off—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him, as provided by order made earlier today, has expired unless he has unanimous consent to continue.

Some hon. Members: No.

Mr. Deputy Speaker: There is not unanimous consent.

[*Translation*]

Mr. Eudore Allard (Rimouski): Mr. Speaker, as the representative of a riding which is suffering from the evil dealt with in the motion before us, it is my duty to tell the House my way of thinking about the terrible problem called inflation. The failure in our industrial production system in the field of pricing is reflected in constant inflation to be curbed solely through deliberate limitation of production and incomes by means of monetary restrictions, which bring about generalized unemployment, innumerable bankruptcies and complete disruption of our economy.

Prices are at the heart of the problem of inflation. Incidentally, logic does not seem to have been the strong point of past or present governments. Every inquiry on the causes of inflation began by thorough research into the machinery of prices in relation to the monetary system. Instead of considering the normal machinery and concentrating efforts on the various contributing factors, such a study should include a thorough review of the operation of our monetary system through which a small number of rich people get richer and a greater number of poor people get poorer, thus creating such a gap that, tomorrow perhaps, it will be too late to fill it.

During the month of July 1969, more exactly July 2, 1969, a federal Prices and Incomes Commission was created under the chairmanship of Mr. John H. Young, dean of the Arts faculty of the University of British Columbia. The commissioners' terms of reference were to find the causes of inflation in our country. The present Minister of State for Urban Affairs (Mr. Basford) had then stated that, in view of their training and experience, these commissioners would be able, after their investigation, to make recommendations in order to cope with the acute problems resulting from inflation.

Four years have already gone by since that famous commission was established and I am still wondering about its findings. Has the government shelved the report or decided to ignore it? Anyway, these last four years inflation has been running its devastating course at the expense of the citizens of our country.

Today, we are asked by the government to set up another committee to study that virus. People, Mr. Speaker, are tired of studies and are asking for action. In the present circumstances, are we in a position to do better than Mr. Young and his commissioners? I doubt it, Mr. Speaker. As the same effects result from the same causes, we are in the same impasse as in 1969 as no measure has been taken following prior research. It seems that no solution has yet been found by the older parties.

• (2050)

To a great extent, inflation is caused by the usurious rates of interest the government and the citizens have to pay.

Mr. Speaker, allow me to point out the following facts to the House: In 1968, Canada's debt was $32,924 million and the interest $1,301 million. In 1972, the national debt amounted to $44,975 million and cost $2,080 million in interest. Bearing in mind the interest of $1,301 million paid on the debt of $32,924 million, we have to pay $959 million more in interest; this represents additional debts of $12 billion and therefore twice as much interest. Even if that is one of the causes of inflation, I should like to have additional information in view of the situation.

We Créditistes advocate an efficient solution, that of the compensated discount of 5 to 10 per cent on purchases so that prices might not increase, merchants might make the same profits and prices and salaries might remain the same. This would contain inflation.

I therefore move, seconded by the hon. member for Bellechasse (Mr. Lambert):

> "That the amendment be amended by replacing the period by a comma and adding the following:
>
> 'and that the said Committee be also appointed to inquire into the possibility of reducing the interest rates paid by consumers in order to increase their purchasing power for consumer goods.'

Mr. Speaker: The hon. member proposes as a subamendment the motion that he has just read. The Chair has serious doubts as to the acceptability of this amendment and would be happy to hear comments from hon. members who would like to help the Chair on this point. If there are no comments, I am ready to render my decision.

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, as I seconded the subamendment, I should like to draw the following fact to the Chair's attention. The main motion is to establish a committee to investigate this very serious problem and, as stated by an hon. member who spoke a moment ago, mothers are deeply concerned with this problem. Thus I consider that the proposed amendment would only clarify further the terms of reference of the committee allowing it to consider every aspect of the problem and to make recommendations to the House on ways to correct a situation that is deplored by everyone.

Mr. Speaker, this is why I think the amendment should be received, should this be your ruling.

Mr. Speaker: I thank the hon. member for Bellechasse (Mr. Lambert) for his comments to enlighten the Chair. The amendment proposed by the hon. member for Rimouski is obviously interesting but, as I said, I have serious doubts about its admissibility mainly because it tends to amend the main motion rather than the amendment.

In other words, what the hon. member proposes to the House is a new amendment rather than a subamendment. The hon. member tries, in other words, to amend the main motion before the House rather than the amendment which seeks to eliminate referral to the Senate. The subamendment should necessarily be connected with the subject covered by the amendment now before the House.

The hon. member could perhaps put a motion, such as the one he has just suggested, as amendment to the main motion.

However, I must warn the hon. member I do not say that even that motion would be in order, especially in view of citation 291 of Beauchesne's Fourth Edition.

Anyhow, this is hypothetical and we have before us a quite specific amendment which, in my opinion, cannot be considered as an amendment to an amendment.

I must therefore regretfully make that decision which is moreover the one made a moment ago by the Deputy Speaker of the House in connection with an amendment put by an NDP representative.

It is therefore with regret that I advise the hon. member that his motion cannot be put to the House.

[*English*]

Mr. Speaker: The hon. member for Crowfoot (Mr. Horner).

Some hon. Members: Question.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, if the House wishes the question to be put, I will gladly give way.

Mr. Speaker: The hon. member has been recognized. If an hon. member wishes to rise on a point of order, he may do so for that purpose. However, I believe that the hon. member for Waterloo (Mr. Saltsman) wishes to speak, if the hon. member for Crowfoot does not wish to do so.

Mr. Horner (Crowfoot): I do, Mr. Speaker. In rising to address the House on this subject, I should like to tell hon. members that I have some good news and some bad news. The good news is that farm prices will continue to rise. This is good news for the farmers in Canada. The bad news is that in spite of the setting up of this committee, and even if the committee accepts the socialist idea of controlled prices and a price review board, consumer prices will still rise.

Why should this be the case? I shall try to convince the House that prices will rise. The first reason is that we are at the beginning of a rapid inflationary cycle. The Minister of Finance (Mr. Turner) has not brought down a budget, but anyone who looks at the economic indices will realize that we are now moving into a fast inflationary cycle. When there is a high rate of inflation, food prices rise along with everything else. In my view there is no question that this high inflation rate will continue to undermine the economy of the country.

Why is this inquiry being set up? I suggest it is because the government really has no solution; it is setting up a committee because it is afraid of an election soon and members opposite want to say they tried to do something about high food prices. This will merely be a road show, with the hon. member for Vancouver-Kingsway (Mrs. MacInnis) coming before her committee with her tin cans and her loaves of bread suggesting that someone is making a huge profit.

If the committee has to study this question, I hope it will make full use of the terms of reference before us which allow counsel and accountants to be engaged. As I interpret the paragraph, counsel and accountants can travel across the country and delve fully into the question of the cost of transporting food. I believe much of the problem lies in high transportation costs—monopolistic, maybe.

Why should the food bill be the one which the consumer hates to pay? One explanation is that nowadays practically everything else can be bought on credit—a car, a television, even theatre tickets. The result is that at the end of the month the pay cheque is already spent. In many cases, the wife makes the monthly payments to which the family is committed. After those payments have been made, the food bill has still to be paid; and it has to be paid in cash. Then she realizes that not enough cash has been saved to meet the food bill.

The hon. member for Bruce (Mr. Whicher) said that the food bill accounted for about 19 per cent of the take-home pay. Why do I believe that food prices will rise? I do so because we operate in the North American market, indeed, in a world market, and because there is a food shortage throughout the world. This will naturally be reflected here. I would point out that domestic production has been discouraged by the government for the past four years. Members opposite supported policies designed to get the small farmer off the land rather than helping him get into production most suitable to his holding. They paid him, for instance, to get rid of his chickens. The government did away with the subsidy because it did not want farmers to produce lambs in Canada. We are now importing 90 per cent of the lamb and about 12 per cent of the beef consumed in this country.

• (2100)

How did a world shortage of food come about? I have before me the "United States News and World Report" dated December 11, 1972, which refers to the fact that world food production has suddenly shrunk close to creating a global crisis. Food production in many of the poor countries did not improve enough this year even to keep pace with the rise in population in those countries. Russia has had its worst crop in 100 years. There has been government bungling, political disruption. The weather has caused a world food shortage. Russia is experiencing a difficult winter, with insufficient snow to cover the crop, and it is expected that there will be a very poor wheat crop.

What is the position in China? China has purchased 400,000 tons of wheat and 300,000 tons of corn from the United States, the first purchases by that country from the United States in 23 years. Russia also purchased 27 million tons of grain from the west over and above the purchases made by those two communist countries from this country.

India, it appears, is going to have a food shortage and will have to import food even from the United States, despite the fact that international relationships between those two countries are not good. So India looks as though it is headed for a food shortage too. The same can be said of other countries in Asia, such as Cambodia, Indonesia, Laos and Burma. Burma used to export rice, but rice production is down all over the world. Rice production during the last ten years has increased very little, if at all.

In Chile there will be enough food for the population if they go on a spartan diet; that will save them from mass starvation. In Argentina people are being told they cannot eat beef on two days a week in order to conserve the nation's beef supplies. In Australia, one of the world's major wheat suppliers, drought has cut production by nearly one-third. And so on down the list. In the less developed nations of the world we have had an increase

of food production of 1 per cent, whereas population has increased by 4 per cent.

In some of the countries that are asking for more food we are seeing at the same time more wastage of food. A lot of food is wasted in this country. The food and agricultural organization of the United Nations has reported that the world's underdeveloped countries are falling behind in the race to match food output with growing populations. United Nations' experts estimate that roughly the same number of people remain undernourished today as ten years ago, namely, between 300 million and 500 million people. Yet we consumers in Canada think we should have lower food prices, having discouraged food production in this country and with most parts of the world being short of food.

No matter what this committee does we will not get cheaper food. The government thinks it can control inflation and thus lower food prices across the board. I say in this they have failed completely. As I started out to say, we are in the midst of a rapidly spiralling rate of inflation.

What will this proposed committee do, Mr. Speaker? I know it will concern itself mainly with the cost of meat. In view of the modern trends in meat production, meat processing and meat cutting, there will be some bad news for the Canadian consumer. Meat cutters are demanding $6 an hour to cut meat. A trend we will be seeing in the near future in slaughtering houses in the pre-cutting of meat in order to eliminate the $6 an hour meat-cutting that takes place in supermarkets and food chains. This will cause more wastage of beef, more spoilage and thus higher prices. The simple fact is that this is the trend today, and this committee will not be able to do anything about it.

A prices review board has been recommended. I recall the Prices and Incomes Commission did not really solve any problems. Six years ago a joint committee of the Senate and House of Commons brought in a report having studied this question for two years, and their suggestion was the creation of a consumer affairs department. The consumer affairs department has increased the cost of food to Canadian consumers. The only thing that the consumer affairs department has done is to set up what I call a quasi-ombudsman to whom people write letters of complaint. The government has thus used its friendly persuasion on some companies to live up to the paper guarantees they have been giving out. However, through its regulations and controls the department of consumer affairs has increased the cost of food.

The prices review board suggested by the socialist party will take more people out of production and put them into management control and regulation. These people have to be paid. The more people we take out of the production of food, the higher the price paid for that food. This socialist concept of a marketing board actually increases the number of middlemen between farmer and market and, as I say, these middlemen have to be paid. Many people think that the problems of egg marketing are now solved because we have a marketing board. The rising price of feed grain would have kept the situation in balance, but the government did not leave it alone. They paid the farmers to get out of chicken production or to reduce production, just as they paid farmers to get out of wool production and reduced the subsidy on lamb.

We are not encouraging sufficient farmers to get into beef production. Nor are we encouraging sufficient farmers to get into hog production. We are afraid to encourage production of this sort. Under the small farms program, $3,000 will be given to farmers who get out of production and sell their land. Many of these small farms could produce any number of commodities, something that must be encouraged.

Another aspect of socialism in society today is that our city planners have devised a neat system for doing away with the corner-store through the erection of shopping centres. These shopping centres comprise malls in which you can spend all day. There is no snow to shovel and there are check-rooms for your coats. Who pays for all this? The consumer pays for this convenience, of course. I suggest the next time hon. members visit such a shopping centre they take a look at how the food is packaged. More and more pre-cut and pre-cooked food is on sale today, and more and more consumers are buying it. More and more people are eating out than ever before, and the trend is continuing.

• (2110)

This is part of the modern society we are living in. If a prices and review board places a freeze at the top, I suggest this will not change the trend. We cannot do away with large shopping centres and chain stores now supplying food. The cost will be there and the mark-up of 10 per cent or 20 per cent, whatever it is, for the distribution of food will still remain. If we put a ceiling on top, the farmer gets hurt. If he cannot make money by producing, and live the way other Canadians in other segments of our society are living, he will get out of the business. Farmers have been doing this because they have no encouragement to stay. What will happen when they get out of the business? We will depend more and more on world markets for food. We will not be importing 12 per cent of our beef; we will be importing 20 per cent. We will not be importing 90 per cent of our lamb; we will be importing 100 per cent. This will apply to hogs and everything else.

If we want to lower food prices in Canada, we must encourage production. If food is produced right here at home, the people of Canada can eat more cheaply than people in other parts of the world, because we will not have the transportation costs. If we discourage the production of food in Canada, we will encourage increased prices. If we allow inflation to run away and spiral upwards, that will result in increased food prices and the whole economy will be hurt.

If this committee is to do anything, let it hire experts to delve into the costs of distribution of food in this country. If the committee resorts to some kind of additional control, that will be wrong. What happened in Russia? They have experienced the worst crop in years because of controls. China has not done well, and other countries have had problems in respect of food supplies. The United States has not faced this difficulty, and Canada has not yet; but if we move along the socialist line we will have trouble.

The great province of Saskatchewan produces wheat but I suggest it has not intensified its agricultural industry enough, because of socialism. I was pleased to hear the

Minister of Agriculture (Mr. Whelan) state recently that the province of Saskatchewan is intensifying its production. I hope it does. But I suggest that socialism, regulations and controls are not the answer. We must encourage more production in the country. If we then keep a check on distribution costs, we might have lower prices.

Let me end where I began. It will be a sad thing for the Canadian consumer, with food shortage and world hunger as it is today, if this committee cannot bring about a lowering of food prices in this country within the next six months or a year, because the world shortage of food will not disappear that quickly.

Mr. Max Saltsman (Waterloo): Mr. Speaker, judging from the tone of the comments of my friend to the right, it seems that this committee on food prices is off to a very bad start. It does not look as though any one of those members has any idea what to do about the rising cost of food, nor do they appear to have any faith in an investigation which might be of help.

I remember all the brave talk during the election campaign about how awful the Liberals were, and how the Conservatives would do something about bringing a downward trend in the cost of food. We are now starting off with a tough job before the committee, but even before it meets we are faced with all kinds of motions and speeches designed to frustrate its efforts. We hear all kinds of things about what we cannot do, about how hopeless the task is and how nothing will be done. I must conclude, sadly, that we are not to have a good start in this investigation.

When I first looked at the amendment of the hon. member for Northumberland-Durham (Mr. Lawrence) I was almost inclined to go along with it as a rather good joke. I should like to know what the Conservative party means when it says it will not go along with the establishment of a joint committee of the House of Commons and the other place. I like a good joke and I would like to go along with it, but I must control myself. I think I must remind them of something they are always bringing to our attention and vote on the side of morality.

I listened very carefully to the hon. member for Peace River (Mr. Baldwin) and I certainly would not want to raise any question about other people's motives, because we should not do that. I hope he does not mind if I express a few suspicions. Perhaps I might be allowed to wonder aloud why they have moved this kind of motion. I ask them why they do not want members of the Senate to participate. They are not in favour of abolishing the Senate. Perhaps they think the Senate is overworked and they do not want to put these gentlemen to the difficulty of coming to the committee. With that in mind, perhaps they feel we should exclude members of the Senate out of solicitude for the other place.

My party takes the position that we do not need the Senate and we think it should be abolished. Therefore, when we have on occasion moved amendments excluding Senators from committees, we have been able to explain our position. I should like to know the reason which leads the Conservative Party to move a motion excluding members of the other place.

[Mr. Horner (Crowfoot).]

I hate to raise this question, but I do so only because my friends to the right have continually reminded us about the danger we get into when we associate with undesirables. I listened very carefully to hon. members to my right and took their remarks to heart because even at my age I do not want to be considered impure. I am not sure that some of my colleagues would not feel that by supporting an amendment of this kind they would become involved in some kind of incestuous relationship with our friends to the right. I do not know how they would look upon that lapse in purity.

I do not know how the Conservatives can explain a motion of this kind which sort of arouses the sympathy and support of members of the New Democratic Party, particularly considering the terrible socialists from Saskatchewan, Manitoba and, now, British Columbia. The woods are full of them! I do not know how these members will go back to their constituencies and explain this consorting with terrible socialists. The next thing we know, they will be moving an amendment to incorporate the Regina manifesto. I must hasten to add that this would not work because there is a Winnipeg declaration which supersedes that manifesto. I want to prevent hon. members to my right getting into that position.

An hon. Member: It is our motion. Put your vote where your mouth is.

Some hon. Members: Oh, oh!

Mr. Saltsman: You fellows are becoming such radicals that I do not wonder you want to exclude the other place from a committee of the House of Commons. I do not know what things are coming to.

Some hon. Members: Let's vote.

Mr. Nowlan: You are perpetuating this problem by your speech.

Mr. Saltsman: I am raising these questions only because I want you to help me out of the dilemma you have placed me in. You have placed before us a motion that kind of appeals to me, but I am wondering why you are changing your spots so quickly. I do not know why, and I have been asking myself why. You will have to excuse me if you think I have a suspicious mind, but the truth is that I have. I wonder whether we would have this amendment before us if the majority of the other place was Conservative rather than Liberal.

Some hon. Members: Question.

Mr. Saltsman: I would appreciate hearing from the hon. member for Northumberland-Durham, publicly or privately, as to whether his view would be changed if the circumstances were otherwise. My party has never been very fussy about the other place, but I happen to have been a member of the Joint Committee of the Senate and the House of Commons on Consumer Food Prices. To tell the truth, I was far more worried about the intention of the Conservatives on that committee to shaft anything we were attempting to do, than the Senate—much to my surprise.

• (2120)

I think you will have to excuse me when I say that my colleagues and I in this party instinctively sympathize with the underdog. I realize it stretches the imagination to consider the Senate as an underdog, but when I look at this motion and think how ungrateful it is in respect of friends and colleagues, I feel I must say something in an effort to put the matter in perspective. It might be misunderstood if I were simply to abstain or did not vote. Therefore, I prefer to offer an explanation, as a new member of this House who is anxious to learn and avoid making errors.

In fact, those from the other place who served on that committee did a good job. Senator Croll, the chairman of the committee, was far more to the left and far more eager to get things going than, I regret to say, were members of the Conservative party. Maybe they were shocked by the situation and wished to redress the balance. But in the final analysis, the reason the Department of Consumer and Corporate Affairs was established was that the vote of one Senator swung it that way. I do not know whether that is a fair commentary on the Senate or on the Conservative party, but nevertheless that is the way it is.

The reasons advanced in explanation of the amendment are not totally satisfactory to me. I think perhaps my friends to the right have done a cute bit of grandstanding that everybody will see through. I ask those who point the finger at us and say, "Where are your CCF-ers, New Democrats and men of principle?" When they see an opportunity to provide a little embarrassment, "Where is the principle of the Conservative party?" I regret to say that these stalwarts to my right, these hon. gentlemen, have in fact placed statesmanship over principle.

An hon. Member: Shame!

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I should like to make a few brief remarks concerning the amendment moved this afternoon by the hon. member for Northumberland-Durham (Mr. Lawrence). The proposition placed before the House on behalf of the government was moved at about three o'clock by my colleague, the Minister of Consumer and Corporate Affairs (Mr. Gray), recommending that a joint committee of the House of Commons and of the Senate be established to inquire into food prices in Canada.

We proposed that proposition and made that recommendation to the House because we believe, on the basis of experience, that members of the other place could make a contribution to an inquiry of this kind. We were justified in that belief because of the results of the last joint committee inquiry into prices in which Senators, including Senator Croll, made a very important contribution.

Some hon. Members: Hear, hear!

Mr. MacEachen: Probably no person in Canadian public life, other than possibly the hon. member for Vancouver-Kingsway (Mrs. MacInnis), has been more identified with the interests of the consumer than Senator Croll. It was because of this we recommended to the House that the other place join with us in this inquiry. The hon. member for Waterloo (Mr. Saltsman) justified that conclusion, because he admitted quite frankly that the members of the other place did make a contribution. Now simply because 20 minutes later the hon. member for Northumberland-Durham presented an amendment to this House to the effect that we do not want the Senate, we on this side see no reason, either because of his argument or any evidence adduced since, to depart from the proposition put to the House by the Minister of Consumer and Corporate Affairs.

Some hon. Members: Hear, hear!

Mr. MacEachen: I attempted to anticipate what might happen in this House. I must say I was only partly correct in my prediction. I knew there was an amendment to come. I told myself there would be an amendment to delete the participation of the Senate. I expected that amendment to come from members of the New Democratic Party. Imagine my surprise when the hon. member for Northumberland-Durham, attempting to cast himself in the raiment of a radical just fresh from his association with all the financial and industrial interests of Bay Street, asks us to believe him when he says he does not believe the Senate ought to participate in this inquiry.

When the leader of the New Democratic Party stated in Toronto that the Conservative party would vote for the communist manifesto, I thought he was going too far. But I think his criticism was moderate in light of the about-face that was presented to the House today by the hon. member for Northumberland-Durham of the official opposition. We have been charged with accepting stolen goods. Well, this is a great act of theft on the part of the Conservative party from the members of the New Democratic Party. I do not want to go on further in that vein.

The Prime Minister of Canada (Mr. Trudeau) made proposals to the constitutional conference in respect of the Constitution of Canada in which the government proposed that the Senate would continue as an integral part of the Canadian constitution and as part of our parliamentary system. A joint committee of the House of Commons and of the Senate studied the constitution and in its conclusions recommended the continuance of the Senate as part of the essential constitution of Canada. The members of the NDP have never accepted that proposition. Members of the official opposition, I understand, have accepted that proposition and it seems to me it is highly contradictory that in this move they should attempt to deny members of the other place the right to participate in a traditional role which they have performed under our system.

• (2130)

Some hon. Members: Oh, oh!

Mr. MacEachen: We regard this for what it is, a cute little bit of grandstanding, an effort on the part of the official opposition to feel out the contours of the NDP bed. We do not deny them that pleasure for the weekend.

We cannot support this amendment. It is obvious from the speeches which have been made that probably the

Division

amendment will carry, and if it does carry we will accept the consequences.

Some hon. Members: Hear, hear!

Some hon. Members: Resign.

Mr. MacEachen: We will accept the consequences and attempt to make a committee of the House work constructively in this inquiry. I believe, in view of the circumstances in which we operate in this House, that we must become accustomed to the kind of development that is facing us tonight.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Laniel): Order, please. Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Laniel): The question is on the amendment to the main motion. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. Laniel): Call in the members.

The House divided on the amendment (Mr. Lawrence) which was agreed to on the following division:

• (2140)

(*Division No. 4*)

YEAS

Messrs.

Alexander
Alkenbrack
Allard
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Barnett
Bawden
Beattie
(Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Benjamin
Blackburn
Blenkarn
Broadbent
Caouette
(Charlevoix)
Clark
(Rocky Mountain)
Clarke
(Vancouver Quadra)
Coates
Cossitt
Crouse
Danforth
Darling
Dick
Dinsdale
Dionne
Ellis
Epp
Fairweather
Forrestall
Frank
Fraser
Gilbert
Gillies
Gleave
Godin
Grafftey
Grier
Hales
Haliburton
Hamilton
(Swift Current-Maple Creek)
Harding
Hargrave
Harney
Hees
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner
(Battleford-Kindersley)
Howard
Howie
Hueglin
Hurlburt
Jarvis
Jelinek
Kempling
Knight
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Kuntz
Lambert
(Bellechasse)
Laprise
Lawrence
Leggatt
Lewis
MacDonald
(Egmont)
MacDonald (Miss)
MacInnis
(Cape Breton-East Richmond)
MacInnis (Mrs.)
MacKay
MacLean
Macquarrie
Madill
Marshall
Mather
Matte
Mazankowski
McCain
McGrath
McKenzie
McKinley
McKinnon
Mitges
Morgan
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nelson
Nesbitt
Nesdoly
Nielsen
Nowlan
Nystrom
Oberle
O'Connor
Olaussen
Orlikow
O'Sullivan
Paproski
Patterson
Reilly
Reynolds
Roche
Rose
Saltsman
Schellenberger
Schumacher
Scott
Skoreyko
Stackhouse
Stanfield
Stevens
Stewart (Marquette)
Symes
Taylor
Tétrault
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—128.

NAYS

Messrs.

Allmand
Andras
Basford
Béchard
Bégin (Miss)
Blais
Blaker
Blouin
Boulanger
Breau
Buchanan
Caccia
Cafik
Campbell
Caron
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
Demers
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Faulkner
Fleming
Foster
Fox
Gauthier
(Ottawa East)
Gendron
Gillespie
Goyer
Gray
Guay
(St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Herbert
Hopkins
Hymmen
Isabelle
Jerome
Lachance
Lajoie
Lalonde
Lang
Langlois
Laniel
La Salle
Leblanc (Laurier)
Leblanc
(Westmorland-Kent)
Lefebvre
Lessard
L'Heureux
Loiselle
MacDonald
(Cardigan)
MacEachen
MacGuigan
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
McRae
Morin (Mrs.)
Munro
(Hamilton East)
Olivier
Ouellet
Pelletier
(Hochelaga)
Pelletier
(Sherbrooke)
Penner
Portelance
Poulin
Prud'homme
Railton
Reid
Richardson
Rompkey
Rooney
Roy (Timmins)
Roy (Laval)
Sauvé (Mrs.)
Sharp
Smith
(Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stollery
Thomas (Maisonneuve-Rosemont)
Trudel
Turner (London East)
Turner
(Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—102.

Mr. Speaker: I declare the amendment carried. Is the hon. member rising on a point of order?

Mr. Reid: Mr. Speaker, I wonder whether with unanimous consent we might forgo the "late show" this evening, in view of the time.

Mr. Speaker: It is not unanimous consent that is required, it is the consent of the three hon. members whose questions are listed on the adjournment proceedings. I believe there is agreement on the part of the hon. members in question to forgo the pleasure of the adjournment proceedings this evening.

It being long after ten o'clock, I do now leave the chair. This House stands adjourned until eleven o'clock tomorrow morning.

At 10.25 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friray, January 19, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

HOUSING

PROPOSED STUDY BY COMMITTEE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I rise under Standing Order 43 to seek the unanimous consent of the House to move a motion of urgent and pressing necessity. In light of the fact the Urban Development Institute states that the shortage of reasonable cost housing in the urban centres of Canada has reached the proportions of a major social tragedy, I move:

That this House order that a standing committee of this House, known as housing and urban affairs, be set up to study matters which fall under the jursidiction of the Department of Housing and Urban Affairs, due to the fact that in some of the major cities of Canada only 4 per cent of the population can afford to buy a new house because of the outrageous cost and prices of same.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

PUBLIC SERVICE

CLASSIFICATION OF POSITIONS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I would ask leave to present a motion under Standing Order 43, and I hope that before there are automatic noes from the other side hon. members will listen to the reasonableness of my proposal. In view of the fact it would assist in settling the present postal dispute if parliament were to declare itself on the basic issue, I move, seconded by the hon. member for Skeena (Mr. Howard):

That the question of amending the Public Service Staff Relations Act to provide for the classification of positions in the federal public service to be subject to collective bargaining, and particularly to grievance and arbitration, be referred forthwith to the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker: The motion requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

AGRICULTURE

DECLINE IN DAIRY EXPORTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Stan Schellenberger (Wetaskiwin): Mr. Speaker, I ask leave of the House to move a motion under Standing Order 43. The urgent and pressing necessity arises out of the continuing decline in our cheese, butter and other dairy exports to the United Kingdom and other European countries as a result of the expansion of the EEC. Therefore, if consent is given, I would move, seconded by the hon. member for Athabasca (Mr. Yewchuk):

That the Standing Committee of this House on Agriculture be instructed forthwith to examine the methods by which the drastic decline in Canada's dairy exports to Britain and the EEC countries may be halted, the effects of this decline on Canada's farmers and balance of payments position, and the possibility of finding alternative markets for dairy products.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—PROPOSED RUNWAY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to propose a motion of urgent and pressing necessity. The urgency and necessity of my motion arise out of the apparent misunderstanding of the Minister of Transport (Mr. Jamieson) and the Minister of the Environment (Mr. Davis) of the facts, the law and their responsibilities in respect of the expropriation proceedings at Vancouver International Airport.

Because of the fact that the Cora Brown expropriation hearings were not held as the hearing officer resigned and a new hearing officer has to be appointed and a new date set for hearings in the future, I therefore move, with consent, seconded by the hon. member for Edmonton Strathcona (Mr. Roche) that:

This House urges the Minister of Transport and the Minister of the Environment to proceed to Vancouver forthwith, there to meet with the members of the public concerned to discuss the expropriation proceedings and procedures and the environmental impact of the proposed runway.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity so the motion cannot be put.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

GOVERNMENT POSITION RESPECTING IMMEDIATE RELIEF FROM RISING PRICES—UNEMPLOYMENT TARGET FOR 1973

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the right hon. Prime Minister arising out of a statement by the Minister of Finance yesterday that he saw no immediate relief from rising prices. I should like to ask the right hon. gentleman whether that represents the policy and attitude of his government, whether the policy of the government is to accept the inevitability of continued increases in prices, and specifically whether this means that the committee the government proposes to set up in respect of food prices is a charade?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. The words "immediate relief" I take it were spoken by the minister yesterday and they mean exactly that. The government is not on the verge of announcing price and wage controls, but we have stated repeatedly that it is something for which we have made contingency plans and which we are prepared to envisage when the time comes. Perhaps this committee which is to be set up by the House of Commons will indicate to us its views on that timing.

• (1110)

Mr. Stanfield: Mr. Speaker, if the government listens to that committee it will be the first time it has listened to views on economic policy except from its own advisers. In view of the statement made by the Minister of Finance that any suggestion that the jobless rate will remain at about 6 per cent is pessimistic, would the Prime Minister indicate to the House what the government's target is in respect of lowering unemployment during 1973?

Mr. Trudeau: Mr. Speaker, it is usual in the speech on the budget for the Minister of Finance to bring more precision to the kind of statement just quoted by the Leader of the Opposition. Perhaps he would wait until that time to hear it.

[Mr. Reynolds.]

Mr. Stanfield: Mr. Speaker, in view of the Prime Minister's statement, can I have his assurance that in the budget presentation the Minister of Finance will provide the House with a precise statement of the government's objectives with regard to the lowering of unemployment during the year, a precise statement in terms of the percentage that the government hopes and expects to achieve?

Mr. Trudeau: Mr. Speaker, I cannot really say how precise it will be. I believe that the Minister of Finance indicated his view on the importance of statistics the other day in answer to a question by the hon. member for Northumberland-Durham.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my supplementary is addressed to the Prime Minister. A few moments ago in reply to the Leader of the Opposition the Prime Minister said the government would be prepared to introduce price and wage controls when the time comes. Would he advise the House how much higher, in his opinion, inflation would have to rise before that time would come?

Mr. Trudeau: I think our position on that is not dissimilar to that of the Leader of the Opposition who has talked about price and wage controls if necessary, but not necessarily.

Mr. Hees: As the Prime Minister's government is responsible for bringing in such controls when the time does come, does he not think he has a responsibility to advise the country when he thinks inflation will be high enough to justify it?

Mr. Speaker: Order, please. The hon. member for Peace River.

DATE OF FORTHCOMING BUDGET

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in view of the fact the Prime Minister indicated that something hangs upon the budget, would he now indicate exactly when the budget will be presented?

Right Hon. P. E. Trudeau (Prime Minister): I do not remember what I said that hung on the budget—probably the life of the government.

Mr. Stanfield: You did not say that but it is probably true.

Mr. Trudeau: I cannot give an exact date, but the Minister of Finance has discussed dates in cabinet and I feel that very shortly he will be able to make that date public.

Mr. Hellyer: A supplementary question—

Mr. Speaker: Order, please. I will recognize the hon. member for a last supplementary, but I would hope that we would not become involved today in the same situation as yesterday when every frontbencher asked a supplementary at the expense, I suggest, of other hon. members. The hon. member for Trinity may ask a supplementary and then we will go to the hon. member for York South.

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to direct a supplementary question to the Prime Minister. Would the Prime Minister indicate if it is fair to assume from his reply to the House that a 5.1 per cent annual increase in the cost of living index is a rate of inflation which, to quote the words of the Minister of Finance, "does not unduly erode incomes, particularly fixed incomes of Canadians"?

Mr. Trudeau: No, Mr. Speaker; I do not think the hon. member should assume that. The government in recent years obviously has taken budgetary postures which were oriented toward the lowering of the rate of inflation. As has been obvious in our past and present policies, we are not happy with the rate of inflation. What we are saying is that it is not absolutely certain that price and wage controls at this particular time are the best way to stop that rate of inflation.

* * *

UNEMPLOYMENT INSURANCE

AMENDMENTS TO ACT INVOLVING DEFINITION OF "SUITABLE EMPLOYMENT", ETC.—REQUEST FOR TABLING OF DRAFT AND PRESENT REGULATIONS—RECONSIDERATION OF PROPOSALS

Mr. David Lewis (York South): Mr. Speaker, I have one or two questions for the Minister of Manpower and Immigration. In view of the fact the amendments to the Unemployment Insurance Act which he introduced on Wednesday seem to expand the discretion and powers of the Unemployment Insurance Commission with respect to the definition of certain matters now in the act, would the minister undertake to table the draft regulations being prepared to define "suitable employment" and other matters which are intended to go to the commission so that when we reach the debate on the bill we may know exactly what the intentions are?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will take that suggestion into consideration very sympathetically regardless of whether it will be draft regulations or in another form, but I will wish to convey to hon. members what the ideas in the minds of the commissioners are with regard to that part of the amendments because I realize the tremendous importance of the discretionary powers with regard to applicants. I want hon. members to assist in advising us how the matter should be handled.

Mr. Lewis: Mr. Speaker, in view of the fact the interrogation—that is not too strong a word—of unemployment insurance applicants has already tightened the net and made many innocent unemployed people extremely unhappy, as well as having delayed the obtaining of benefits, has this been done as a result of the changing of rules and regulations and, if so, would the minister table those rules, regulations or directives that may have gone out from the Unemployment Insurance Commission to field officers, or any other information that would help us to know the basis on which action has so far been taken?

Mr. Andras: I wonder if the hon. member would permit me to take that question as notice, examine it in all its implications and get back to him.

Mr. Lewis: In view of the fact that information was given to the Miscellaneous Estimates Committee yesterday and other information has been published that the number of people who abused the old regulations is, relatively, a very small proportion of the total, and in view of the fact that the proposals in Bill C-125 threaten the welfare of all the unemployed and propose powers for the employer that might have serious consequences for workers, may I ask the minister whether he and his advisers would reconsider some of the proposals now contained in Bill C-125 instead of proposing Draconian measures that would undoubtedly hurt many innocent people?

Mr. Andras: Mr. Speaker, I would much prefer to have that whole subject matter debated thoroughly. I would hope that the hon. member's interpretation is based on too quick an analysis of the measures that we are proposing in the amendments to the act. I do not think that at this stage I would be prepared to commit myself to withdrawing them.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Bellechasse. I see four or five frontbenchers who have supplementary questions on this matter and I will recognize them subsequently.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—ACCELERATION OF STUDY OF PROJECTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

In view of the acute unemployment problem and the fact that the government has invited the people to take an active part in the LIP projects, will the minister take the necessary steps to speed up the study of projects submitted so that they might be implemented as soon as possible?

• (1120)

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I have already tried to reply to similar questions by many hon. members. I can advise the hon. member that we are now committed to $135 million of the total allocation of $165 million. I might also mention my favourite program's progress. The on-the-job training program is only subscribed to the extent of just under $13 million and there is a $50 million allocation for that, approvals for which we would like to see accelerated.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I should like to ask a supplementary.

In view of the figures the minister has just given us, I shall be more specific in my question. I know the figures that have been published but I would like to ask whether the department staff could not work more diligently that an answer might be given more quickly with regard to projects submitted and that they might be implemented as quickly as possible?

[*English*]

Mr. Andras: Mr. Speaker, I think this is a matter of opinion. It is certainly our desire to proceed with the implementation of the projects as quickly as possible and provide our advice of approval to sponsors of projects. In my opinion, under the circumstances the progress made to date compares favourably with last year.

* * *

UNEMPLOYMENT INSURANCE

DISCUSSION OF PROPOSED AMENDMENTS TO ACT WITH PROVINCES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. In view of the far-reaching social effects of the minister's proposed amendments, particularly when he says there will be a saving of $100 million, did he, in keeping with the practice of his predecessor, have any discussions with his provincial counterparts regarding the amendments he has now introduced in Bill C-125?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, that consultation has not taken place yet but it is being considered.

Mr. Alexander: In view of the fact there has been some concern about one of the expressions in the bill, which was not in the act, namely, "without just cause", has the minister had an opportunity during the past year to come up with a definition of that phrase by way of regulation, and will this be made available to the committee for its consideration?

Mr. Andras: Mr. Speaker, the answer to that is yes, and there is jurisprudence in this matter. I might add with regard to the application of that particular amendment that the wording is not different from what is in the present act. The real change is in the degree of postponement of benefits.

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—ALLEGED DELAY IN CONSIDERING APPLICATIONS FROM BRITISH COLUMBIA

Mr. Frank Howard (Skeena): Mr. Speaker, I would like to ask a question supplementary to that asked by the hon. member for Bellechasse. Can the Minister of Manpower and Immigration tell the House why it was in British Columbia that his department ordered the postponement of applications from municipalities?

[Mr. Lambert (Bellechasse).]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the first approvals for municipal projects under the local initiatives program in British Columbia were granted on December 14. In all fairness I might add that I have requested people on my staff to contact the hon. member for details, which I have not been able to get. I would certainly react if I could get the specifics of his concern.

* * *

HOUSING

FEDERAL-PROVINCIAL CONFERENCE—REQUEST FOR TABLING OF AGENDA—PARTICIPATION BY MUNICIPAL REPRESENTATIVES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I wish to direct a question to the Minister of State for Urban Affairs in reference to the tri-level national housing conference that is going to be held on Monday. In light of the fact the Canadian Federation of Mayors and Municipalities are very disappointed that they will not be able to participate, may I ask the minister whether the agenda has been agreed to by him and the provinces, and would he be prepared to file that agenda today? While he is on his feet, will he also tell us whether or not mayors and other municipal representatives will be able to participate in the conference and not just be there as observers?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, I hope to publish the agenda today. I certainly hope it will be such as to allow all provinces and all participants to put forward whatever points of view they wish. One province has for the moment expressed a reservation about one item on the agenda, and I would like to clear that up before the agenda is published. If it is not made available today then this will certainly be done on Monday. I reiterate my hope that the agenda is so structured as to allow all points of view to be fully expressed.

With regard to the question of municipal representatives, I have expressed the hope in letters as far back as last September that provincial delegations would include municipal representatives. I think that was the proper position for me to take, and I would strongly urge the provinces to do that. I would also hope, and I will be proposing on Monday, that for the future there be a different system for the inclusion of municipal representatives. I refer hon. members to my speech of January 11th when I indicated—

Mr. Speaker: Order, please.

Mr. Hees: There is just so much we can take.

FEDERAL-PROVINCIAL CONFERENCE—REQUEST THAT MEMBERS OF CONSERVATIVE HOUSING COMMITTEE BE ALLOWED TO ATTEND AS OBSERVERS

Mr. Dan McKenzie (Winnipeg South Centre): A supplementary question, Mr. Speaker. In light of the importance of the federal-provincial housing conference to be held on Monday and Tuesday, will the minister make the neces-

sary arrangements for members of the Progressive Conservative housing committee to attend as observers?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, the conference is a conference between governments and hon. members opposite are not the government.

An hon. Member: Not yet.

FEDERAL-PROVINCIAL CONFERENCE—STAFF INVOLVED IN MAKING PREPARATIONS

Mr. Sinclair Stevens (York-Simcoe): A supplementary question, Mr. Speaker. In view of the well known rivalry between officials in your ministry and officials of Central Mortgage and Housing Corporation—

Mr. Speaker: Order, please.

Mr. Stevens: —would the minister—

Mr. Speaker: Order, please. Would the hon. member please resume his seat. Questions should be directed to the Chair. Hon. members should not put questions to a minister directly but should address themselves to the Chair. I make this remark for the benefit of all hon. members. Perhaps we should keep that in mind when posing questions.

Mr. Stevens: Would the minister inform the House whether he has relied mainly upon the staff of his own ministry or upon the staff of Central Mortgage and Housing Corporation in making preparations for the forthcoming conference?

Mr. Speaker: Order, please. I doubt that such a question can be asked at this time. This is debate, and I have serious doubts. We could go on for a long time with questions of this kind.

POSSIBLE REGIONAL TRI-LEVEL CONFERENCES—PAYMENT OF COST

Mr. John Harney (Scarborough West): I have a supplementary question for the minister, Mr. Speaker, concerning the matter of tri-level conferences. We are now talking about a conference which ought properly to be a tri-level one. Can the minister inform the House whether the first large tri-level conference held last fall, which was supposed to act as a kind of broody hen for further regional tri-level conferences, has indeed brought forth this kind of issue? Are such conferences now planned, if so, how many, and does the government propose to help support the cost of these conferences?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, for the conference held in Toronto the government bore and for future ones will bear a very substantial portion of the cost. I will be attending a planning meeting in Halifax in two weeks time to organize a second national tri-level meeting. I have had discussions in Toronto with the former provincial treasurer, Mr. MacNaughton, about plans for an Ontario regional tri-level conference, but to date that is the only province which has indicated a desire to hold such a regional conference. I stand ready to participate in the organization of conferences in the other four regions.

FEDERAL-PROVINCIAL CONFERENCE—AVAILABILITY OF PROPOSED AMENDMENTS TO ACT TO PROVINCIAL REPRESENTATIVES

Mr. Ron Atkey (St. Paul's): Mr. Speaker, I have a supplementary question. Has the minister made available, or will he do so before next Monday's federal-provincial conference on housing, to provincial government representatives his proposed amendments to the National Housing Act and the mortgage financing legislation?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, an outline of the proposals will be given to provincial delegates. This will not be the precise bill because parliament would be entitled to the bill first, but the proposals that the government will be putting forward—

Mr. Speaker: Order, please.

PURCHASE OF LAND TO ESTABLISH LAND BANKS

Mr. Don Blenkarn (Peel South): I have a supplementary question for the same minister, Mr. Speaker. In view of the fact the lack of serviced land is clearly at the root of the housing problem and in view of the fact the minister has appropriated $500 million over five years—and I was going to say that is supposed to be a drop in the bucket but maybe it is only a fifth of a drop—

Mr. Speaker: Order, please. Would the hon. member ask the question?

Mr. Blenkarn: Will the minister advise the House to which city of or cities in Canada he will be allocating this $100 million per annum?

Mr. Speaker: Order, please. Again, I have doubts about a question such as this. I have noticed that some of the answers given by the minister have been rather long but perhaps they have had to be in light of the questions that have been asked. If the minister replied to a question such as this one I think he would be giving a statement which normally ought to be made on motions. The hon. member might like to rephrase the question.

• (1130)

Mr. Blenkarn: Mr. Speaker, will the government be buying land in and around metropolitan Toronto, land that the hon. member for York South has said is owned by large corporations, sometimes referred to as "bums".

Some hon. Members: Oh, oh!

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, we will be allocating very substantial increases in funds for land assembly and new communities. The location of the land to be purchased is a matter for consultation in a co-operative way with provincial and local governments.

Mr. Woolliams: Everybody knows that $100 million will not buy a land bank in Toronto.

* * *

POST OFFICE

DISPUTE WITH WORKERS—EXAMINATION OF ISSUES BY CONCILIATION BOARD CHAIRMAN

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I direct a question to the Postmaster General. Can the minister tell us whether the chairman of the conciliation board is now in Ottawa examining the questions which are in dispute between the government and the unions and whether any progress has been made?

[*Translation*]

Hon. André Ouellet (Postmaster General): Yes, Mr. Speaker, he is now studying the question and we expect an answer over the weekend.

[*English*]

DISPUTE WITH WORKERS—SUGGESTION THAT PRIME MINISTER TAKE ACTION TO ACHIEVE EARLY AGREEMENT

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my supplementary question is directed to the Prime Minister. Now that the Postmaster General has committed the government to accepting the report of the conciliation board without amendments and in view of the positive vote of the postal workers on the same report, will the right hon. gentleman use his good offices to urge the President of the Treasury Board to instruct the negotiating team to reach early agreement on the matter, thus ending the present charade, so that the sorely tried Canadian public might be assured of at least a semblance of postal service?

Mr. Speaker: Order, please. The Prime Minister might answer the question, although I have some doubts as to the terms in which it was framed.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I discussed this matter this morning with the Postmaster General. I feel that the good offices of both ministers are being used.

DISPUTE WITH WORKERS—STEPS TO GET PARTIES TO RESUME NEGOTIATIONS

Mr. James A. McGrath (St. John's East): I have a supplementary question for the Postmaster General, Mr. Speaker. Now that Mr. Shime is back on the job, is the minister prepared to take whatever steps are necessary, including showing a more reasonable attitude, in order to get the parties back to the negotiating table so that we can be assured that there will be no further disruptions in postal service in Canada?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, I have been informed that Vancouver employees voted in favour of returning to work and have in fact already done so. I have also been informed that several employees want to do likewise in the Toronto area.

I believe union representatives should follow the example of their members and return to the negotiation table to sign a contract that we are also ready to sign.

* * *

[*English*]

PUBLIC SERVICE

SUGGESTED EARLY INTRODUCTION OF AMENDMENTS TO STAFF RELATIONS ACT AND REFERENCE TO COMMITTEE

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to direct a question to the Prime Minister. Would he not again consider using his good offices to urge upon his colleagues, particularly the government House leader, a change in attitude with respect to the priority they attach to amendments to the Public Service Staff Relations Act, so that they might be referred to the appropriate standing committee with a view to removing some of the difficulties that seem to arise in negotiations between the government and its various departments?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the matter of the order in which House business proceeds is discussed frequently by the leader of the House and myself. I will get in touch with him on this and other matters.

* * *

[*Translation*]

PUBLIC WORKS

EROSION ON ST. LAWRENCE RIVER—REQUEST TO MODIFY STANDARDS FOR CONSTRUCTION OF RETAINING WALLS

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I have a question for the Minister of Public Works.

Is the minister considering a change in the standards governing retaining walls along the banks of the St. Lawrence river?

Hon. Jean-Eudes Dubé (Minister of Public Works): No, Mr. Speaker, it is not the government's present policy to change the standards as they are quite clear. When erosion is caused either by shipping or by the carrying out of federal works, the federal government is responsible. However, in the case of erosion due to natural causes, the owner himself has to repair his property.

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question. Does the department consider building, in the near future, a retaining wall on the north shore of the St. Lawrence?

Mr. Speaker: This question could be put on the order paper. If the hon. member feels that there is some urgency, it could be discussed at the time of adjournment.

UNEMPLOYMENT INSURANCE

PROTESTS RESPECTING PROPOSED AMENDMENTS TO ACT

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

Has he received protests from Canadian union leaders against the amendments to the unemployment insurance legislation proposed by the government?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Not yet, Mr. Speaker.

* * *

FISHERIES

BAN ON WHALING—CLOSING OF NOVA SCOTIA PLANT—COMPENSATION TO OWNERS AND EMPLOYEES—ESTABLISHMENT OF NEW INDUSTRY

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of the Environment. Since some 67 per cent of the production of the Blandford, Nova Scotia, whaling plant was sold for human consumption and the closing down of this industry places some one hundred shore employees plus ships' crews out of employment, is it the government's intention to establish a new industry in this area to take care of this unemployment, and will compensation be paid to the owners of the whaling plant and its employees?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, we are looking into measures of the nature of adjustment assistance to help the owners of the property and also to assist the employees to find alternative occupations.

REQUEST FOR COMPENSATION TO FISHERMEN BECAUSE OF DECLINE IN TOTAL CATCH

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Fisheries. It is more a related than a supplementary question. In view of the 25 per cent decline in the total fish catch in the Atlantic provinces and in view of what appear to be very serious ice conditions this year which will further reduce the catch, what steps is the minister taking to compensate the fishermen who will suffer severe financial loss as a result of these two factors?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I am happy to report that the total income of fishermen on the east coast is up appreciably; it is up by 10 per cent over that of last year.

Mr. McGrath: You will not get anywhere with that kind of flippant answer, Jack.

Mr. Speaker: Order, please. I believe the hon. member for Provencher has a supplementary to a previous question.

MANPOWER

ON-THE-JOB TRAINING PROGRAM—REASONS FOR LACK OF APPLICATIONS

Mr. Jake Epp (Provencher): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration. The minister mentioned yesterday in the House, as well as today, that he was concerned that the department is not receiving an adequate number of applications for on-the-job training. Has the minister checked with officials in his department as to what might be some of the possible reasons for the lack of applications?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, we are having those discussions.

Mr. Epp: Would the minister please check whether or not officials from his department are asking businessmen and small businesses in rural areas questions which simply force these businessmen to opt out of the program because of the types of questions that are being asked?

Mr. Speaker: The hon. member for Sarnia-Lambton.

* * *

TRANSPORT

REQUEST FOR ASSURANCE THAT USE OF PILOTS IN OPEN WATERS ON GREAT LAKES WILL NOT BE ELIMINATED

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, the act of rising today gives me more exercise than I have had in three weeks. I have a question for the Minister of Transport. As foreign vessels using the Great Lakes often carry cargoes which are potentially dangerous pollutants, in view of the danger of collisions or groundings will the minister assure the House and the country that the use of pilots in the open waters of the Great Lakes will not be eliminated?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, there is no question for the time being of eliminating the pilots.

* * *

COMMUNICATIONS

BELL CANADA—REQUEST FOR INVESTIGATION OF PROMOTION BY COMPANY OF INSTALLATION OF EXTENSION TELEPHONES

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, I have a question to direct to the Minister of Consumer and Corporate Affairs. As Bell Canada's November, 1972, campaign for the installation of additional telephone extensions free of charge will result in a number of exchanges being placed in more expensive monthly rate brackets, and as Bell customers were at no time advised that such action could result, has the minister considered undertaking an investigation under section 37 of the Com-

bines Investigation Act dealing with misleading advertising?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I will have the officials of the department look into the matter.

Mr. Grier: Will the minister consider making a statement on motions within the next day or so?

Mr. Gray: I will be happy to see what information I can provide to the hon. member on this matter.

* * *

AIRPORTS

MOUNT HOPE, ONTARIO—RECONSIDERATION OF EXPANSION PLANS

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, I wish to direct a question to the Minister of Transport. Last week I had the pleasure of asking the minister whether the government was reconsidering its plans for the expansion of Mount Hope airport and the minister provided me with an interesting reply relating to Pickering airport. In keeping with the generous and congenial attitude of the official opposition I shall now assume that the minister knows the location of Mount Hope airport and ask him whether the government has decided to cancel its plans for expansion of that airport?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, we do not intend to cancel the expansion of Mount Hope airport. I think that construction is supposed to start some time in the spring. In the meantime we are ready to receive suggestions or recommendations from interested parties. I would like to know whether the hon. member has any opinion on this matter.

• (1140)

Mr. O'Sullivan: Can the minister inform the House whether his willingness to receive suggestions includes the holding of public hearings?

Some hon. Members: Hear, hear!

Mr. Marchand (Langelier): Mr. Speaker, before resorting to public hearings I might be interested—

Some hon. Members: Oh, oh!

An hon. Member: What do you mean, resorting?

Mr. Crouse: Have you never heard of the grass roots?

Mr. Marchand (Langelier): Mr. Speaker, we might first have the opinions of Members of Parliament who contend that they have been elected by the people, so if the hon. member for Hamilton-Wentworth—

Mr. Speaker: Order, please.

Some hon. Members: Oh, oh!

[Mr. Grier.]

Mr. Speaker: Order, please. May we have order please. The hon. member for Lethbridge has caught the Speaker's eye.

* * *

ROYAL VISIT

REQUEST THAT PRIME MINISTER RECOMMEND THAT THE QUEEN INCLUDE FORT MACLEOD IN ITINERARY

Mr. Ken Hurlburt (Lethbridge): Thank you, Mr. Speaker. I really appreciate that. My red jacket is no reflection on Your Honour's capability as Speaker. It is because of your statement regarding supplementaries that I am now on my feet. I wish to address this question to the Prime Minister in the name of the people of the first home of the Northwest Mounted Police in Alberta. As both the RCMP and Fort MacLeod are celebrating their centenaries starting in June of this year, and as Her Majesty will be here during the time the musical ride will be performed in Fort MacLeod, will the Prime Minister recommend to Her Majesty the Queen that she seriously consider placing Fort MacLeod on her itinerary?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, hon. members will realize that Her Majesty's schedule in Canada was established for a set number of days quite a few months ago. I think it is good that she has accepted to spend two days in the west, one in Alberta and one in Saskatchewan, to associate herself with the centennial of the RCMP. As to Her Majesty's exact movements in those provinces, I will gladly transmit the hon. member's suggestion to her. However, hon. members will have to realize that she cannot be everywhere in that one day. The hon. member will also realize that there are representations made on behalf of the premier of that province that she be elsewhere than Fort MacLeod on that day. I will transmit this suggestion to the Palace to see if it can be included in her schedule.

Mr. Hurlburt: Mr. Speaker, I wish to remind the Prime Minister that Fort MacLeod was established in 1874 and Calgary was established in 1875.

Some hon. Members: Hear, hear!

* * *

ENVIRONMENTAL AFFAIRS

ALLEGED DISPOSAL OF OLD BARGES BY PUBLIC WORKS DEPARTMENT IN LAKE OKANAGAN—GOVERNMENT POLICY

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of the Environment. Can the minister inform the House whether it is now government policy, on behalf of the environment, to bury all old barges and other refuse in beautiful Lake Okanagan?

Mr. Speaker: Order, please. A question asked in those terms cannot be in order. The hon. member may wish to rephrase his question.

Mr. Reynolds: Thank you, Mr. Speaker. I will address this question to the Minister of Public Works. Did the Department of Public Works in fact bury three old barges in beautiful Lake Okanagan in late November, 1972?

Mr. Speaker: Order, please. That question should be placed on the order paper.

[*Later:*]

Mr. John A. Fraser (Vancouver South): Mr.Speaker, my question is for the Minister of the Environment. Earlier there was reference to three derelict barges having been sunk in Lake Okanagan in November. Before this method of disposal was decided upon, was there any consultation with the Department of the Environment? If so, did it receive the approval of the Department of the Environment?

Mr. Speaker: Order, please. As we are dealing with something that happened a few months ago, that type of question normally ought to be placed on the order paper. If there is urgency, it can be considered at the time of adjournment.

* * *

AGRICULTURE

DEVELOPMENT OF NEW GUIDELINES FOR TRANSPORTATION OF LIVESTOCK THROUGH COMMITTEE STUDY—REMOVAL OF CONTROL FROM CRIMINAL CODE

Mr. R. E. McKinley (Huron): Mr. Speaker, my question is for the Minister of Agriculture. Can the minister say whether there will be a special committee established to develop new guidelines for the safe, efficient transportation of livestock, particularly feeder cattle, and will legislation be presented to regulate this through the Department of Agriculture and remove it from the Criminal Code?

Hon. E. F. Whelan (Minister of Agriculture): That is under study at present, Mr. Speaker.

Mr. McKinley: Mr. Speaker, I wish to direct a supplementary question to the Minister of Justice. Can the minister assure the House that the procedures followed in shipping cattle in 1972 will again be allowed in 1973 until new guidelines are established?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, until the legislation is changed the rules which have been in effect will remain in effect. As the Minister of Agriculture indicated, we are seriously looking at the question of the rules. We now have a report from a committee which we established to look at both the economics of the situation and the humane elements involved. These recommendations will soon emerge in the form of recommendations to the House.

FISHERIES

FRESHWATER FISH MARKETING CORPORATION—INVESTIGATION BY STANDING COMMITTEE OF OPERATIONS AND DISMISSAL OF EMPLOYEES

Mr. Doug Rowland (Selkirk): Mr. Speaker, I wish to direct a question to the Minister of Fisheries. In light of recent events associated with the Freshwater Fish Marketing Corporation, including the resignation and dismissal of a large number of the senior staff and the unfavourable profit and loss picture of that corporation, does the minister intend to refer the matter of the administration and operation of that corporation to the Standing Committee on Fisheries and Forestry for investigation and report?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, the answer is yes. As hon. members know, we have encountered management problems in that joint federal-provincial crown company's operations. This matter must be referred to the committee because of the financial losses involved.

* * *

[*Translation*]

CANADIAN CULTURE

POLICY RESPECTING ARTS COUNCIL OBLIGATIONS

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put a question to the Secretary of State.

Can he tell us what is his department's policy on the securities of the Arts Council?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the Secretary of State was called out of the House on an urgent matter. He will be back shortly. I will bring this matter to his attention.

* * *

FISHERIES

CONSTRUCTION ON WEST COAST OF VESSELS FOR SERVICE IN THAT AREA

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, my question is for the Minister of Fisheries. It concerns additional fishing patrol vessels. In answer to the question, does this mean more work for Vancouver and Victoria shipbuilders, the minister stated over CJVI in Victoria on January 11 that certainly vessels to be operated on the west coast would be built on the west coast. In view of this, does the minister now wish to amend or correct the answer he gave to my question on January 17?

Hon. Jack Davis (Minister of Fisheries): In no way, Mr. Speaker.

Mr. Speaker: The hon. member for Esquimalt-Saanich.

Oral Questions

EXTERNAL AFFAIRS

VIET NAM—PROPOSED PEACEKEEPING FORCE—NATURE OF CANADIAN ELEMENT

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, before addressing my question to the Minister of National Defence I wish to thank you on behalf of those who sit at the back, whether we wear scarlet jackets or not.

Some hon. Members: Hear, hear!

Mr. Munro (Esquimalt-Saanich): Can the Minister of National Defence inform the House whether the group that, according to information provided to the House within the past few days, is being prepared for a possible hasty departure to Viet Nam was formed as a result of voluntary option or selected by nomination from which there was no appeal? In other words, is it a volunteer or draft force?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I have already indicated to the House that there are a number of contingency plans depending upon our requirements. All of those who would be going to Viet Nam, if the government should decide that is what they should do, would be going as volunteers.

Mr. Munro (Esquimalt-Saanich): Will the minister then inform us if it is true, as I have heard, that discharges—

Mr. Speaker: Order, please. The question cannot be asked in those terms. The hon. member cannot ask the minister to clarify a statement made outside the House.

* * *

VETERANS AFFAIRS

WAR VETERANS ALLOWANCES—REQUEST THAT ACT OR REGULATIONS BE AMENDED TO ENSURE THAT PROMISED OLD AGE PENSION INCREASE NOT DEDUCTED

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct my question to the Minister of Veterans Affairs. Is the minister giving consideration to an amendment to the War Veterans Allowance Act or to the regulations under that act to make sure that when there is the promised substantial increase in the old age pension this will not be subtracted from the war veterans allowance but will result in an actual addition to the income of our war veterans?

• (1150)

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in answer to the hon. member, may I say that this question is now under study in the department.

[Mr. Speaker.]

ROYAL CANADIAN MOUNTED POLICE

REQUEST FOR IMMEDIATE REINSTATEMENT OF FULL NAME ON "K" DIVISION HEADQUARTERS BUILDING, EDMONTON

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, my question arises out of the previous reference to the RCMP and is directed to the Solicitor General. Bearing in mind the strong reaction throughout western Canada against changing the designation of the Royal Canadian Mounted Police, will the minister order the immediate reinstatement of the RCMP name in a size big enough to be seen on "K" division headquarters in Edmonton, which only yesterday reported having received no directive yet?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I should point out that there was never any intention to change the name of the Royal Canadian Mounted Police.

Some hon. Members: Oh, oh!

Mr. Allmand: Certainly I have no intention of changing the name. With respect to the signs on buildings, the RCMP is now consulting with the Attorneys General of the different provinces where the RCMP act as provincial police to see what kind of sign is most suitable in the provinces. As soon as those consultations are concluded the new sign will be installed.

Mr. Roche: Will the minister bear in mind that the prolonged delay in restoring the full designation of the RCMP is a continuing source of public friction and concern in this centennial year of the RCMP?

Mr. Speaker: Order, please. That is a representation or debate and I do not think the matter should be pursued.

Mr. Munro (Esquimalt-Saanich): A supplementary, Mr. Speaker—

Mr. Speaker: Orders of the day. I regret having to call orders of the day. I appreciate that a number of members have supplementaries either to this question or to others. I will try particularly to give priority in the next question period to the hon. member for Esquimalt-Saanich and others.

[*Translation*]

Mr. Roy (Timmins): Mr. Speaker, I would like to rise on a question of privilege.

Mr. Speaker: Is the hon. member rising on a question of privilege?

Mr. Roy (Timmins): Yes, Mr. Speaker. Since the beginning of the session, the French-speaking members have had a hard time obtaining their copies of *Hansard* before the beginning of the sitting. I would ask you to be kind enough to see that French copies of *Hansard* are distributed before the beginning of the sitting.

Mr. Speaker: The hon. member will realize that since the opening of parliament, especially when the sittings began at eleven o'clock, it was difficult to obtain a translation for ten or eleven o'clock. From now on, as in the past, the

French and English versions of *Hansard* will be available very early the next day.

[*English*]

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL COMMITTEE OF THE HOUSE

The House resumed, from Thursday, January 18, consideration of the motion of Mr. Gray:

That a special committee of this House be appointed to inquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends;

That 20 members of the House of Commons to be designated by the House at a later date be the members of the Special Committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary.

Mr. Baldwin: Mr. Speaker, on a point of order, in view of the fact that last night the House decided this committee might well be composed only of members of the House of Commons, perhaps we could facilitate the commencement of the proceedings of the committee and, through the usual channels before too long a time has elapsed, add by mutual arrangement an amendment to the motion setting out who will be the members on the committee. I raise this point now in the hope that members of all parties, through the usual channels, might have this kind of discussion, instead of having to come back with a further motion respecting those members who will be asked to sit on the committee.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wonder whether I might say a word on the same point of order. We would be quite glad to participate in such discussions so that the names of the members can be added to the motion, avoiding the necessity for another motion being made later. I wonder whether those discussions could also include the number of members on the committee. I do not wish to upstage the suggestion of the Progressive Conservatives for a committee of 19, but I should like to suggest that the number be 28 or 30, now that there are no Senators on the committee. This would give better representation to all parties in the House. However, I am merely suggesting that this matter be included in the discussions suggested by the Progressive Conservative House leader.

Mr. Speaker: As I understand the suggestions that have been made by the hon. member for Peace River and the hon. member for Winnipeg North Centre, there will be discussions to consider certain aspects of the motion before the House. I assume that these discussions will take place, but for the time being we will proceed with consideration of the motion before us.

• (1200)

Mr. James A. McGrath (St. John's East): Mr. Speaker, the motion before the House today is very similar to a motion placed on the order paper by the government in 1966 calling for the setting up at that time of a joint committee of the Senate and House of Commons. I listened with great interest to the speech by the Minister of Consumer and Corporate Affairs (Mr. Gray) in leading off the debate, but I am sorry to say that I found nothing new in what he had to say. His remarks were very similar to the speech made by the government representative in 1966 when a similar motion was introduced.

I was impressed, however, with the very excellent speech by the hon. member for Northumberland-Durham (Mr. Lawrence), and I might say that as a consequence of his intervention we now have before us a much more workable proposition, which hopefully will end up in the establishment of a much more workable committee. I listened as well with great interest, as I always try to do, to the speech by the hon. member for Vancouver-Kingsway (Mrs. MacInnis). She has established herself in this House as an articulate and dedicated spokesman on consumer affairs. Hon. members of the government would do well to pay more attention to the remarks of the hon. member for Vancouver-Kingsway.

As I have said, this is not the first time that we have had a proposition like this put before us. I have already referred to the joint Senate and House of Commons committee set up in 1966 on April 21. This committee was given terms of reference almost identical to those we have before us today. Indeed, the terms of reference were identical to those of the committee that the government proposed to set up before the amendment placed before the House by the hon. member for Northumberland-Durham was accepted last night.

It is interesting to look at the workings of that 1966 committee. As I say, it was set up in April of 1966. Its terms of reference were changed from the original consumer credit study to enable the committee to look into food prices. It submitted what was termed a progress report, which was in fact its final report, on April 25, 1967. The committee met on 59 different occasions in the city of Ottawa between September 28, 1966 and February 1967. In addition, the committee was constituted into two subcommittees in order to facilitate its work. It went across the country holding public hearings in 12 of the principal cities of Canada and the major recommendation to come out of that committee, as is a matter of record, was the establishment of the department of consumer affairs.

We then had the Senate committee on poverty which also did excellent work. It was set up on November 26, 1968 and submitted its report in the fall of 1970. This was a study of poverty in Canada, but anybody who has read the report and followed the deliberations of that committee will know it had to concern itself with the general

proposition of the cost of food as it related to poverty in Canada. The two are interrelated.

Going back to 1966, we saw the establishment of a royal commission by the governments of the three prairie provinces to look into food prices. This committee, after exhaustive studies, issued its report in March, 1968. It, too, is a matter of record. About the same time a royal commission was at work in my own province of Newfoundland, again examining the high cost of living and the cost of food. Then, there was another senate committee study, undertaken by the Senate Committee on Finance. It was empowered by the other place to look into the problems of growth, employment and price stability. The report of that committee is now a matter of record and it contains certain precise recommendations in line with its terms of reference.

Of course, we cannot forget for a moment the late and unlamented Prices and Incomes Commission which was established by the present government as a move to hold the line on inflation. We hear little now about the Prices and Incomes Commission and one wonders what happened to the very substantial organization which was put together as a result of the establishment of that commission. I understand that some parts of this organization are still in existence within the government structure. Perhaps the services of those parts may be very usefully called upon to assist this committee when it embarks upon its study.

I refer to the establishment of these committees and commissions to underline my central point, and that is the advisability of another study at this particular time. Here again I refer and defer to my colleague, the hon. member for Northumberland-Durham, although in doing so I have very serious reservations about just exactly what this committee of the House can hope to achieve, especially in light of the statement which was made by the Minister of Finance (Mr. Turner) yesterday at the Federal-Provincial Conference simultaneous to the debate in this House on the setting up of this committee. The minister referred to the fact that he could see no improvement in the general situation so far as increases in food prices in Canada were concerned.

That utterance by the Minister of Finance was well stated today by the Leader of the Opposition (Mr. Stanfield) and leads us to question the motivation of the government in setting up this committee. If the government hopes to be able to sweep the problem under the carpet or have it pigeon-holed in that place where all similar committee studies, reports and recommendations are placed, then it does not have a full appreciation of the constitution of this parliament.

The House of Commons and the members of this place are not prepared, notwithstanding what the Minister of Finance may have had to say yesterday, to see this matter become the subject of pigeon-holding, or to see the deliberations of this committee swept under the carpet. Neither are the members of this House, if I may say so, prepared to see a situation similar to that which we had in 1966 when the committee of the Senate and the House of Commons was set up. I do not think the members of this House are prepared to support what could very well turn out to be, if the government has its way, one big junket across the country for the members of this House. I do not think the members of this House are prepared for that, and neither, if I may say so, are the people of the country prepared to accept it.

There is sufficient data and there have been sufficient studies made, and I think one of the principal objectives of this committee should be to compile the principal recommendations of all of the committees to which I have just referred, because even though they may have been set up a few years ago, their findings and recommendations are still very relevant to the present situation we have in Canada. This is a serious problem, one that is far too serious to be swept under the carpet or to be pigeonholed after a long study by a Commons committee. This is serious because the people of Canada who are suffering the most today from inflation and from an increase in the cost of living are those on lower incomes, on middle incomes and those on fixed incomes; the poor, the working poor and our old age pensioners. We cannot afford to let too much time go by without addressing ourselves to this most serious problem facing our country today.

I happen to come from a province which enjoys the rather dubious distinction of having the highest per capita cost of living in the country and the lowest per capita income in the country. What has happened since this government came into office? About two years ago, we saw the government move to freeze freight rates. The consequence of their failure to do so has been nine increases in freight rates in two years. Every time the railways increase their freight rates, there is a concomitant increase in the cost of living, because an increase in freight rates must be passed on to the consumer who must ultimately pay the cost. Notwithstanding repeated pleas to the government to place an immediate freeze on freight rates, we are on the threshold of having further increases in freight rates. These increases are contributing to the high cost of living we have in the Atlantic provinces and all across Canada, for that matter. They are contributing substantially to the hardships we are imposing upon the poor, those on lower incomes and those on fixed incomes.

While I was encouraged by the reference in the Speech from the Throne to a conference the government proposes to convene with the five regions of the country and their provincial governments, on the whole area of freight rates and the influence freight rates have on the cost of living, I believe the problem is serious enough for the government to take steps now to bring a measure before this House which would place an immediate freeze on freight rates. In that way, the government would be demonstrating its good will and the fact that it is genuinely concerned about this matter. With the constitution of this parliament, who knows how long it will be before such a conference, badly needed as it is, can in fact take place?

Therefore, because of the urgency of the matter, because this is a serious situation, because it has been the subject of parliamentary committee studies before, because it has been the subject of study by royal commissions across the country and by provincial commissions, and in fact because we feel the matter has been studied sufficiently and is an urgent one, and in order to ensure that the committee will conduct itself in light of the urgen-

cy of the situation and report promptly to the House, I propose to place an amendment before the House.

I move, therefore, Mr. Speaker, seconded by the hon. member for Trinity (Mr. Hellyer):

That the motion be amended by inserting therein, next after the third paragraph thereof, the following:

"That the said committee shall make its final report and recommendations within the three months next following its appointment."

• (1210)

[*Translation*]

Mr. John Harney (Scarborough West): Mr. Speaker, since this is the first time I rise in this House other than at the oral questions period, I should like, first of all, to congratulate you and your Deputy (Mr. McCleave) on your appointment to your respective posts.

[*English*]

Mr. Speaker, since yesterday I have been listening to the various remarks which have been made on the matter of the special committee of the House on food prices. I have been trying to thread my way through the rather tortuous logic. I could assume that the tortuous logic came from all quarters of the House, but we have had a very good sample of it from the benches immediately to my right. On the one hand, I hear that this is a matter of a crisis and a matter of enormous urgency. Precedents have been cited to the effect that there have been many studies made on the matter of food prices by this House, the other place and by the two places combined. This also leads me to believe the whole matter of food prices is an extremely complex and difficult one, that we really cannot study the whole matter of the rise in food prices within a very short time and make any real analysis of what causes this part of our economy go off kilter every once in a while or, as most housewives would indicate, go off kilter most of the time.

Usually this House and the country is enjoined by the members of the Progressive Conservative party—and here I speak traditionally and historically—to proceed with caution. Surely, it is the function of a Conservative group to advise the nation that care must be taken and haste made but made slowly. Yesterday, however, we heard there was a crisis at hand and heard accusations from the Tory benches to the effect that the government has been doing nothing and that action is needed. Mind you, in all these calls for action there have been no specific suggestions concerning what kind of action should be taken, so what we see now in this House is a shift in the Progressive Conservative "mot d'ordre". It is not a matter of making haste slowly but doing nothing swiftly. One may be allowed to suspect that the Tories—I am not talking about motives but rather reasons—have unspoken reasons for having the study of this very complex matter completed within three months. I just may be that the kind of action they are urging on the government, properly defined, is a form of inaction and that really what they want is that there be nothing done on this whole question but that it be done with dispatch.

Last night the hon. member for Yorkton-Melville (Mr. Nystrom) read us a rather dreary list of people in the other place who have overt and open connections with the food industry in Canada. I am sure that if we were to project this list a little further we would find many members of the loyal opposition who also have direct and indirect interests in the food industry in Canada.

Mrs. MacInnis (Vancouver-Kingsway): And on the other side.

Mr. Harney: We will get to the other side eventually. I think what we really need to do is change the approach of this committee in such a way that it will be able to pursue the matter in depth and not be a nine-day or three-month wonder of a committee but rather a committee which will be able to solve a problem which has been besetting this country for a long time. It is a problem which has been facing every household with intensity. For this reason at least, we must charge this committee with the need to report to this House and to the nation this winter, particularly on some of the worst aspects and abuses of the pricing system in Canada.

It is not necessary to have a committee of this House to tell the average Canadian housewife that a good part of the price she pays for food must be attributable to the excessive cost of advertising. In my city of Toronto one day a week the great dailies publish enormous advertising sections detailing in print and in picture for the benefit of the poor housewife exactly what a roast of beef looks like. She would be quite satisfied with a simple little list printed in a certain part of the paper collating the prices of the various cuts of meat and various other foodstuffs store by store, and supermarket by supermarket. She has to plough through reams and reams of print and pages and pages of pictures which very often at best could be said to be misleading in respect of the actual economies she would receive if she pursued the urging of the advertisement. Certainly at that level a committee of inquiry such as we are discussing in this House could act very quickly. This is a problem which is obvious to practically everybody in this country, if not to every member in this House.

What we have before us is a very complex problem. It is one which is deep-rooted and which goes into the very nature of the production and distributive system in this country. At the same time, there are aspects of the problem which any person with any common sense could tell us are subject to immediate action. If we subscribe to the amendment from the Progressive Conservative benches proposed by the hon. member for St. John's East (Mr. McGrath) not only would we be running the risk of doing nothing but would also be running the concomitant risk, to use his own words, of damaging one very important sector of our nation. Members of my party yesterday made the very important point that this House must not act swiftly to the point of detrimentally affecting the interests of the basic producers in this country. The people in this country who stand to lose the most and be hurt the most by hasty action on the whole question of the price of food, food production and distribution are the basic producers, the farmers of this country. As the Minister of Agriculture (Mr. Whelan) pointed out, it is only recently that they have begun to receive something like a part of the kind of price they should have been receiving a long time ago.

Food Prices Committee

• (1220)

Another sector of our nation and our economy that we should be careful not to hurt is those who are involved as workers in the packing and processing industries. Yesterday, I think someone in the House quoted the figure of $6 an hour with reference to workers working in the food processing industry. It is almost impossible, when looking at the statistics produced by Statistics Canada, to know exactly what it is that a food packer or processor receives on the average, but I can assure you from my knowledge of what food processors receive in Toronto that it is a long way from $6 an hour. So, there we have another very important segment of the food producing, processing and distributing industry in Canada which would be extremely vulnerable to hasty, inconsiderate action on the part of the House.

There are other reasons for not asking this committee to move to completion of its work within three months. The other reasons are of a much more positive nature than the ones I have just outlined. Many of us feel that there is something that is in need of a drastic change in the whole matter of food producing and distributing in this country. Many of us feel, too, that no matter what specific recommendations we put forward to change what now exists, we will have somehow failed if we do not start thinking and recommending other ways in which the whole matter of food distribution can be handled. For example, we have had attempts, some successful and some unsuccessful, in various communities in Canada to establish consumer based or indeed community based distribution systems for foodstuffs and household needs. We have seen in Halifax, for example, the successful establishment of a direct charge co-operative. We have seen a similar successful establishment in Hamilton, and there is an excellent one in Oshawa which has been able to establish and maintain itself successfully, mainly because it has had the effective backing of a very large and community sensitive part of that locality, that is the United Auto Workers.

Again, we can say that the case was more or less the same in Hamilton. If United Steel Workers of America had not supported fully the direct charge co-op in operation there, one could be allowed to wonder whether it would have moved at all. The direct charge co-op idea is a new idea in food distribution, not only in this country but in the whole of North America. It provides for a lot of excellent aspects. It provides, in effect, for real consumer control over the quantity, quality and pricing of the products that are put on the shelves. It provides for a very direct understanding on the part of consumers of exactly what goes into the pricing of the products they buy after the society gets the products from the wholesalers. It provides for a new establishment of confidence on the part of the consumer in the whole mechanism of distribution, because he feels he has some control over it and he begins to understand exactly why prices do go up in certain cases. It certainly provides for something which is extremely valuable and necessary in so many of our communities, and that is yet another way among the many needed ways to build up a sense of community among our people and to eliminate the alienation that so many of our citizens feel about the whole process by which this country is governed. Alienation among the citizens exists not only with regard to the political process but also with regard to private enterprise which is supposed to support society's basic economy and satisfy its basic needs.

[Mr. Harney.]

So, it would be very important for this committee to look into these positive areas to see what this House could do to help Canadians establish institutions, vending and supply institutions in which they would participate, institutions which they would control. There has been some talk in the past few years of participatory democracy, and a lot of it has been very much like the talk we have heard about the need for action. It has been action but no specifics, and participate but no specifics. We have here a very real case of citizens of this country, as consumers, participating in establishing at least a part of the economic democracy which we all wish to see established eventually.

Because there is a real need to go into this matter of food pricing in depth, and because there is a real need for this House to take action in some of the more immediate areas which are more susceptible to correction, such as the matter of advertising—and I have given the House simply one example—and because there is again a very real need for the House to inspect new areas of positive action to allow the Canadian consumer more real control over the economic conditions which he has to face every week as a consumer, and because there is a real need for the House to consider ways in which the government of this country could aid the citizens of this country establish their forms of economic democratic participation in the way that trade unions in this country have done, I would like to move an amendment modifying the amendment put forward by the hon. member for St. John's East (Mr. McGrath).

Therefore I move, seconded by the hon. member for Sault Ste. Marie (Mr. Symes):

That the amendment be amended by deleting the words "within the three months next following its appointment", and by substituting therefor the following words: "upon the completion of its investigation, and that it shall make an interim report, including recommendations for action, within two months of its first meeting".

The clause as amended would then read as follows:

That the said committee shall make its final report and recommendations upon the completion of its investigation, and that it shall make an interim report, including recommendations for action, within two months of its first meeting.

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

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, since this is the first occasion which I have had to speak in the chamber in this particular session I want to express, along with others in the House, my congratulations to Mr. Speaker. It was my good fortune to be a member during the twenty-eighth parliament, and we found that all we had heard about Mr. Speaker at that time was most assuredly true. He conducted himself with dignity and, happily, with a great sense of humour.

I think, however, that the appointment which pleased me even more was your appointment, Sir, as Deputy Speaker because at long last the government had caught up with a proposition that I had made in the last House when we had a majority. At that time, I broke the rule by

voting in the Committee on Veterans Affairs to appoint Mr. Chester MacRae, then Member of Parliament, as vice chairman of the Standing Committee on Veterans Affairs. So, the government has seen the wisdom of the step I took at that time. Since the government made that decision, I do not think it could have found a more appropriate member from Her Majesty's Loyal Opposition to appoint to that high position. I also wish to pay my compliments very briefly to the mover and seconder of the Address in Reply to the Speech from the Throne. As one who had that happy experience in 1969, I can assure them that it is an honour they will cherish long after they have left this establishment.

• (1230)

[*Translation*]

Mr. Speaker, last night the hon. member for Yorkton-Melville (Mr. Nystrom) said, as reported on page 454 of *Hansard*, and I quote:

Senator Robichaud who is involved in National Sea Products Ltd.

The Hon. Gérard Robichaud is no longer senator; he is Lieutenant-Governor of New Brunswick. Let us get our facts straight.

[*English*]

Hon. members will be happy to hear that that is the extent of my contribution to this debate in French.

No one can dispute that food costs are rising. It is a fact that is most familiar to those who are on fixed incomes, particularly our senior citizens. Most assuredly it is familiar to all of us to one degree or another. I was surprised to hear the hon. member for St. John's East (Mr. McGrath) suggest that the government in some way was endeavouring to sweep the problem under the rug. I would remind him that it was the government which proposed this measure, pointing out that food costs are rising, and urging that a committee should study food costs to see what action can be taken to stop the rise in food prices. It is my hope that the committee can do just that.

But having criticized the setting up of the committee, and having suggested that it will sweep the problem under the rug, what constructive comment did we hear from him on how to make the committee work? Mr. Speaker, the official opposition seem to be more content to move from newspaper headline to newspaper headline than to make this house work as the people of Canada want it to work. Who is to blame? That is the question that is constantly asked with respect to food prices. The issue is not easy to determine. We have heard a recital of the series of committees and commissions that were established to see if something could be done to halt rising food prices. The last committee we established recommended the establishment of a department of consumer affairs, and that recommendation came to fruition as a result of action taken by a Liberal government. It is not correct to say that committee reports are only put on a shelf to gather dust. That committee made a recommendation, and the recommendation was accepted by the government. Today, we have the Department of Consumer and Corporate Affairs.

The next step was the establishment of the Prices and Incomes Commission by the Department of Consumer and Corporate Affairs. That commission was subjected to a great deal of criticism, but the criticism generated more heat than light. The commission fulfilled a definite function, a necessary function, at the time it was established. It pointed out to consumers that there were areas where people could curb the rise in wages, in prices and in incomes, also rises in salaries at the federal, provincial and municipal level. It pointed out the problems and the need for us, in this time of affluence, to show some form of restraint. In my view—

Mr. Deputy Speaker: Order. The Chair finds itself in difficulty because, with the amendment and the subamendment, the compass of the debate is really very narrow. This works a hardship on members, such as the hon. member now speaking, who is delivering his general thoughts on this whole topic rather than confining himself to the question of whether there should be an interim report, including recommendations for action, within two months of the first meeting of the committee. Because of the rules of the House, that is precisely the confines of the debate.

I do not want to be overly strict because that would only prompt two speeches from the hon. member, one dealing with that particular point, and then one later on dealing with his general approach. This is something that might be given consideration before we meet again at two o'clock, to see whether the house leaders are agreed that the vote should be on Monday so that we may consider that we are on the general debate rather than on the particular amendment and subamendment. I really am in difficulty, and since we are starting off a new parliament it is rather important that we adhere to the usual practice.

Mr. MacEachen: Your Honour, may I make a comment on your very proper observation that if the speakers were to be held strictly to the amendment and subamendment it would indeed be a very narrow debate? Probably under the strict application of the rules of relevancy that ought to be the case, but it seems to me that from time to time we have overlooked the rules of relevancy, and no more recently than yesterday when the amendment before the House was upon the question of removal of the Senate from the proposed committee. At that time, most of the speeches were of a very general character and only touched tagentially on the question of Senate participation. I suggest that as a matter of agreement by the House, without asking you to associate yourself with any deterioration in the application of the rules, we might agree to allow the debate to be of a general character on all these subamendments that may come along today and later. That is the first point I want to make.

The second point I want to make is that I understand that it is not likely there will be a vote today. Certainly, I am operating on the assumption that there will not be a vote on either the subamendment of the amendment today. For that reason, this does provide an opportunity for members to talk generally. I hope these observations may be of some help to the Chair.

Mr. Lawrence: Mr. Speaker—

Mr. Deputy Speaker: Does the hon. member wish to make a contribution on this point?

Mr. Lawrence: I am not too sure that "contribution" is the right word. I just want to say that, as always, on this side of the house we are seeking truth and justice. It appears to us that the best way of doing it would be for the Chair to allow the widest latitude on the various subjects that hon. members want to bring up in respect of prices, inflation and the cost of living. It is also our understanding that due to the number of members in all parties who want to speak, probably there will be no vote until Monday.

Mr. Deputy Speaker: Order. I think the Chair gathers the mood of the House. I would have to agree with the President of the Privy Council (Mr. MacEachen) that this matter did not just erupt this morning, and that there were very wide ranging speeches yesterday. Before giving the floor again to the hon. member for Sarnia-Lambton (Mr. Cullen), I wish to assure him that the time spent on this point will not be taken from his allocation of time. I also wish to apologize to him for raising the matter in the middle of this speech, in view of the fact that it could have been raised during speeches given in the House yesterday.

Mr. Cullen: Thank you, Mr. Speaker. I certainly do not feel put upon because I was interrupted. It gave me an opportunity to catch my breath and ask a Page for a glass of water. I was speaking first in a general vein because I thought this was necessary before going on to deal with the amendment and the subamendment. I think that the subamendment proposed by the hon. member for Scarborough West (Mr. Harney) is a good one. It points out that the committee has an obligation at the beginning to do all it can within a two month period. If it can make recommendations that is well and good, and we can have an interim report. We will have to look at the involvement of governments, labour unions, farmers, supermarkets and that mysterious fellow, the middleman. But to attempt all this with a time limitation of three months does not seem to make much sense if the committee is to have any meaning at all. It seems to me that we need more time, but I think we can come up with an interim report.

• (1240)

Criticisms are often directed at farmers, at unions, at supermarkets and governments as well as other people. Much of this criticism has no basis in fact, and the charges are too often made from ignorance of the facts. A charge is often made against a government purely for political gain or by a consumer out of frustration and because he does not know the facts. That is why we need this committee and why it has to last longer than three months—why it will last longer than three months. Mr. Speaker, that is why I find the subamendment one which I can support.

If the committee is to be limited to the three-months period, it will be natural enough that the favourite target will be the government. It is always easy to establish a common bond against the government on almost any issue. The next favourite target is the supermarket moguls, they are fair game in our society. They are also adept at answering criticism and need no defence from me in this chamber. The thing that makes me happy is that less and less criticism is directed against the farmers. It seems that the farmers are getting their message across.

[Mr. Deputy Speaker.]

The new Minister of Agriculture (Mr. Whelan) has for many years been the champion of farmers. It must be very rewarding to hold a portfolio which gives the widest possible audience, in defence of and in appreciation of farmers. He is still at the same old stand, notwithstanding his new responsibilities.

I was extremely pleased to read the speech the minister made in Halifax in which he again put it to the farmers that they must get their message across and that they have an obligation to use the manpower services. This is the sort of thing that farmers will be reminded of when they come before the committee. In that speech, referred to in the remarks of the hon. member for Northumberland-Durham (Mr. Lawrence), according to the minister, when people were getting a bargain on food prices they were getting a bargain as far as the farmers were concerned, that farmers have had increased their productivity and so the Canadian consumer was getting a good deal. The hon. member for Northumberland-Durham should read the speech again and not take a sentence out of context, suggesting that the minister might be indicating that prices were not on the rise. The minister was simply indicating that in these circumstances the farmer is not to blame.

Mr. Speaker, bearing in mind your admonition, I am going to limit my remarks. I feel that the debate should not become too wide because we will have an opportunity before the committee to go into the many different aspects of this subject. I hope that we will see representatives of the Consumer Association of Canada before this committee. They have done a tremendous amount of research on this subject, and to confine the committee to a three-month period would do a disservice to them and others like them. They will need a good deal of time in order to present the results of their research to the committee. The supermarkets will also need time to establish their position before the committee. If profits are exorbitant, then the committee will have an obligation to say so in its report; if it is felt that controls are necessary then the committee should make that recommendation, bearing in mind, of course, that where there is a shortage of food, controls will not get at the basic issue. I hope that senior citizens will also appear before the committee to explain their difficulties. Perhaps they could show the young lady of today the proper way to shop as they have unhappily learned out of necessity. Perhaps a new horizons program is necessary.

I have been told by a lady who made a serious study of this, that by checking the newspaper ads, by listening to the radio as I do myself on my way to work—on Thursday mornings, CBO has a commentator who gives comparable meat prices and tells where the best bargains are—and by studying nutrition magazines, she found that she could feed her family better and save about $10 a week on her food bill. Consumers have an obligation to take that kind of action rather than to indulge a preference for prepackaged and prepared foods as seems to be the case in this day and age. If price is no object or if they can afford the luxury, more power to them, but there are many people who should be looking very carefully at their shopping lists and they should be able to appear before the committee.

Mr. Speaker, I welcome the subamendment proposed by the hon. member for Scarborough West (Mr. Harney). As a backbencher, I cannot speak on behalf of my party, but it seems to me that the subamendment makes good sense and is fair to the consumers of Canada. The supermarket operators, government representatives, the farmers, the unions and anyone else who wishes to appear before that committee should have the opportunity. I hope that this committee will make a serious attempt to solve the extremely difficult problem of rising food prices.

Mr. Robert C. Coates (Cumberland-Colchester North): Mr. Speaker, one of the advantages of having a colleague from one's province in the chair is that he knows the name of one's constituency. This is appreciated, especially in my case, when my constituency became part of the former constituency of Colchester-Hants. As a result, I was often addressed as the hon. member for Northumberland-Colchester-Hants but with Your Honour in the chair I am now correctly known as the member for Cumberland-Colchester North.

Since this is the first time I have participated in debate in this parliament, I should like to offer to you, Sir, my congratulations in public as I have in private. I know that you will honour the position for which you have been chosen by all members of this House and I anticipate great things from you in the days ahead.

Some hon. Members: Hear, hear!

Mr. Coates: I listened with a great deal of interest to the remarks of the hon. member for Sarnia-Lambton (Mr. Cullen) and, to a degree, appreciated what he said. I think all members of this House have an understanding of the problem that we face, the problem of spiralling costs, especially food costs. These increases make it difficult for anyone on a fixed income, and especially those living below the poverty level, to go into the supermarket and purchase foods in keeping with their income. They know and we know that this is important. Every day that goes by the task of making the dollar meet requirements is more difficult. We, as a party, are somewhat hesistant about endorsing the approach that the government has adopted in order to try to combat the problem.

The hon. member for Northumberland-Durham (Mr. Lawrence) has pointed out why we are hesitant, why we are somewhat doubtful about the government's approach. While we believe that the matter is urgent, we do not believe that it will be solved by a committee. I agree, in part with what the hon. member for Sarnia-Lambton (Mr. Cullen) was saying on this subject. He suggested, as did the hon. member for St. John's East (Mr. McGrath), that the report should not be made in three months because everyone who wishes to appear before the committee should be given the opportunity of having a say. Parliamentary committees and other committees established by governments to sit for a certain time usually exceed the time limit allocated to them before presenting a report. That limit is exceeded sometimes on two or three occasions. There are indications that this procedure has become the rule rather than the exception.

• (1250)

I am also concerned about parliamentary committees being democratic committees. Anyone who wants to appear before the committee should, as the hon. member for Sarnia-Lambton suggested, be given the opportunity to say something. If this is what is wanted, in my opinion the other place should set up its own committee. It should travel across the country and, keeping in mind the long range point of view, secure the advice and opinion of all who want to appear before it. Then, that committee could produce a long range proposal somewhat similar to the report of the committee established by the other place on aging or on land use. I could assist the government in that way.

I think the consumer of this country is fed up with complaining. This committee will merely listen to complaints. It will travel from coast to coast and listen to people say what is wrong with this and that, and how the price of this and that has risen. What the consumer wants is action, Mr. Speaker, and not more reports, submissions and arguments as to who is at fault. Whether you like it or not, the administration of this country is at fault because prices are skyrocketing and it has not taken the necessary action to stop it. If this government is not capable of taking that action, if it has not formulated a plan, as it ought to have, to contain costs realistically, it should move out of the way and make room for somebody else who can do the job. I think my party could do it. I think my party ought to be in office now, and certainly this is the opinion of the electors of this country.

Some hon. Members: Hear, hear!

Mr. Coates: Certainly, if they were given the opportunity tomorrow to indicate which party they prefer to run the affairs of this nation, they would indicate the party I support. Let me present evidence for my statement. The Minister of Consumer and Corporate Affairs (Mr. Gray) said on January 18, as recorded in *Hansard* at page 431:

> In statistical terms the increase in food prices from December 1971 to December 1972 was 8.6 per cent. Over the same period, the rise for all items other than food in the consumer price index was 3.8 per cent.

I do not argue with what the minister says. If he says that, I am sure he is right. On the same date, as reported in the *Globe and Mail*, the Minister of Agriculture (Mr. Whelan) made a speech in Halifax to members of Canada's dairy industry. The report of that Speech reads:

> Mr. Whelan feels the public must be conditioned to expect to pay a more realistic price for food. An average Canadian wage earner is paying less proportionately of his income for food now, than he was 10 years ago, . . . If food costs had risen in the same proportion as the rest of the consumer price index items, beef farmers would now be getting 70 cents a pound for beef on the hoof, rather than 40 cents.

Then, the minister is reported to have said:

> I think we should be telling consumers what a fine job we have been doing, and what a bargain they are getting.

You can have it one way or the other, Mr. Speaker, not both ways. Either consumer food prices are going up faster than other prices, as the Minister of Consumer and Corporate Affairs suggests, or they are not, as the Minister of Agriculture suggests. The report continues:

Mr. Whelan said nobody seems to complain about increases in the price of beer, furs, snowmobiles and other luxuries. You don't hear a peep out of them. But if a couple of cents are added to food costs everybody is screaming.

I do not know what the Minister of Agriculture thinks, but I am not too greatly concerned about people who are buying snowmobiles, furs and other luxuries. Perhaps they are not screaming, for good reason. But the great majority of people in this country are screaming because food prices are going up and they just do not have money to buy food. Previous to the October 30 election, we underwent four and a half years of the present administration. What did we get from it? We got nothing for those on fixed incomes; they were not compensated for increases in living costs. That is why those people are screaming about increases in costs of food and consumer items. They do not have money in their pockets to buy those things. With the dollars left in their pockets they cannot buy sufficient food today to maintain their families. We must do something about that.

We can do something in several ways: First, by increasing the various types of federal pensions, thus giving certain people sufficient income to meet increases in living costs; second, by gearing those pensions to the cost of living increase; and, third, by controlling the sorts of increases that are being imposed everywhere at the present time in this country. May I call it one o'clock?

Mr. Deputy Speaker: Order, please. It being one o'clock, I do now leave the chair until two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Coates: Mr. Speaker, at one o'clock I was making some general statements about the committee that is proposed and some of the areas in which it might work. I wish to again refer to the comments of the hon. member for Sarnia-Lambton, with regard to comparative consumer reports that are sometimes of value to food buyers. In that regard, it might be of some value to a consumer to know the comparative values in the various supermarkets when purchasing a certain item. However, it does not help very much when that item in all supermarkets has increased by 10 per cent or 20 per cent in one week. This does occur. I have encountered it.

I wish to make specific mention of two items which I purchased in a grocery store over a very short period of time. They both were significantly increased in price. One of these was a food item. I purchased this for 77 cents and, two or three weeks later, I paid 98 cents for this same item. That really shakes up a person. That is the type of increase that so-called discount operators are providing for consumers. Another item that came to my attention this past weekend was fuses. When I removed the last fuse from a container of three in my home, I noticed that the price on it was 22 cents. When I went to the food store to purchase a replacement, the price was 41 cents for three fuses. I do not know how long I had the first three fuses I referred to, but in was not a long period of time. In that period of time, the price had jumped almost 100 per cent. This is the sad situation that has been facing consumers all across this country.

There may be many areas the committee will have to study in order to determine what might be done to assist the purchasing public. One basic problem, certainly in Atlantic Canada and probably across the country, is the spiralling cost of feed concentrates to producers to be included in products destined for grocery stores, certainly in so far as meat is concerned. On November 20, I wrote a letter to the Minister of Agriculture similar to one I had written some time before to the former Minister of Transport. In that letter, I pointed out the unbelievable increases producers in the Atlantic provinces must pay for feed grains. I quote from my November 30 letter:

> The cost of feed additives has increased substantially. It is my understanding that the increase in the cost of soybean meal has been $55.00 per ton for meat meal and fish meal, the increase has been approximately $50.00 per ton.
>
> In so far as feed grains are concerned, as of October 23rd, barley has increased in price from $8.00 to $10.00 per ton, corn is up $12.00 per ton, No. 5 feed wheat is up $10.50 per ton, oats are up $14.00 to $15.00 per ton, mill feeds are up as much as $22.00 per ton, and hog grower and hog finisher are up $6.00 per ton.

There is no way the farmers of this country can stand that type of increase without receiving additional payment for their products. Unless there is something this government can do to assist the farmers, they will have to add on this cost to the price of their products. This has been happening over and over again. From the time that increase in cost goes from the producer to the purchaser, it is hard to believe how much of an increase the person buying that product has to pay. Certainly only a small portion of that goes into the pocket of the farmer who is trying to maintain a livelihood in extremely difficult circumstances. I also suggested to the Minister of Agriculture that as far as feed concentrates were concerned, there should be special action taken by the government that would be of material assistance to the farmers of Atlantic Canada.

I wish to put on record a resolution that was passed by the Maritime Farmers Council. This is a federation which includes the New Brunswick Federation of Agriculture, the Maritime Co-operative Services, the Nova Scotia Federation of Agriculture and the Prince Edward Island Confederation of Agriculture. Their resolution on feed concentrates reads as follows:

• (1410)

> Whereas animal and vegetable protein concentrates constitute approximately 13 per cent of hog feed rations, 15 per cent of broiler feed rations and 9 per cent of layer rations, and
>
> Whereas the price of all animal and vegetable protein concentrates is governed by the price of soybean meal, and
>
> Whereas during the past five months the cost of soybean meal has increased by more than 60 per cent from $140 per ton to $225 per ton, basis f.o.b. Moncton; with similar increases in other protein concentrates, and
>
> Whereas this is causing an increase of $4.25 in the cost of producing a market hog, with similar increases in livestock, dairy and poultry production, and

Whereas this represents an intolerable situation when combined with rising costs of feed grains, transportation, and other production input expenses, and

Whereas even at the greatly increased price there is a real danger that the supply of protein concentrates made available may not be sufficient to support our livestock and poultry industries,

Therefore be it resolved that we urge the federal government to authorize the Canadian Livestock Feed Board to buy soybean meal and/or other protein concentrates, and position these ingredients for our use, and

Be it further resolved that we ask that the price for these concentrates be protected at $130 per ton, basis f.o.b. carlot Toronto, for soybean meal.

If that action were taken, the purchasing public would have a substantial guarantee that there would not be the increases in food prices they are now facing. Everybody would enjoy some stability in the market place, and in the result there would be less inflation in this nation. Whether or not the committee hears complaints from people about food prices, this action is required in order to get some stability and end the spiral of inflation for an unprotected purchasing public. Whether the committee sits or does not sit, whether these facts are laid before the committee or not, the price of food will continue to go up and up and up without a corresponding increase in the amount of money in the pockets of Canadians to buy that food.

In the province of Nova Scotia, families are asked under the provincial social assistance scheme—

Mr. Deputy Speaker: Order. I regret I have to interrupt the hon. member but the time allotted to him under the House order passed yesterday has expired. He can continue with unanimous consent.

Some hon. Members: Agreed.

Mr. Deputy Speaker: The hon. member for Cumberland-Colchester North.

Mr. Coates: Mr. Speaker, I can finish in a couple of sentences, and I thank the House for its courtesy in allowing me to continue. I was saying that under the social assistance plan in Nova Scotia, families are asked to try to maintain themselves, no matter what their size, on $200 a month. This means that people are going to starve to death under this spiralling increase in the cost of living.

We believe, and rightly so, that any committee of the House that is established to study food prices must get the job done quickly and report back within the shortest possible period of time. I think that three months, in itself, is almost too long; we should be taking action today. If we were the party forming the government of this country today, the people would get action today. But under the present government the people will have to wait at least three months. And the government is saying that three months is not long enough. It may not be enough for this government, but for many people who are trying to survive on next to nothing it is the devil of a long time. People are going to have a mighty hard winter if they have to wait for the committee to sit. It seems obvious from the comments that have come forth from government benches since the amendment was introduced that the government is not even satisfied with three months. They want the people to wait even longer for some remedy to their problem. It may be these people will no longer be on this earth when the government finally does take action on their behalf.

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I have been paying close attention to this debate, which has been one of the more interesting debates. Speeches by individual members have been of high quality. However, I am afraid that the speeches particularly from members of the official opposition, have been very good in histrionics but very poor in terms of content.

The question is simply this. We are faced in the world today with spiralling prices. Such a condition is not unique to Canada. We do not have the highest rate of inflation or the highest increase in prices of any country in the world. Countries are doing worse than we are, and there are even a few who are doing better. But it is obvious that there is no easy answer.

I think all of us on this side of the House would have been impressed had the hon. member for Northumberland-Durham (Mr. Lawrence), who admittedly is a new member in the House, been able to indicate exactly what was Tory policy. But there is no Tory policy, and this is why, to illustrate the poverty of their thought, hon. members opposite had to steal the sheets from the bed of the NDP.

Mr. Baker: That is the bed you are in.

Mr. Baldwin: Sheets that the Liberals have soiled.

Mr. Reid: After last night I hope they enjoyed their one night of bliss. I hope the NDP enjoyed it, too. Perhaps they will find that the "official" opposition are not their only bedmates.

Mr. Baldwin: They have already discovered that you are economically impotent.

Mr. Reid: I do not blame the hon. member for Northumberland-Durham for the kind of speech he made yesterday. It is something that we in this particular parliament have come to expect from the Tory benches—in other words, nothing. After all, the hon. member for Northumberland-Durham is merely following in the steps of the Leader of the Official Opposition (Mr. Stanfield), who had nothing to offer in terms of policy when he spoke in the throne speech debate. He was quite upset that the NDP looked at his speech and decided it contained nothing. That is why the NDP preferred to go along with the government, which has offered something concrete, a plan for action in the future. This is why the NDP has not supported the Tories. The NDP do not particularly like the government, and they do not particularly like hon. members opposite; but hon. members on that side have not even given the NDP anything to hang on to in order to encourage them to vote against us.

The attitude of the official opposition can be likened to that of the big bad wolf in the famous story who was going to huff and puff and blow the house down. They have certainly let out a lot of hot air; but the only time they have been able to get any support in the House, outside of their own, was when they borrowed the bed-

sheets from the bed of the NDP and moved a motion that one would normally have expected the NDP to move, since the party has a long history of being opposed to the Senate. We were not aware that the Conservative party had suddenly changed its view overnight.

The idea they borrowed from the NDP was not even germane to the motion that was before the House. I think we can offer the official opposition a bit of advice. If they are really serious about defeating the government and want to come over on this side, they are not going to accomplish that objective with hot air. It is not going to be achieved by speeches such as that of the hon. member for Northumberland-Durham, or even by a speech like that of the hon. Leader of the Opposition during the throne speech debate. This can only be achieved by substantive policy recommendations. When hon. members really start to deal with the nitty-gritty issues facing this country today, then members on this side of the House may start to fear for their seats. When they start to do these things, then we will begin to have a debate in this House that is meaningful. We might then have debate in the House that will attract the attention of the ordinary person in Canada. Until that time, I am afraid this House of Commons is not going to attract that kind of attention.

• (1420)

An hon. Member: Tell us the price of beef; you have not mentioned that yet.

Some hon. Members: Question, question.

Mr. Deputy Speaker: Order, please. I know the hon. member for Kenora-Rainy River (Mr. Reid) is enjoying the attention he is attracting, but the difficulty is that under our ancient practices the Chair is supposed to hear at least some of the speech which is now being interrupted. I would ask that the hon. member be allowed to continue without the number of interventions that have been taking place.

Mr. Baldwin: Mr. Speaker, may I say that we thoroughly agree with you, and we hope the hon. member will say something that we think is at least worth hearing.

Mr. Reid: I thank you very much for your intervention, Mr. Speaker, but I do not really fear that those hon. members opposite who have been yelling and screaming during my rather quiet remarks have been able to divert me from my purpose, which is to discuss some of the issues before us. I would like to direct some remarks to the amendment and the sub-amendment which have been moved.

Some hon. Members: Hear, hear!

Mr. Reid: The previous speaker indicated he felt the committee ought to complete its deliberations within a three month period. As former chairman of a committee, I have always taken the attitude that when a committee is given something to do it ought to have a time limit of some kind and ought to be under a greater degree of control by the House. However, it seems to me that to expect any group of hon. members in the House of Commons to look into the totality of factors that affect food prices in Canada within a short period of time is unrealistic. I think a far better proposition could be made, that the committee should be instructed to make substantive reports to the House of Commons from time to time in order that we might keep a running check on its activities and control more precisely what the committee is doing. Speaking for myself and not the government, I would think some form of amendment which indicated that we wanted the committee to report on an interim basis, say once every two or three months, would be acceptable to me as an individual and, I think, would be given serious consideration by the minister.

We all recognize that committee members become very much wrapped up in their own activities and do not spend much time following the will of the House. Sometimes they even substitute their own desires for those of the House. Because of the complexities involved in the factors surrounding food prices, it is not fair to force upon any group of men, even those from the opposition, a time limit within which they must produce a final and definitive report. That simply is not realistic.

An hon. Member: You are weaseling now.

Mr. Reid: One has only to examine the factors involved in food prices to understand the point I am trying to make.

Mr. Grafftey: Quick action is what we need from this government.

Mr. Reid: The hon. member for Brome-Missisquoi (Mr. Grafftey) says we need quick action. What quick action did his party ever propose? One has only to read his leader's speech on the throne speech debate or the speech of the lead-off speaker for his party to find out that nothing is proposed. I suggest that is what the hon. member for Brome-Missisquoi stands for, nothing.

Some hon. Members: Oh, oh!

Mr. Reid: I say that with apologies to the hon. member for Hamilton West (Mr. Alexander).

Some hon. Members: Oh, oh!

Mr. Reid: There are a number of items the committee must consider, one being that the increasing amount of food we consume today is not in the form of raw agricultural produce. Instead, we are eating much more processed food. When we purchase food, we are not purchasing the raw product in many cases but products subjected to a high degree of processing. In terms of volume alone last year in the United States there were more potatoes processed into frozen french fries and, goodness knows what other kinds, than sold in their natural state. The trend is probably the same in Canada.

We are dealing with a system in which people are demanding a higher degree of processing and, therefore, paying a higher price than would be paid for the product in its natural state. I suggest there are reasons for this situation. There has been a substantial change in the life style of Canadians within the last 10 or 15 years. Let us take the example of a man and wife who are both working. When they come home after a hard day's work they

want a meal which can be prepared with a minimum of strain. They buy frozen meals, frozen french fried potatoes and other frozen products, all of which require a great deal of processing and the expenditure of a considerable amount of money. If people make that choice, are they really paying a higher price for food than they might had they purchased it in the natural state, or are they making a choice as to the disposition of the moneys they have left over after paying for necessities? This involves a question not so much of food prices but of how people spend their discretionary incomes.

In the last two or three months I have been making a tour of my constituency and interviewing a lot of small grocery store operators.

Mr. Fraser: What is discretionary about a price tag?

Mr. Reid: If a person wants to buy frozen potatoes instead of table potatoes and has to spend three times as much, is not that person making a discretionary purchase? I suggest that he is because he has a choice as to how he will spend his money for food.

Mr. Fraser: What choice has he got?

Mr. Reid: If the price of potatoes in their natural state were going up as fast as the price of potatoes in the processed state I would say we should really be concerned, but that is not the case.

An hon. Member: You are never concerned.

Mr. Reid: One merely has to read the speech of the hon. member for Bruce (Mr. Whicher) and other members who represent agricultural constituencies who spoke during this debate to learn that this is not so. Farmers are not making that much money, because farm prices are low. It is not the farmer who is making the money, it is the processor, the people who have caused this product to be in demand are the consumers who also have the opportunity of buying the product in its natural state. The consumer is spending his discretionary income, and apparently that is satisfactory. That is the simple point I wanted to make, and I think the hon. member now understands it.

An hon. Member: Thank you for making it, but how many months did it take you to come to that conclusion?

Mr. Reid: We are dealing with a society in which the life style has changed. We find ourselves in a situation in which we have added more links in the chain that brings the food from the farmer, through the processor, the wholesaler and the retailer to the consumer.

Before I was interrupted, I was talking about having interviews with people who operate small grocery stores in my constituency. They told me there were a number of reasons for the increase in prices last year. One individual told me quite bluntly that a substantial part of the increase over the last six months could be attributed to politicians.

Some hon. Members: Hear, hear!

Mr. Reid: I was a little shocked by this statement. He said that a substantial part of this increase could be attributed to politicians who have been talking about the imposition of wage and price controls. As a result these companies, in order to protect themselves, increased the prices in case that event came about. It is difficult to say whether there is truth in that suggestion. If there is, there is a lesson for us to learn. We should be careful of what we are saying to those people who might actually believe that some of the members of this House are serious.

Mr. Fraser: Well, you are innocent. You have not talked about wage and price controls.

Mr. Reid: The committee must consider the sociological factors. Most members have not bothered to mention this aspect.

The committee must also consider questions in relation to long-term food supply. I have been reading a book called "The Limits of Growth" in which the Club of Rome and MIT computer studies indicate that no matter what is done in terms of decreasing population through birth control, and increasing the supply of food through the use of non-arable land that might be exploited, and increasing the yield from land now under cultivation, there is no way we can meet the challenge to produce enough food to feed the estimated population of the next 30 years.

• (1430)

This year we have had reports of the beginning of famine in the new country of Bangladesh and in India. We have seen the prices for food increase across the world simply because there seems to be a shortage. The hon. member who spoke before me mentioned the substantial increase in the price of feed grains. He would probably be interested to know that last fall the United States removed all quotas in order to encourage the import of beef and other meat products into the United States because of a scarcity in that type of protein. He would also be interested to know that the country perhaps most noted for tariffs, France, was also faced with a shortage of protein and removed its 7½ per cent value added tax recently. So, countries are attempting to cope with this shortage by removing tariffs and destroying the protection they built up in respect of their food industries. This indicates that the problem is not solely a Canadian one but is worldwide, not only in the long-term but also in the short-term.

It was interesting to me to note that, in applying its wage and price controls, the United States specifically decided to exclude raw agricultural products although these controls were applied to other products of the manufacturing sector of the food industry in that country. Unfortunately, even though my hon. friends across the way deny it, there really is no easy solution to the problem. Canada, as an international trading nation with 25 per cent of its gross national product based on foreign trade, and one job in five based on foreign trade, will not be immune to these inflationary factors which are outside our control. We try to operate in an international economy and must do so. There are certain consequences which fall upon us. It seems to me that the problems of inflation which beset not only Canada and the United States but the world as a whole, are not solvable at the local level but

rather on an international level. It is a brutal fact of life that we do not have sovereignty over a number of things which affect us and our living standards. It has always been Canadian policy to try to work through international organizations such as FAO, the United Nations and the Group of Ten in an effort to solve problems common to all. I suggest this is a problem which will find its solution, not in the deliberations of this House of Commons but in the deliberations of worldwide bodies.

Now, I should like to come to the point related to the question of nutrition. In the constituency of Kenora-Rainy River there were four candidates during the last election. There was myself, the Conservative candidate, the NDP candidate and an independent candidate. The independent candidate ran on the platform of a guaranteed annual income as well as the matter of nutrition. The point he tried to make in that election campaign was that the nutrition value of the food we buy is not as good as it should be, and that there are other ways in which to acquire the nutrition our bodies need. The federal government has sponsored a nutrition study to find out how well Canadians are being fed and how well they choose their food from what is available as well as how well that food is actually prepared in order to keep the nutritional value intact. The preliminary reports of that study are not particularly encouraging, because the indication is that many Canadians do not take advantage of the nutritional value of the food we now have. Perhaps an anecodote will illustrate the point.

When talking to a grocer I asked him about the nutritional value of many foods, particularly prepared foods, and he said that the greatest tragedy—

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member but the time allotted to him, as agreed by the House yesterday and extended because of the interjections earlier has now expired. The hon. member may continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Deputy Speaker: It is not agreed. The hon. member for Burnaby-Seymour.

Mr. Ed Nelson (Burnaby-Seymour): Mr. Speaker, I should like to devote part of my remarks to supporting the amendment advanced by the hon. member for Scarborough-West (Mr. Harney) this morning. In passing, may I comment to the hon. member for Kenora-Rainy River (Mr. Reid) that in respect of time limits this government has had many years and the electorate has already imposed a time limit upon it. The electorate said to this government on October 30, "get off your butts and do something". We suggest it should be done now and within a time limit. I should like to echo the concern of my colleagues and other speakers about the rising cost of food in his country today. It is a concern that is reflected by the general public and by the media. It is also reflected in this House. In an editorial entitled "Let 'em eat Mackerel" the Vancouver *Province* of January 16 expresses skepticism that yet another Senate-Commons committee will produce the results that are needed. The editorial reads:

It is as though a gang of thieves were stealing from everyone's income and savings at a rate of 5.1 per cent a year (the living cost rise) and the best the government could do was to find out how it was being done.

As a new member in this House, I have often been puzzled by the terminology used here. Through my growing years I had always thought that there were only two places, and that the other place was the place you found when you looked down. Through the lengthy debates yesterday, I discovered that the other place is over there and that there are more than three places—the other place, the place occupied by our colleagues to my right and the one you find when you look down. My puzzlement is abated. I am happy that the members of the other place have been excluded from the committee. I urge that the committee scrupulously avoid, so far as possible, any conflict of interest among members no matter from which of the three places they come.

Regarding the cost of living, the urgency of the situation has been testified to by the figures quoted by my colleague the hon. member for Vancouver-Kingsway (Mrs. MacInnis) when she pointed out that the consumer price index has risen slightly over 17 per cent in the last two years. According to the Department of Agriculture, in the last five months food prices have risen 7.4 per cent. I do not need statistics and reports to tell me that the price of food has risen. The real authorities on the rise in the cost of living, however, are not the researchers from Statistics Canada or the various party groups, not the Association of Grocery Product Manufacturers or the retailers, but the person who goes into the supermarket and pays out his or her hard-earned money. These are the people whose representations should be sought, not in the form of sophisticated briefs but in whatever form their representation is brought to the committee in order that light might be shed on reasons for the rise in the prices. These people, if you ask them, do not blame the farmers because too many of them have lived on the farm in the past, as I have, and have seen what the normal standard of living of the farmer is.

• (1440)

We hear a great deal, of course, about the affluent Canadian society and we are very proud of our affluence. However, it is a sad and ironic reflection upon this affluent society that there are a great number of Canadian citizens living below the poverty level. So many of them live at this low level that it has become necessary for groups to join together in anti-poverty organizations, as it is necessary for our elderly people to join together for their own protection, indeed for their own survival. It may be that ultimately, the only course of action will be for the poor and needy to organize and to arouse the citizenry in order to put enough pressure on the government to force some kind of immediate action.

The hon. member for Kenora-Rainy River (Mr. Reid) mentioned nutrition. During the last campaign I spoke to several old and deprived people who told me that they were reduced to eating dog food. "Oh, sure", said one old gentleman, "I always eat it in the last week before my cheque comes. It is not bad stuff". Since then I have had several complaints from dog owners who claim that their dogs have been made ill by certain brands of dog food. If

you look at the variety of products in this multi-million dollar industry and the lack of any uniformity in the identification of what ingredients are contained in their products, the thought of Canadian citizens being reduced to eating such junk is revolting.

Mr. Alexander: Right.

Mr. Nelson: It is easy to blame the farmer for increased food prices, but anyone who has had experience with farming knows that although the land may be strong it is not easy to become wealthy by farming this strong land.

Mr. Alexander: Not with those guys in power.

Mr. Nelson: According to the president of the Canadian Farmers Association, as reported in the Vancouver *Sun* of November 30, 1972, 94 per cent of farm products are bought up by big supermarket chains. Farmers, the editor pointed out, are powerless against the big food chains. They cannot strike like other workers because their produce spoils in the meantime. The result is that they have no real bargaining position. He pointed out that packaged, diced carrots sell for $350 a ton of which the farmer got $100. The label on a can of peas costs more than the peas inside, he said.

According to the Department of Agriculture, as reported across the country on September 13, 1972, the biggest culprits by far are the processors, packagers and distributors. According to the study prepared by the Department of Agriculture, 64 per cent of the $2.8 billion increase in food prices since 1961 has been accounted for by processors and merchants.

Consumer affairs minister of the government of Manitoba, Mr. Mackling is reported in the *Globe and Mail* of Friday, October 27, 1972 as saying that his department:

—can document cases that prove merchandisers are intentionally using inflation as a reason to increase their prices.

As a result of the provincial-federal division of authority, provincial governments cannot impose price controls. But surely this House, through a group demonstrably free of conflict of interest, can take action quickly in consultation with provincial ministers of consumers affairs and a prices review board as suggested by my colleagues.

Let us examine a not too hypothetical single instance to illustrate what happens to a head of lettuce from the time it leaves the farm until it is finally sold. The farmer may get 4 cents for a head of lettuce with a profit of perhaps 1 cent or 2 cents. Harvesting and packing add 4 cents. Now it costs 8 cents. Plastic film, freight costs and handling add 13 cents. Brokerage, spoilage, inspection, advertising, store overhead and profit add another 18 cents. The lettuce sells for 39 cents, unless it comes from California in which case there may be additional charges.

In this continuum of profit making, it seems to me that the areas to be investigated most quickly and most thoroughly, are those of packaging, distributing and price fixing. Aside from the scope of the committee's inquiry, what concerns me deeply is the period of time allowed for that investigation. Granted, time is needed for any kind of effective inquiry, but what happens in the meantime? It seems to me, therefore, that the imposition of a two months' time limit is preferable to a longer time and that in the meantime the Department of the Attorney General should be intensifying investigations and unjustified price increases.

I agree with the member from the government side who said that there is no easy answer. So long as food prices are controlled by a handful of corporate food chains, so long as the citizens of Canada labour under the maldistribution of wealth that is characteristic of the regimes of both old line parties, there will be no easy answer. The most we can hope for is something in the nature of reforms to alleviate the problems of Canada's people. At least that much I urge the government to do and do quickly.

• (1450)

[*Translation*]

Mr. Léopold Corriveau (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, it is with legitimate and unconcealed pride that I intend to make some comments about the motion proposed and agreed to yesterday to establish a committee, which apparently will no longer be a joint one, to consider increases in food prices.

I would like to deal with the matter as a remote observer, as far as some technicalities of the problem are concerned, being neither a producer nor a dealer, but an ordinary consumer whose wife notices from time to time that such or such a product is more expensive than previously. This phenomenon, while rather disturbing, is not only a domestic but also an international one. I see however that the increase is not restricted to food, but also affects almost all other consumer goods sometimes less of a necessity than food.

Although apparently it does not cost any more today to buy food than it did 10 or 20 years ago, it is still recognized that the share of the family budget allotted to the purchase of food is smaller than what it was 10 or 20 years ago. We eat more and better today.

I for one find it illogical that, without complaining too much, people do not hesitate to spend more and more money to acquire luxury or recreative items. They complain a bit though resignedly, when every year the price of automobiles, skidoos and colour TV sets goes up. In this situation, we must admit that food prices have not increased as fast as wages and, as the minister of Agriculture (Mr. Whelan) was saying in Halifax this week, the Canadian consumer more than any other buys his food at bargain prices.

Mr. Speaker, the housewife is constantly hammered when she buys food at the retail store, and let me explain: When housewives go to the supermarket, they find packagings so attractive that they omit to check inside whether there is the right amount of the product.

I think that nowadays, because of information media, namely television and radio, our housewives are being constantly influenced by food chains mainly specialized in packaging. I am under the impression that after the inquiry we shall have discovered that the cost of packaging certain food products is higher than the cost of the actual contents. As one of my colleagues was saying a while ago, it is surprising that housewives, in their continual quest for the best processed and above all the most attractively

packaged products, sometimes forget to reflect on the cost of the packaging. Formerly, there were few firms specializing in the retail food line, whereas today a host of processing plants are increasingly specializing in packaging food.

Mr. Speaker, if all segments of society had developed their products at the same rhythm as farmers, we would not be facing our present problems of inflation.

It is not the farmers who have failed to produce more, because they have shifted their production thus ensuring a tremendous improvement in the field of food products. As a matter of fact, some farms in our area that we used to believe were restricted to cattle and milk production have been shifted to market gardening and, given our well organized road system, farmers found that they were not so far away from the main centres and that they can produce and deliver quality products very quickly.

According to statistical data, Canadians do not hesitate to spend more on such luxury items as a summer cottage, a yacht or travel, than on essential commodities. I wonder to what extent and at what cost people prefer to escape reality. Has the consumer really been well informed as to the various factors that influence food prices or are we witnessing the birth of a new scale of values in which what used to be considered a luxury has now become a necessity?

Mr. Speaker, almost every Canadian family now has one or two cars; many have snowmobiles, boats and various other luxury items. When the cost of foodstuffs increases by a few cents, they protest very strongly but when the price of liquor goes up by $1 or $2 a quart or gallon, no one complains. But if the farmers or milk producers plan to increase the cost of milk by 2 cents a quart, it's front page news. Are we going to use the cost of food as a pretext to justify expenses considered of secondary importance until very recently?

Mr. Speaker, this is the situation, but is it logical or acceptable? I am asking myself and every Canadian that question. I trust that the committee soon to be set up will throw light on the problem. I was happy yesterday to hear the minister offer his full co-operation to the new committee that will be created to look into the problem of food prices in Canada. To our amazement we will probably discover that neither the farmers nor the producers make big profits but that instead the advertisers and manufacturers of containers do. They vie with one another as to who will produce the most glamorous packaging to better sell the product.

In closing, I express the wish that this committee will enlighten the House in this regard, and as soon as possible.

[*English*]

Mr. Peter Reilly (Ottawa West): Mr. Speaker, to quote the Prime Minister (Mr. Trudeau) during his computerized courtship of the electorate during October last, "I love Canada." One of the things I like about it is that its people are not a violent sort. Even when they are provoked almost beyond endurance, they respond reasonably.

There have been times, when I used to sit in the gallery above, when I wondered why the people of Canada, looking down upon the proceedings in this House, did not delegate a body of people to rush down here and burn the place to the ground with all of us in it. I was left to wonder about that again just a few minutes ago as I listened to the 20 minutes of the concentrated puerility that we heard from the hon. member for Kenora-Rainy River (Mr. Reid). It was fatuous, supercilious and contemptible. It demonstrated for still another time, as though we needed another demonstration of it, this government's airy disregard for the problems of Canadian citizens.

I was particularly interested, during the course of that speech, in the hon. member's reference to the Speech from the Throne which he described—I believe I quote his correctly—as a blueprint for the future. One of the recommendations in the Speech from the Throne which is going to be offered up to the members of this House for their approval is the introduction of television cameras into this chamber so that the people of Canada can see what goes on here.

I say to him that he and his colleagues on that side of the House are fortunate the cameras are not already installed, and that the people of Canada have not been treated to his performance and to that of his Prime Minister during the last few days in the House. Mr. Speaker, if they had seen the performance of this government, if they had seen the demonstrable lack of concern for their problems evinced at every turn by those gentlemen and ladies, those same ladies and gentlemen would not have time to sit around in this House; they would be too busy elsewhere, answering their protest mail and telephones.

• (1500)

I do not know whether striking out Senate participation in the proposed committee will make much difference, or whether it will make any difference if the committee reports in two months or three months. But I believe one thing is certain—whatever the make-up of the committee, and whatever time it takes to produce either an interim or a final report, it will bring no relief at all to the people of Canada. It will not bring any good news to the old people who find it difficult to live in a reasonable measure of comfort on their inadequate pensions. Its deliberations and findings will not mean relief for the working poor whose tiny incomes and negligible bargaining power make them the natural victims of inflation.

Mr. Speaker, I do not believe that this committee will accomplish anything of value; in the historical context it would be unreasonable to expect that. Within the past few years we have had commissions, both royal and common, Senate committees, Commons committees and task forces on dozens of vital national questions; but the action which flowed from all that effort and expenditure of public money, could it be harnessed and converted into energy, would barely provide enough power to light this chamber for an afternoon.

We had a commission on the status of women, but the status of women has not changed. We had a Senate committee on poverty, but the poor have grown in number and diminished in the public consciousness since the committee reported. Everyone agreed that poverty was a national disgrace and that something should be done, but this kind of response could have been elicited before a

committee was struck and goodness knows how many millions of dollars spent to make a finding of the obvious.

Mr. Speaker, I am reminded of a poem by a British humourist which goes as follows:

I saw an old man in the park
I asked the old man why
He watched the lovers after dark
And this was his strange reply
I am the royal commission on kissing
Appointed by Gladstone in '74
All of my colleagues are buried or missing
And our records were lost in the last Great War
But still I'm a royal commission
And my task I intend to see through
Tho I know, as an old politician,
Not a thing will be done if I do.

Some hon. Members: Hear, hear!

Mr. Reilly: Mr. Speaker, I cannot seriously entertain the belief that there is one member of this House so naïve as to think that this committee will accomplish one meaningful thing. Even all the joyful whooping and hollering on this side of the House last night had a hollow ring to it. It was about as meaningful to the people who suffer inflation as though this House had found that 15 rather than 30 angels could dance upon the head of a pin. Establishing committees such as this is little more than a device for fooling the people and distracting their attention from the fact that they are being victimized, in my view. It is an attempt to persuade them that their Members of Parliament really care about their plight and intend to set things right. In my view, and on the record, nothing could be very much further from the truth.

In 1969, this government announced that inflation had become the most serious problem facing this country and that it proposed to do something about it. Very shortly it became obvious what that was. Using the old generalist economic approach, the idea that some kind of mix between fiscal jiggery-pokery and monetary meddling could fix things, they embarked upon a deliberate attempt to create unemployment in order that the age-old economic prophecy would be fulfilled and we would have less inflation.

When President Nixon took office in 1969 he called it fine-tuning the economy. One prominent economist replied that he might as well talk about fine-tuning the flood on the Mississippi River: it made about as much sense. There was another prophecy in 1969. It was made in the sixth annual review of the Economic Council of Canada. At page 163 of the report this statement appears:

> In Canada, it is difficult to maintain that current inflation is a reflection of excessive demand pressures, for the Canadian economy has been operating with at least a moderate over-all margin of slack since 1967. On the other hand, in the United States the problem of price and cost inflation has been very much one of excessive demand, aggravated by the impact on the economy of the war in Viet Nam. Until some easing of price and cost increases takes place in the United States, Canadian policies to deal with domestic price and cost problems will be handicapped.

Here comes the most relevant sentence of all, Mr. Speaker.

> Further fiscal and monetary restraint could conceivably result simply in higher rates of unemployment and economic slack with no more than marginal effects on current rates of increase in prices and costs.

In other words, Mr. Speaker, the Economic Council of Canada and its chairman, Arthur Smith, was saying to the Prime Minister and his colleagues, "Don't do it—don't do what you say you are going to do because it will not cure the ills we are facing; it will not cure the ill of inflation and will only cause harmful and high unemployment in Canada". But that is precisely what happened, Mr. Speaker, and we are still paying the price for it.

Many times since, when the government has been berated for its failures in the field of economic forecasting, the response has been that this problem is so complex that no one could come up with the right answers. I point out, Mr. Speaker, that Arthur Smith was right and the Economic Council was right. For his pains, Mr. Smith was banished, and no attention has been paid to the Council since. Mr. Smith and the Council told the emperor that he had no clothes on, and so they had to go.

This morning the Prime Minister said that his policy was price and wage controls if necessary, but not necessarily price and wage controls. Fancy that, Mr. Speaker: from philosopher king to Mackenzie King in two weeks.

Mr. Lang: He said that was your leader's policy.

Mr. Stanfield: He said it was his too.

Mr. Reilly: My leader would not steal from Mackenzie King; he has better precedents than that.

Mr. Foster: You are lucky to have an entertainer over there.

Mr. Reilly: Mr. Speaker, I should like to review the bare bones of the inflationary picture as it has developed since this government took office. Between 1968 and 1972 the cost of living, over-all, has gone up by 20 per cent. To the wage earner in this country that means that what cost a dollar in 1968 now costs $1.20. Shelter has increased by 27.4 per cent in the past three years, food by 18.2 per cent, clothing by 10 per cent and health care by 17 per cent. Those are basic items, not fripperies, extravagances or self-indulgences. The plain and tragic fact is that there are many hundreds of thousands of people in this country who cannot afford them.

I had a telephone call from a constituent of mine, a man in his late sixties living with his wife on a pension. They pay nearly half their income for rent, and when all their essentials are taken care of they have less than $20 a week for food, clothes, transportation and whatever wild extravagances they can put their minds to when these needs have been exhausted. That man was nearly in tears on the telephone, Mr. Speaker, and it was not good to have to sit there in my beautifully appointed office, drawing $26,000 from the public purse, and listen to one of my fellow men, one of my neighbours, one of the many millions of people who put their trust, I hope, in me and in the other members of the House in the hope and belief that we would care for them and solve problems that they cannot solve, that they are powerless to solve. That was the most distressing incident I had to cope with since the

House began to sit, but that was not the only time I had that kind of call.

• (1510)

An hon. Member: Oh!

Mr. Reilly: Mr. Speaker, I did not hear the hon. member. If he would like to rise to his feet, I will yield the floor to him.

An hon. Member: Get on with your speech.

Mr. Reilly: The hon. member will need to speak louder.

An hon. Member: Get on with your speech.

Mr. Reilly: Mr. Speaker, what I want to know from the government or any member is, what do you tell these people? What do you tell them, while we sit around here boring the people in the galleries rigid with irrelevancies, diatribes and lectures. What the people want, need to know and have a palpable right to know is what precisely we intend to do about those problems that they cannot solve.

Prices have increased by 20 per cent in four years. Have pensions risen 20 per cent in four years? No, they have not. Have unemployment insurance benefits gone up by 20 per cent in four years? Has the minimum wage gone up by 20 per cent in four years? The only pensions on retirement, or welfare benefits if you care to call them that, that have gone up are the pensions members of this House are entitled to if they manage to hang on here for six years. We have not done very much for the people who cannot help themselves in this country, and I think it is about time we got around to doing just that.

Some hon. Members: Hear, hear!

Mr. Reilly: Mr. Speaker, as the economist Galbraith once put it, "Men of conservative temperament have long suspected that one thing follows the other." Nowhere, in my submission, is this proven better than in the field of economics. We have tried to hold inflation down by the tried and true method of setting it off against employment. That, for a variety of reasons, has failed. We have tried persuading management and unions to agree voluntarily to hold down wages and prices, and that course has failed.

The choices have dwindled to the point where in my opinion two are left. We can pursue the careless course we have followed, the course that shows disdain for the real problems affecting hundreds of thousands of citizens in this country, we can continue to plan for a country in which inflation is rampant and in which poverty is an equally predictable concomitant of it, a country in which people will never have a chance to dig themselves out of the mess we have made for them, or we can follow another course: we can attempt to regulate wages and prices. I am not talking here about guidelines or persuasion; those have been tried.

An hon. Member: What about other incomes, including ours?

[Mr. Reilly]

Mr. Reilly: I would agree with an income freeze right now. I would not have sat in the last parliament and legislated such an increase for myself if I had been here as a member.

Mr. Knowles (Winnipeg North Centre): The hon. member certainly was not here.

An hon. Member: But his colleagues were.

Mr. Reilly: If hon. members from the party which pretends to speak for the weak, the old and the poor mean to denigrate the things I have been saying with that kind of cheap, juvenile barracking, let them go ahead. I hope their remarks are on *Hansard,* and I hope it is recorded that they were made by members of the NDP.

An hon. Member: This is not a television game.

Mr. Reilly: It is marvellous to hear this kind of thing. I only regret that more of the people of Canada are not here to listen to the high level of debate practiced by the party to my left which thinks itself an intellectual party.

An hon. Member: You are not on television.

Mr. Reilly: Neither are you. As I said to the people across the aisle a few minutes ago, it is a good thing the hon. member is not on television.

It has been said that wage and price controls would hamper the operation of the free market. I do not believe that to be true, because the market in those areas which have a bearing on inflation is not free anyway. Prices and wages are fixed by powerful corporations and powerful unions; there is very little free movement in those areas that really affect the people of Canada. I believe that the public of Canada deserves a place in the councils of those organizations if we are to make certain that the public interest will be served when those in lofty positions make a move.

There is no need for me to become involved in the area of farm prices or small manufacturing prices, Mr. Speaker, because these, as nearly as I can determine, are regulated by the market and there is no need to interfere with it. The only place where we need to impose regulations is in that area where powerful corporations and powerful unions now make the rules. Perhaps we might include certain essential areas such as rent controls. Those controls need to be imposed, perhaps only temporarily, until we can determine how to bring those factors more into line with the incomes of so many thousands of Canadians who are not making it now. Those prices need to be frozen.

I think there is no doubt that the people who are suffering under rampant inflation want controls. They do not want guidelines or voluntary restraints that penalize those who co-operate and reward those who refuse to co-operate. They want firm, mandatory controls which will make certain that those on fixed incomes, the working poor and the unemployed, will be rescued from the relentless exploitation of the rich and powerful and selfish people of this country.

If this government and this House of Commons truly understands its responsibility to the people of this coun-

try, if hon. members have the vaguest understanding of the problems that bear so heavily on so many hundreds of thousands of unfortunate Canadian citizens, they will somehow summon the courage to take the drastic step. The government does not have that courage now.

There is still a chance for members to go out into the boondocks and see how real people live. Then they will move at once to consider price and wage controls, and impose them—because, Mr. Speaker, this move is no longer a debating point for an economics class: it is a very urgent need. We must help those who cannot help themselves. We, the members of this House, can help the people if we will. In my submission, we will not be helping the people through the mechanism of this committee, no matter when it reports.

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I was interested in the introductory efforts which the hon. member for Northumberland-Durham (Mr. Lawrence) made the other day. His first three attempts to be recognized and gain the floor of this House were not very successful; he fell flat on his face.

Mr. Stanfield: I wish food prices would fall flat on their face.

Mr. Hopkins: He was certainly prominent before coming to this House.

Mr. McGrath: Which people fell flat on their faces last night?

Mr. Hopkins: I will have something to say about that later, Mr. Speaker.

Mr. Alexander: Tell us now.

Mr. Hopkins: I am mentioning the hon. member for Northumberland-Durham at this time for this reason. He and his former colleagues in the Ontario government were so interested in serving the needs of the people on the hustings that they could not even maintain or build a bridge across the Petawawa River so that 12,000 people could reach the shopping plaza and buy food, no matter what its price was. They could not reach the bargains at the shopping plaza; and the hon. member was one of the super-ministers in the Ontario government at that time, Mr. Speaker.

An hon. Member: What about northern Ontario? Was he responsible there, too?

Mr. Hopkins: One thing—

Mr. Stanfield: The party opposite was not very successful against the hon. member.

Mr. Hopkins: I am interested in seeing one thing, Mr. Speaker. I come from rural Ontario. I do not want to see farming communities of this country crucified for the sake of political gain. The cost of operating a farm today is very high, and the farmers must have a fair return for the risks they take.

Food Prices Committee

• (1520)

Another extremely important matter—I am not sure whether it has been mentioned in this debate—is freight rates. For those who live some distance from the large urban markets, freight rates are very important when considering food prices. For example, farmers throughout eastern Ontario raise a lot of beef and hogs. They not only face the freight costs of shipping the animals to the slaughter-houses but they are faced with the cost of bringing the product back to the local market. For this reason, I compliment the government for including the matter of freight rates in the Speech from the Throne.

Anyone who wants to check former speeches I have delivered in this House will find that time and again I raised the question of freight rates not only on food but on manufactured goods. We must also consider the processing industry. A study of freight rates in Canada will also be of importance to the developing economy in this country. Whether it be food processing plants or any other type of industry, it is as important to this country to have equalized and fair freight rates for all areas of Canada as it is to have a regional development program. When I speak of food processing, I refer to fish in the Maritimes, wheat in the west, mixed farming in Ontario and the various plants which deal with these types of products. If we take a serious look at freight rates along with an investigation into food prices, we will be hitting the whole problem of food costs with a double-barrelled shotgun rather than with pellets travelling in various directions.

Many people criticize all outlets, from the foodliners to the small corner stores, for the high cost of food. I think it is fair to say that many retail outlets operate on a very small percentage of profit. I hope the committee will study all areas of this problem, including the farmers, the consumer making his purchases in the foodliners, and other food middlemen across Canada. We cannot permit the rumour to be spread, as it often is, that the farmer has it made. The farmer today works far longer hours than the average citizen in this country in order to keep his operation going. It is his business. His money is involved and he has deadlines and payments to meet.

I have spent a considerable amount of time in sessions of committees of this House. I think it is extremely important that the make-up of the proposed committee include a fair representation of people from all walks of life and all interests. We do not want a committee representing only one or two views. The same is true with regard to witnesses who will appear before the committee. When the steering committee decides who should appear before the committee, they should call for a good cross-section of people—the producer, the middleman and the retailer. Also, people involved in transporting food throughout Canada should be invited to appear before the committee in order to deal with transportation costs.

Mrs. MacInnis: What about consumers?

Mr. Hopkins: Without this guideline, it will be impossible to get a clear picture. The hon. member for Vancouver-Kingsway (Mrs. MacInnis) has served on many committees of this House, some of which I have chaired. I have very high regard for her conduct and what she has to offer. I heard her mention the word "consumers." Cer-

tainly, consumers' organizations should appear before the committee. What I am trying to say is that all groups should be represented. We should not merely load the gun in committee and then come back into this House with a report that is not viable.

The committee will be made up of members from all sides of this House. Because of our present make-up and the party system in this House, every member who serves on the committee should be sincere and dedicated. Hon. members should be interested in bringing a fair report to this House which will be in the interests of the consumer, the producer and all others involved in the food industry.

In my opening remarks I referred to the fact that farmers must pay for shipping their animals or food products to markets where they are processed and then returned. I think it important that we have regional slaughter-houses instead of shipping hogs, sheep and cattle to large centres where the industry is tied up in a few very large conglomerates. I think the committee should make an in-depth study of this aspect of the problem.

Another way to protect the farmer is to examine what has happened during the past 12 months. In eastern Ontario, stretching through to North Bay, there was a very serious wet weather problem and many farmers lost their year's crop. They are faced with additional expenditures this winter in order to bring their herds through the winter months.

Mr. Baker: The government did not do very much to help them.

Mr. Hopkins: The government gave them assistance. This was done here in Ottawa on the initiative of a number of members of the Liberal caucus on that day.

Mr. Baker: Why weren't they returned?

Mr. Clermont: I was one of them.

• (1530)

Mr. Hopkins: I am here today. I have travelled from farm to farm with delegates visiting these farmers, not only in my riding but elsewhere. We did receive some input and I would be willing to supply the hon. member with letters I received from satisfied farmers in the area. Those letters are one indication why I am back, contrary to what the hon. member across the way said a moment ago.

The chairman of this special committee must be a good diplomat, a fair-minded person who will have to know all the rules and operations of a committee. I think it will behove every member of the committee to try to give him respect in return for his or her fair play, just as it behooves us to give the same respect to the Chair in this House under similar circumstances.

The study of food prices in Canada will undoubtedly greatly be affected by what is happening in many Asian countries today. Right from the time western Canada started producing No. 1 wheat we have heard it said that Canada is the breadbasket of the world. Some nations of the world will obviously face great difficulty in the immediate years ahead. Surely there should be some international agency more effective than any to date which will provide, on a multinational level, funds for the production of food to help these needy nations over their difficult times. We cannot expect the farmers of Canada to produce food that is to be given away, with no return to them on their cost of transportation and operation within Canada as a whole.

As a nation highly respected in the eyes of the world, we have a responsibility to help nations that are in difficulty and this we have done over the years. In comparison with other nations of the world, I think Canada, by and large, has a pretty good record of being our brother's keeper. If we are to be sincere in our international relations and if other nations want to be sincere with us, we must find ways and means at the international level of getting food to areas in need, at least if we have any Christian, Hebrew or other ethics left in this country. And they are here, despite all the pessimistic views expressed about churches today.

In closing, I congratulate the government for bringing forward this motion. At the same time, I emphasize how important it is that the committee operates efficiently. Secondly, all elements of the food industry should be able to make representations to the committee. Thirdly, the cost of distributing food throughout Canada must be examined carefully. Lastly, we must bring back a report to the House that is not only logical and credible in the eyes of the House but also in the eyes of the Canadian people at large. Having brought back that report to the House, I know that the government will be prepared to consider it in all seriousness, as I am sure will all members of the House. Let us keep our eye on the basic interests of John Q. Public, not on John Jones, MP and on what we might gain in a cheap manner through political action.

I have many friends on both sides of this House, Mr. Speaker. When the mover and seconder of the address in reply to the throne speech spoke the other day, they reminded me of some words that I used in my maiden speech in this House—that if we can lay aside personalities, say the things to one another that we have to say and then walk out of the House as friends prepared to come back the next day and work constructively for the nation, then we can make this parliament work. We will be able to produce a good report on food costs, and if we give it a fair chance we will have probably one of the most effective committees in this twenty-ninth parliament.

Mr. Don Blenkarn (Peel South): Mr. Speaker, it is with a great deal of humility that I come to this House. The county of Peel and the riding of Peel South are once again represented properly by members on this side of the House in this party. The county of Peel is again happy and proud to be represented by a party that has been charged with greatness in the past. I have not had the chance to speak before in this House, so may I first of all congratulate you, Sir, on your election as Deputy Speaker, as well as the hon. member for Stormont-Dundas (Mr. Lamoureux) on his election as Speaker of the House.

A lot has been said in this debate, and I agree with the hon. member for Ottawa West (Mr. Reilly) that perhaps we are spending too much time talking rather than getting down to business. I should like to use some of my time to

thank Mr. Alistair Fraser, the Clerk of the House, for the assistance he has given me as a new member.

Some months ago all of us here walked around our ridings, knocking on doors and hearing continual complaints about the price of a jar of coffee, a can of peas, a jar of Cheez-Whiz to make a sandwich for the kids' lunch, to say nothing of the cost of a pound of hamburger and other meat. The people of this country are pretty darned concerned about the prices they are having to pay for food and groceries, the necessities of life. If this government does not take more legislative action to deal with the rising cost of living in this country, and do so very quickly, I am sure the people will tell the government, more seriously than they did on October 30, what they think of it at the next election.

• (1540)

There is really no need for a protracted debate on the matter of setting up a committee to inquire into food prices. We have all been around and know pretty much what the problem is. We have had enough royal commissions and committee studies; but if we are to have another committee, let me say a few words about what that committee should explore.

A great deal has been said about farmers. Unfortunately, in my riding there is no longer any farmland; it has all been used for housing lots. As a lawyer, I have dealt with farmers for a long time and I say this to members of this House: I know of no business or industry which uses so much capital and labour for so little return. It is no wonder that the sons of farmers are leaving the farm to drive trucks and work in factories, and it is no wonder that some of the best agricultural land in Ontario lies fallow, growing weeds and producing no food.

No one can accuse those who produce farm products, in this province in particular, of creating the high price of food at the grocery store level. This committee inquiry must treat the words "price" and "food" in their broadest sense. The inquiry should consider all those things that are necessities of life, including shelter, clothing, services and, indeed, all costs to consumers.

I was amazed at the hon. member for Vancouver-Kingsway (Mrs. MacInnis) when she asked, "What about consumers?" Every member of this House, every person in the galleries—in fact everyone—is a consumer. What we must consider is the cost of production and the price of food. The hon. member for York South (Mr. Lewis) and his gang are often yelling and talking about the extortionate prices which supermarkets charge. Every indication I have is that the profit of supermarkets is less than 1 per cent of gross turnover. Let me remind hon. members of this House that if the price of an article was $1 and the profit was reduced by 1 cent, the market would just break even. If the price was reduced by 2 cents, the retailer would go broke.

We have had enough business failures in this country and we must consider why some of them have occurred. Perhaps some of these failures are the result of our cost-price structure. Some have said they should be blamed on labour. My inquiries would indicate that this is a highly labour-intensive industry and that most of the people are not well paid. Grocery store clerks, the people who move the produce and others in this industry are not well paid or wealthy, yet this is a highly labour-intensive industry. Every small pay increase is immediately reflected by an increase in price.

I think we must look deeper than the cost of labour, the cost of farming, the cost of distribution and transportation. We must consider the cost of incompetence on the part of the government which sits opposite. This government has saddled the Canadian people with incompetence which is reflected in the price the people must pay for everything they purchase.

During the election campaign I travelled throughout my constituency and talked to a number of operators of small businesses, as I am sure all hon. members did in their ridings. I am sure most hon. members have seen the statistical forms sent out to businessmen with a demand that they be completed and returned, or else. The cost of these forms, the red tape and the time involved is added to the overhead and passed on to the consumer. If the committee ever gets started, it should inquire into this type of cost because it also drives up prices.

There is a company in a neighbouring riding named Maple Lodge Farms. It is involved in processing chickens. A short time ago a health inspector closed down this operation because of a small dispute with management. The hon. member for Peel-Dufferin-Simcoe (Mr. Madill) went to work on the matter and managed to get the plant back in operation within two hours. In the meantime 250 people stood around doing nothing while production in the plant was held up. There was nothing actually wrong and the issue involved only interference by a bureaucratic inspector. This is the kind of interference businessmen in this country face today. As long as this type of interference by this and other governments continues, prices will increase, because if a man is to stay in business he must pass the cost of interference and control on to consumers in the cost of production.

This government has interfered in another way. Less than a year ago it authorized the slaughter of a large number of chickens in order to increase the price of eggs. This is the kind of action that creates an increase in food costs. Only two years ago this government told the farmers of this country not to plant wheat and said it would pay them to reduce wheat acreage. How much government interference of this kind can the business community or the economy stand? This is the type of thing that continues to force prices up; I refer to inefficiency and bad decisions. If this committee inquires into the cost of interference by government in the business sector, it may do some good.

Another matter which is more dramatic than wages in relation to food prices is the government's vested interest in inflation, in terms of income tax. We have 5 per cent inflation today. Does the consumer need 5 cents extra on the dollar in order to pay the increased cost? I suggest the consumer must have at least 7 cents or 8 cents more, because of rapidly accelerating income taxes. The consumer needs this extra money just to stay even. This government continues to collect income tax on the basis of a vested interest in inflation, yet its members stand here in the House and suggest we should have an inquiry into prices. This matter was clearly discussed by the

Leader of the Opposition (Mr. Stanfield) in May, yet nothing has been said in the Speech from the Throne and nothing has been proposed to date to reduce the vested interest of this government in inflation.

• (1550)

It is easy for all parties to attack someone else. It is easy for the New Democratic Party to accuse the corporations. It is easy for us who live in the cities to say that the farmers, the producers or the transport people are responsible. It is easy for us to blame the developers for the high cost of rent. What this House must do, however, is look at itself and some of the legislation it has passed, as well as some of the red tape and regulations which have been created, and the effect this has on prices.

I suggest we should look at the incompetent government we have on the other side of this House. We have personal income taxes which start at 20 per cent and increase to 60 per cent or so. We have corporate taxes of 50 per cent or more. This government takes 20 per cent of the gross national product, and all other governments together increase that percentage to 37 per cent or 38 per cent. It is no wonder that those Canadians who rake asphalt for a living or serve in stores, as well as other Canadians, do not have sufficient money with which to buy the goods they require.

We must also inquire into the work ethic situation in respect of unemployment insurance and the welfare system in this country. The cost of welfare, the cost of payouts and handouts are all passed on in the tax system. All these costs add tremendously to the prices which must be paid. I do not say for a moment that we do not need to look into this aspect, because we do. We must look into the situation of the elderly people, the sick and the disabled in our community. We must realize, however, that the welfare system and the attack on prices does not require a commission or a committee in order to accomplish this.

In reference to the question of time, an amendment has been moved to the effect that this committee report in three months. A subamendment has been moved that an interim report be filed in 60 days. I do not know what the committee and its reports will establish, but I say to you, Mr. Speaker, that this matter is one of urgency. This debate has been carried on and on. I suggest that it be terminated next Monday at the latest and that the committee be forthwith appointed.

I would be delighted if the committee, as suggested by the New Democratic Party, could report in 60 days. We had the slogan "60 days of decision" by a previous Liberal government but I am not sure that those 60 days of decision produced anything. So while I am quite prepared to vote on the basis of a report in 60 days, I suggest that it should be a final report and that this House and the government get on with producing legislation which will solve the urgent economic problems of this country.

Mr. Frank Howard (Skeena): Mr. Speaker, in commencing my remarks perhaps I should say I listened with a tremendous amount of interest to the comments of the hon. member for Peel South (Mr. Blenkarn) who just resumed his seat. He made some valid points which I believe deserve looking into, one concerning the tons and tons of paper which Statistics Canada, or whoever is responsible, sends out to businessmen, which must be filled out and read but then is made little use of.

Incidentally, this is a situation which almost reached a peak during the time the right hon. gentleman from Prince Albert (Mr. Diefenbaker) was prime minister. So be it; it is a valid point. This is an harassment particularly of small businessmen. If we can do anything to eliminate that problem we will be making a contribution at least in respect of making life easier for small businessmen. Quite frankly, I do not think it will have any effect on the price of food. I do not believe the hon. member thought it would; it was window-dressing on his part. But it will ease the burden of the businessman.

I also have some comments which I was enticed to make in respect of the speech, if I can call it that in polite terms, of the hon. member for Ottawa West (Mr. Reilly); but inasmuch as he is like a hit-and-run driver, or slightly like a vulture who leaves his carrion and his droppings, and has left the chamber, I will wait until Monday in the hope that he will be here to listen to what I have to say concerning his attitude in this matter.

I see that you are becoming restless in the chair, Mr. Speaker, and I wonder if you are inclined to call it four o'clock. If so, I shall accede to your wishes in that regard.

The Acting Speaker (Mr. Boulanger): It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills and private bills.

PRIVATE MEMBERS' MOTIONS

YOUTH

SUGGESTED ESTABLISHMENT OF MINISTRY OF STATE FOR YOUTH AFFAIRS

Mr. Jack Marshall (Humber-St. George's-St. Barbe) moved:

That, in the opinion of this House, it is expedient that the government consider the advisability of establishing a ministry of state to formulate new and comprehensive policies in relation to youth affairs.

He said: Mr. Speaker, I am pleased at last to have an opportunity to make some representations on behalf of the people in my district and the country. I am particularly pleased to have the opportunity to introduce my private member's notice of motion which states:

That, in the opinion of this House, it is expedient that the government consider the advisability of establishing a ministry of state to formulate new and comprehensive policies in relation to youth affairs.

To my mind, governments have been groping in the dark about the problems in our country. We continue to react to emergencies that exist and then introduce ad hoc programs to try and combat the particular problems which exist. It is interesting to note that we have in this

country five million poverty-stricken Canadians out of a total of 22 million. Many of them are children.

Here we are, in the year 1973, with problems which governments have not been able to cope with over the years and only grant more money to try to stop the cancer of poverty and sickness which keeps growing in spite of the efforts of governments to stop it. We keep reading and hearing every day about our inability to cope with the cost of medical services, and the experts cannot find a way to cope with these increased costs. We pour millions of dollars into studies to find out why people are getting cancer; studies on mental health problems, studies on nutrition, studies on the use of drugs.

• (1600)

We debate here in the House of Commons, in embarrassment, the problems of national unity, and we are at a stage today where the senior citizens of our country cannot cope with the cost of living. We have citizens in our country who in their later years cannot cope with society because of lack of education or because of the deterioration of their bodies. We are wondering why teenagers are reacting to the establishment, the supposed experts who are supposed to have all the answers about the future of our country. But we have failed miserably and are now at the stage where we must try to cure the ills with stopgap measures which are only temporary preventatives.

The problem is that we as legislators cannot see the forest for the trees. We are trying, through political bumbling, to direct efforts to ease the burden by an approach which will never solve the problem because we do not get to the source of the problem. To my mind, the answer is to concentrate our efforts toward our youth. We will never do it by creating programs with fancy names such as we have in our Department of National Health and Welfare—programs like Recreation Canada, Sports Canada, Hockey Canada, or by directing funds to create a few teams which will win championships. Neither will we do it by creating a few athletes who happen to have had the advantage of having the facilities provided because of political patronage. The answer is in youth development, the true development of the bodies of all our youth, whether they live in Toronto, Vancouver, Montreal or in the smallest hamlet in rural Canada.

It is a wonder to me why we seem to have such a hangup about becoming champions. I wonder what benefits have been derived from winning, for example, Olympic gold medals, and then we wonder why we cannot win a medal in spite of all the funds that are poured in. What have the great Olympic games proved over the years? To my mind, they proved in Germany last year that the competing countries of the world have no other objective in sending their athletes to the Olympic games, which are supposed to cement world unity, peace and understanding, than selfish, narrow aims. What did we accomplish in Germany other than the fact that some people of warped minds were able to ruin the games by the massacre of innocent athletes?

The answer, I say again, is youth development in Canada; it is to direct our efforts to the development of the bodies of our youngsters at primary school age. The answer is to provide a program to satisfy every child in our country, whether he lives in the largest city which provides many advantages or in the smallest hamlet where these advantages are all too few.

There is no one here more interested in the education of our youth than I am, but there is more to education than improvement of the mind. We must at the same time and coincidentally try to improve the development of the bodies of our children through a co-ordinated effort in education programs—to improve minds and bodies alike, not to create hockey champions or track champions to compete for the sole purpose of winning medals. We should direct our activities toward a co-ordinated effort to produce more healthy Canadian citizens for the good of the country.

The answer lies in creating a ministry of state for youth affairs to co-ordinate and direct an effort with the provinces to set up a youth program which would achieve the objective of developing better and healthier Canadian citizens. Under this ministry we could provide the leadership and the guidance that is necessary for all our youth, not only in direct sports but in physical fitness. We must teach the child teamwork, give him leadership training and teach him comradeship. We must let the child follow his natural instincts and prove his leadership qualities, instead of being left in the background because he does not have the attributes of the hockey player.

The future of our country lies in our youth, but we will not correct the problems of our youth by stopgap measures. We must get to the source of the problem. We must provide leadership and guidance to the youth at primary school age by a program designed to develop each individual's attributes toward his greater pride and distinction and, most important, make him feel that he is contributing as much as his comrades who have greater advantages.

Heretofore, Mr. Speaker, our program was narrow and downright stupid. Instead of using our common sense we have been listening to the supposed experts in the sports world who could not care less about our youth and our country other than to write a controversial column in the sports pages for their own selfish aims. They have all the answers because they are charged with the responsibility of preparing a sports column, but it is obvious, to me at least, that they could not care less what happens to the vast majority of the youth of our country.

There was no one more proud than I when Team Canada struggled to victory over Russia in the hockey series last year. But what did we accomplish other than the false pride of those few with advantages, while those who cheered in every nook and cranny of our country are suffering due to the lack of foresight of the leaders of our country in developing all of our youth rather than a chosen few.

I was dismayed last year when one of the best programs in physical fitness for youth, sponsored by the Canadian Legion, was discontinued by the federal government because of lack of finances. I was still more amazed at the fact that the Canadian Legion accepted the decision of the Department of National Health and Welfare to discontinue contributions. The discontinuance of this program is another example of the stupidity of our experts who seem to think that they know what is right for our country.

All provinces have departments concerned with correcting the problems of the youth of our country. Constitutionally, it is incumbent on the central government of Canada to co-ordinate these efforts by participating in discussions and negotiations with the provinces, and in particular those provincial departments which are concerned with youth programs, in particular employment of older youths and the development of other policies for the betterment of our youth.

A program should be designed, under a new federal department of youth affairs, to ensure that in future years our country will produce better citizens, so that we will not face the problems which we are facing today concerning the aged, the poor, the blind, the sick and the maimed. Programs concerned with aiding these poor people are poorly administered because those who are in charge of them have only their own selfish interests at heart.

If we create this ministry, we will be developing a healthy individual who is able to take his place in our country and in our society and is able to take advantage of the opportunities that are offered him. If we create this department, we will not be faced with the problems with which we are faced today. In the future, our senior citizens will not have to ask the government for assistance and will not have to cope with health costs, but will live in comfort as participants in our great country.

• (1610)

[*Translation*]

Mr. Gilles Marceau (Parliamentary Secretary to Secretary of State): Mr. Speaker, for a parliamentarian, one of the best opportunities of realizing the importance of his office is no doubt when he has the opportunity, like I have today, of expressing in the House opinions and views on current topics.

Mr. Speaker, far from me the thought of suggesting that my remarks will have the importance and quality they ought to have. They come however from a Canadian who is deeply convinced that tomorrow's problems will be solved with the co-operation of all those who believe in a better Canada where all Canadians, regardless of their age, will have attained a proper standard of living.

When in addition to being a Member of Parliament, the speaker has the opportunity, through circumstances much more than because of his competence, of playing a rather important part in the government of his country, he is aware of the importance and seriousness of his remarks.

Mr. Speaker, when the Prime Minister did me the honour of appointing me Parliamentary Secretary to the Secretary of State (Mr. Faulkner), I felt quite unworthy considering the ability required from the holder of such an important office. I accepted, Mr. Speaker, counting mainly on the indulgence of my colleagues and being impressed by the person chosen as Secretary of State.

I did not know, Mr. Speaker, that I would be delivering this speech in the presence of the minister. I would not want my words to be construed as the expression of a wish to replace him. On the contrary. I believe he has the talent and, should I say, fortunately or unfortunately for those who wish to replace him, the youth and the competence to remain in his position as long, of course, as we have the confidence of the House and the electorate.

Mr. Speaker, I am particularly happy to take part in this debate on a subject which has been and will always be of prime importance for me. For many years already I have had the opportunity of taking part on a somewhat intensive scale in young people's activities in the Chambers of Commerce, Richelieu Clubs and youth associations, so I have been in a good position to understand young people's problems, their anxiety and their hopes. I am not one of those, and may God preserve me from ever being one, who are satisfied with making general judgments on young people and condemning them. I know, for having been young myself, that young people do not always fulfill the hopes we place in them. But there is nevertheless hope in that youth, hope which we must, not only as a government, but also as parliamentarians of any political association, channel, use and orient towards the best interest of our country.

Mr. Speaker, in spite of fairly numerous responsibilities, the Department of the Secretary of State devotes quite a lot of attention to that field. I believe I can say on behalf of my government, that it is not by showing a lack of understanding towards the young, by trying to isolate them from the world of today that we will solve their problems. The problems of they young are our problems. Their aspirations are those of people like us. The wishes of the young are those of people of all ages, of citizens of all categories who wish to live in a society that can give them the comfort, the happiness and the security to which we are all entitled.

Mr. Speaker, to my mind, it would be a mistake—and I do not believe the government is willing to make that mistake—to accept that the young be isolated, that they not be considered as part of our society. With all due respect for my hon. friend who spoke before me, and whom I congratulate on the tone of his remarks, which were not agressive but constructive, I am not willing to accept his solution as being appropriate, even though I do agree with his remarks which did contain some elements of truth and some constructive suggestions, and which at the right moment will inspire us.

• (1620)

Mr. Speaker, as the Secretary of State was really and sincerely anxious to meet the needs of our young people, it established a committee a few years ago. As parliamentarians, we are often blamed for sitting on too many committees and doing too little. That committee on youth created a few years ago worked steadily I believe in an attempt to represent the wishes, needs and yearnings of our young people. As most hon. members know, its report was submitted to the Secretary of State and it will no doubt be the basis of a policy which we will submit to this House.

It is rather important to emphasize that the report, which was prepared by young people, is clear; the comments from those young people should bring enough pressure to bear on the government to guide its policy. The young people themselves were absolutely against the creation of a ministry of youth, the immediate or far-reaching result of which would have been to isolate them from the

present and future society in which they want to participate fully.

And I can only rejoice at this firm response from the young people who, despite their uncertainties and problems, are willing to participate fully in our society of tomorrow and to contribute in a constructive way to the evolution towards which our efforts should lead and which will provide them, as well as other Canadian people, with the welfare they are entitled to.

Mr. Speaker, apart from that committee which was created and to which I just referred, we had the opportunity during this week, thanks to the initiative of a minister who was called to office only recently, to learn about measures that were not entirely new but improved, and which affect all young Canadian people. You have undoubtedly heard, Mr. Speaker, the statement made this week about some programs in which the government has invested and will invest $85 million this year in order to enable young people not only to earn money to carry on their studies but also to take active part in the improvement of various community services.

I am not suggesting, Mr. Speaker, that the policies which we devised this week will meet all the needs and aspirations of young Canadians, because this has never been achieved and never will be. But the important thing is that governments are trying to find practical, viable and effective solutions so that young people, instead of feeling isolated, instead of feeling rejected by our society, may realize they can play a genuine role that not only would improve the society in which they live but also would provide them with an opportunity to experiment and to earn some money for their education.

Mr. Speaker, among these programs, the most prestigious,—if I may use this expression—is the Opportunities for Youth program. It may be interesting to recall that this idea, which was put forward two years ago already, is unique in the world. This year we have tried to make correction to it in the light of suggestions made by the people a few months ago. I hasten to add that the improvement of the Opportunities for Youth program will not meet with the approval of all citizens. But as a government we are prepared to meet—and that is our duty—the challenge of facing the problems of youth, and I think that we are in a position, in co-operation with all our colleagues in this House, to bring solutions which reflect the confidence that young people entertain toward Members of Parliament.

Mr. Speaker, this policy of Opportunities for Youth is becoming so interesting—and I do not believe that I am betraying a secret by saying so—that people from the United States, Australia and Europe have inquired regarding our way of proceeding because they became interested in this new formula under which some 67,000 young Canadians will have, one way or another, the opportunity to take part in the improvement of our community.

It is obvious that the Opportunities for Youth program, for which $40 million will be earmarked this year, is part of a comprehensive program providing, for example, employment in the civil service. Out of this budget of $85 million which I mentioned earlier, $30 million will be allotted to hire young people for civil service jobs.

We were once blamed because the work of those young people was not always satisfactory. This year, we shall try to avoid such comments which are sometimes justified. That is why, instead of instructing the Public Service Commission to hire a certain number of students, we have asked the commission to define its needs. As a result of that assessment, the public service will perhaps be employing a smaller number of students, but on the other hand they will be performing more efficient, more positive work.

Thus, Mr. Speaker, it has been possible to devote $5 million more than last year to the Opportunities for Youth program which, incidentally, according to the evaluation of the Treasury Board, has been recognized as being the most efficient and productive of all the summer programs for young people.

Mr. Speaker, I feel that what should be retained from a speech like mine is that we want to impress the people of Canada and our colleagues with the fact that we, as a government, are prepared to recognize our mistakes, to face challenges and to work with all parties, and with the people as a whole in the interest of really integrating young people into our future society and in order that those who will be called upon to replace us may start their preparation and training right away for their leadership role. We have confidence in our youth, Mr. Speaker, a confidence shared, I am sure, by the people of Canada.

• (1630)

[*English*]

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I was interested to hear the remarks of the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). When I first read his private members' notice of motion I thought his proposal was more comprehensive than his detailed explanation suggested. According to his motion, he wants the government to consider the advisability of establishing a ministry of state to formulate new and comprehensive policies in relation to youth affairs. When describing the ministry of state that he wished to see set up, he tended to concentrate more on sports, on the development of the bodies of young people, on the development of healthy Canadian citizens, and he seemed to put the emphasis on the primary school level.

I think his motion has merit, but needs expanding. May I give a few reasons for my opinion. My background, before becoming a member of this House, was that of a high school teacher. I was greatly concerned about the increasing disillusionment on the part of many young people, especially my senior students. I would see many of them walking the streets after they had graduated from grade 13, and would be puzzled as to why students of such ability and intelligence had not gone on to university. They would say to me, "What is the use?" They became disillusioned over their prospects of finding a job and their future prospects in a country governed by Liberal and Conservative governments which seemed to do little to alleviate unemployment. This alarmed me, because I can think of no more dangerous or frightening prospect for our country than that of our young people becoming disillusioned.

I think the government began to realize this back in 1967. In that summer we began to witness the phenomenon of alienated youth. We saw thousands of young people forsaking their traditional role of working, and hitchhiking, instead, across the country. Also, the public became aware of the increasing incidence of drug use. In 1967 and in following years we saw college disturbances. There were riots in United States colleges and at Sir George Williams University in Canada. Learned gentlemen in the press and through the media spoke of the generation gap. We heard this often.

People began to wonder what was happening to young people who embarked on the new lifestyle and harboured new attitudes toward pollution. The government became worried. I would like to think it became worried out of a sense of genuine concern for young people. Perhaps there may have been concern on the part of some hon. members, but there was also the fear of social unrest. So something was done to placate these young people who seemed out of place in our society.

In 1969, the then secretary of state set up a committee on youth to investigate the problems I have just described. As the committee was investigating these problems it became apparent to all that rising unemployment involving young people had to be cured. In 1972, 11 per cent of those between 14 and 24 years of age were unemployed. So when we were witnessing this problem of alienation and unemployment the Department of the Secretary of State came forward with a program called Opportunities for Youth. On examining the history of that program we find that it has merit, although there are some great flaws in it. One of them is this: it has become an opportunities for students program, not necessarily an Opportunities for Youth program.

I am glad to see the Secretary of State (Mr. Faulkner) and the parliamentary secretary present in the chamber this afternoon. A few days ago, during the question period, I asked the Secretary of State a question about the Opportunities for Youth program. Was it designed for students or was it designed for youth? In my opinion, I did not receive a satisfactory reply and intend to pursue this matter further on the "late show" in days to come. On examining the Opportunities for Youth program, we notice that the acceptance rate for projects submitted by university students is 31 per cent, or thereabouts, whereas the acceptance rate for programs submitted by non-students falls to about 18 per cent. One can appreciate what has been happening.

We should have a program that stresses youth of all income brackets and all backgrounds in life. As the program is now constituted, I am afraid the Liberal government is preoccupied with providing assistance to upper and middle-class students. Why is this, Mr. Speaker? The reason, I am afraid, is that upper and middle-class students are most articulate in designing their programs. They have a distinct advantage, therefore, over young people from disadvantaged families or socioeconomic environments. We may also surmise that it is the articulate, educated young people who will react most demonstrably if something is not done to alleviate the problems I mentioned earlier.

Therefore, I suggest that the motion proposed by the hon. member for Humber-St. George's-St. Barbe for setting up this ministry of state ought to be comprehensive enough to include all youth, not just youth at the primary youth level on whom he seemed to concentrate. The motion should include young people of all ages right up to university level and from all social and economic backgrounds. If such a ministry were established, and if its activities encompassed all our youth as I suggest it should, then I think we should be going a long way toward dealing with the problem of alienation that affects so many of our young people.

Some hon. Members: Hear, hear!

Mr. Symes: If we are interested in young people, I think we will find that there are great opportunities for putting their enthusiasm and talent to good use. I find that young people are much concerned about the quality of life, about our environment, about pollution and about all the destruction that they see. I am sure a ministry of state concerned with youth could put young people to work on programs such as cleaning up the environment and making this country a better place in which to live. I know young people are also concerned about social services and are willing to help others such as the disadvantaged and those living in slums. I am sure their expertise and enthusiasm could also be used in social services involving day care centres and the like. Young people are interested in peace and harmony, not only in the world but in our nation.

Such a ministry, Mr. Speaker, would give the young people of Canada an excellent opportunity to become acquainted with one another. I am thinking especially of young people of French Canadian or English Canadian backgrounds. Perhaps, if they come to know one another, we can overcome some of the differences that are the bane of adults in Canada. So if we are to provide opportunities for work in those areas, I think a ministry of state along the lines I have suggested would be very profitable.

• (1640)

If such a ministry is to be set up, it is essential that young people become involved in it. This is one of the merits of the Opportunities for Youth program. I commend the Secretary of State for the degree of involvement of young people in this program. If such a ministry is set up, the only way it will be a success is to involve young people in the planning, organization and execution of the projects that they themselves design.

In conclusion, the motion does have some merit but only if it is expanded to include young people and to the point of concentrating on providing meaningful jobs for these young people and not, as the mover seemed to express, a desire to concentrate on sports.

Mr. David MacDonald (Egmont): Mr. Speaker, it is with pleasure that I rise to speak on this very interesting motion put forward by my colleague, the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall). I am pleased to note that the Secretary of State (Mr. Faulkner) is here to listen to this debate. I hope he is establishing some kind of precedent, and other ministers will be present when we debate private members' bills which

concern them. I am very serious about this suggestion. I specifically mention the Secretary of State because until now most of these matters have not been correctly placed under his department.

If we are to upgrade the importance of private members' hour, it is of real significance that, when possible, ministers be here to listen to comments which are made and, hopefully, from time to time to respond. I do not mean they should tie up a large section of private members' hour, but it might be useful to have even a brief comment from ministers somewhere near the conclusion of the debate so there can be some real interaction between private members and the government with regard to the proposals put forward.

I wish to take this opportunity to thank the Secretary of State for responding to some of the suggestions made by members on all sides of the House with regard to the Opportunities for Youth program. This week we received an outline of the format for the development of Opportunities for Youth projects. In the initial reading I have given to the proposal, I find great merit in it. It follows closely along the lines we pursued with interest during the past two years. However, there is still a major shortcoming. Perhaps it is best reflected in the proposition put before us this afternoon. That is, a basic lack of any kind of over-all policy, strategy or comprehensive approach to both the problems and opportunities of youth today. The comments made by the immediately preceding speaker are very much apropos the situation.

There are many tangible reasons why the government has moved to develop programs like Opportunities for Youth. Some of them obviously reflect a very serious situation that exists in the country today with regard to young people. Even though my life is not very long on the vine, I cannot recall a situation where young people of various classes and vocational opportunities have faced the kind of frustration and uncertainty, both vocationally and economically, that they face today.

Just last week we received the latest report of Statistics Canada with regard to the number of unemployed people under the age of 24. There are now some quarter of a million young people unemployed. Added to this, of course, will be an immense outpouring of young people as universities, technical colleges and high schools close their doors for the summer season. We have not faced, in a serious way, how we are going to deal in a constructive fashion with young people seeking to integrate themselves into the over-all pattern of Canadian society.

The parliamentary secretary issued a word of caution with regard to the hon. member's motion. He would not like to see the young people isolated. We have to be very frank and realize that, because of the situation, many hundreds of thousands of young people in recent years have found themselves to be very much isolated. It becomes a matter of very great isolation when young people are not able to find work, employment and a livelihood when they complete many years of training and education.

I have been a member of this House since 1965. During that time a variety of programs, suggestions and activities were put forward by both the Pearson government and the Trudeau government. In 1966 we were deeply involved in the establishment of the Company of Young Canadians. Who, here, remembers the Company of Young Canadians? I am told that it is alive, well and functioning in some areas of bureaucracy in Ottawa, but its shape and nature have changed drastically since those early years. As stated by the parliamentary secretary, we have since had the report of the committee on youth. He stated there will be some organized policy approach from the government on the report on the committee on youth, but to date we have not seen any evidence of that.

In the past two years we have had the development of certain programs directed basically toward summer employment, the principal of which, both in notoriety and expenditure, has been the Opportunities for Youth program. In that period we have not had any attempt at a comprehensive establishment of policy. Indeed, in its very impact the economic management of this country has created such a serious dislocation for so many of our young people that if we can call it a youth policy it has been in one of the most negative tones possible. Therefore, it becomes extremely important that there be an immediate approach on the basis of the hon. member's motion.

Some suggestion has been made that it has not been the request of young people that a separate ministry of youth be established. If the motion is examined, it will be seen that the hon. member is asking for a ministry of state, which is somewhat different. It would attempt to bring together a comprehensive approach to policy in relation to youth affairs. This is what we obviously and desperately need. I cannot understand why the government has resisted for so long and so strongly the development of such a youth policy. Members on this side of the House have suggested means whereby we might pursue this matter. Indeed, I have moved motions and suggested until I was blue in the face during the past year or two that we should establish a committee or use one of the committees available to this House to examine the various documents that have been presented to the Secretary of State, the Minister of National Health and Welfare (Mr. Lalonde) and other ministers of the government, as well as an opportunity for general public reflections on how we should look at the chronic problems which face young people in our society today, the principal of which is tremendous economic dislocation.

On my way here this afternoon, just a few minutes ago, I met a young chap who told me that he was completing his course. When I asked him what he planned to do after completing that course, he replied, "I have no idea." He is not taking a trades course, or coming out of grade 7 or 8, or taking an upgrading program sponsored by the Department of Manpower; he is taking a post-graduate course in law. This man is regularly articled to the bar of Ontario, and he tells me that there are 500 others like him who have no real idea of the opportunities there may be for them.

• (1650)

When the hon. member to my far left suggests that the preoccupation of the Secretary of State's program has been toward the upper and middle classes, he is correct. The dislocations of unemployment now extend right through the whole range of society and have been creat-

ing problems for governments and politicians generally. The wonder of it is that the problems that have been created have not been greater.

If we were to argue only on the basis of fear, we might suggest that if we do not soon attend to these very serious problems, we may be faced with difficulties that are well beyond proportions easy to handle in a responsible and rational way. We are faced with a situation in which we have allowed through a policy of drift, training institutions, particularly universities, to carry on year after year without giving any real thought to the changing nature of society and of the economy in particular.

There has been no attempt to co-ordinate, either on a federal-provincial basis or directly with institutions of training across the country, the needs and requirements of society as at the present moment and as they will be over the next quarter of a century. More and more young people, we find, are increasingly becoming disillusioned. They find they have followed what they thought was the appropriate route to becoming positive and responsible members of society, only to discover that the door is slammed in their faces when they complete an extensive program of education. There is a most desperate need in this country for a comprehensive policy that is geared to youth, their education and employment. There has been no recognition given to that fact by the government.

I am pleased that we now have a new and young Secretary of State. I hope that in his brief time in office he will be able to provide some leadership in this very vital area. Even though his time may be short, his contribution may be great if he can deal with what is a very crucial area of social and economic difficulty facing Canadian society today.

I do not want to speak at further length because I am most anxious—

Mr. Faulkner: You still have another five minutes.

Mr. MacDonald (Egmont): Yes, there are another five minutes before the debate terminates at five o'clock, unless of course we have a vote. But I would be most anxious to give the Secretary of State this opportunity briefly to indicate to the House how the government is going to move forward on this question and, hopefully, allow members of the House to engage in a serious way in the discussion of a comprehensive youth policy. I should also like him to indicate in what way his department's policies and plans will be moulded to deal with this problem.

All hon. members have had occasion to agonize during the past two years at the continued and increasing problems facing youth, at their inability, in all classes and in many different places, to become part of the economic and social life of the community. I hope that the Secretary of State might be able to indicate briefly this afternoon some ways in which he will provide leadership in this very vital area.

[*Translation*]

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, along with all the hon. members who have spoken over the last two weeks I would like to pay my respects to the Chair on the occasion of my first speech in this parliament.

I think I have a special reason for taking part in the debate on this motion since I have had some experience with a department of youth affairs. I would like to state briefly how this department met with much success in my province of New Brunswick.

It was the government of Hon. Louis-J. Robichaud which undertook during the election of June 1960 to establish in New Brunswick a Department of Youth Affairs which was of course the first in the history of this province and among the first in Canada. This commitment was kept as soon as the Liberal government took office but the Department of Youth Affairs was connected with the Department of Welfare. I joined that department shortly after it was established first as information officer and later as assistant director. I thus gained some experience from the growing pains of the department and also had moments of deep satisfaction.

The department was initially responsible for the administration of a loan and scholarship program for students at the post-secondary, university and post-university levels and thousands of New Brunswick students took advantage of it. Later on we submitted to the provincial government a policy to develop amateur sport and to provide financial assistance to the recreational associations of many communities. This policy was implemented and a sports director was hired. A network of local offices connected the department to the communities through a degree of decentralization. Vocational guidance services were then established locally particularly to help the young victims of a high rate of school-age mortality, and in this matter as in the cases of other programs, we had problems of jurisdiction with the provincial department of education. In a new experimental field, it is quite normal that problems should be encountered, but we managed to find solutions afterwards.

Mr. Speaker, may I call it five o'clock?

The Acting Speaker (Mr. Boulanger): Order. The hour provided for private members' business has now expired.

It being five o'clock this House stands adjourned until Monday at two o'clock, pursuant to Standing Order 2(1).

HOUSE OF COMMONS

Monday, January 22, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

TABLING OF CANADIAN NOTE TO UNITED STATES ON IMPOSITION OF COUNTERVAILING DUTIES ON IMPORTS OF MICHELIN TIRES

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I wish at this time to table in the two official languages the text of the Canadian Embassy's note, dated January 19, 1973, to the United States government on the imposition of countervailing duties by the United States on imports of Michelin tires from Canada.

* * *

AIR TRANSPORT

IN-FLIGHT SAFETY STANDARDS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to propose a motion of urgent and pressing necessity arising from the accusations made by the Canadian Airline Flight Attendants Association that the government has not been properly enforcing in-flight safety standards on commercial flights, in particular hours of in-flight work, stewardess training and safety procedures. I therefore move, seconded by the hon. member for Vegreville (Mr. Mazankowski):

That this House instructs the Minister of Transport to undertake an immediate inquiry into the enforcement of Department of Transport in-flight safety regulations, and to report back this week to the House, in order to assure the public that efforts will be made to ensure that these standards are enforced.

Mr. Speaker: This being a motion under Standing Order 43, it requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

GRAIN

1973 PRODUCTION PROGRAMS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I rise under the terms of Standing Order 43 to seek unanimous consent to move a motion in a case of urgent and pressing necessity. The subject matter has to do with the two diverging positions taken on the one hand, by the Minister of Agriculture who has advised western farmers to plant 30 million acres of wheat and, on the other hand, by the minister in charge of the Wheat Board who has advised western farmers to continue with a program of diversification and to plant substantial amounts of barley and rapeseed. Therefore I move, seconded by the hon. member for Meadow Lake (Mr. Nesdoly):

That the Standing Committee on Agriculture meet forthwith and examine the recommendations of the federal agricultural conference of last November and the recommendations of the Minister of Agriculture and the minister in charge of the Wheat Board and that the Standing Committee on Agriculture report to the House as soon as possible on production programs for the coming season.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

PILOTAGE ACT

EXTENSION OF BYLAWS AND REGULATIONS DESCRIBED IN SECTION 43(4) TO FEBRUARY 1, 1974

Hon. Jean Marchand (Minister of Transport) moved for leave to introduce Bill C-127, to amend the Pilotage Act.

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

* * *

• (1410)

AERONAUTICS ACT

PROVISION OF SECURITY MEASURES AT AIRPORTS

Hon. Jean Marchand (Minister of Transport) moved for leave to introduce Bill C-128, to amend the Aeronautics Act.

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

Order Paper Questions

CROP INSURANCE ACT

REIMBURSEMENT TO PROVINCES FOR PARTIAL ADVANCES ON CROP INSURANCE PREMIUMS

Hon. E. F. Whelan (Minister of Agriculture) moved for leave to introduce Bill C-129, to amend the Crop Insurance Act.

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

* * *

EMERGENCY GOLD MINING ASSISTANCE ACT

EXTENSION TO JUNE 30, 1976

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources) moved for leave to introduce Bill C-130, to amend the Emergency Gold Mining Assistance Act.

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

* * *

CANADA WILDLIFE BILL

PROVISION FOR RESEARCH AND CONSERVATION AGREEMENTS, CONTRIBUTIONS TO COSTS, AND PURCHASE, ACQUISITION OR LEASE OF LANDS

Hon. Jack Davis (Minister of the Environment) moved for leave to introduce Bill C-131, respecting wildlife in Canada.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

REJECTED BALLOTS IN GENERAL ELECTIONS

Question No. 18—**Mr. Knowles (Winnipeg North Centre):**

1. How many rejected ballots were there in the General Election of October 30, 1972?

2. What percentage of the total number of ballots cast on October 30, 1972, was the number of rejected ballots indicated in answer to Part 1?

3. What was the corresponding percentage of rejected ballots in the General Elections of June 25, 1968 and November 8, 1965?

4. Is consideration being given to altering the form of the ballot or to any other appropriate changes so that in future elections the number of rejected ballots might be reduced to a minimum?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): I am informed by the Chief Electoral Officer as follows: 1. Preliminary total: 298,388.

2. Preliminary percentage: 2.99 per cent.

[Mr. Marchand (Langelier).]

3. June 25, 1968: 1.12 per cent; November 8, 1965: 1.06 per cent.

4. Consideration is being given to increasing the size of the circular space where the ballot is to be marked as well as some alterations in the rectangular spaces containing the candidates names. Any change of the ballot in substance would require legislative action.

Note: The figures in Parts 1 and 2 of the answer are shown as "Preliminary" as it will be several weeks before all election statistics can be verified and balanced.

EXPENDITURES BY COMMISSIONER OF OFFICIAL LANGUAGES, 1968-72

Question No. 122—**Mr. Nystrom:**

1. What was the total amount of money spent in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72 by the Commissioner of Official Languages on contracts to outside persons and organizations for research, development and other consulting services?

2. What are the names and addresses of these outside persons and organizations and what amounts of money were involved in each contract?

3. What was the purpose of each contract and title of each report submitted?

4. What are the names and addresses of outside persons and organizations who were awarded contracts for research, development and other consulting services in the current fiscal year, what are the amounts of money involved in each case and what is the purpose of each contract?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): The Commissioner of Official Languages reports directly to parliament and not through a minister. Questions can be made directly to him privately.

COMPENSATION TO CANADIAN CITIZENS FOR ASSETS CONFISCATED BY ROMANIAN GOVERNMENT

Question No. 215—**Mr. Lambert (Edmonton West):**

Has the Government of Canada entered into negotiations with the Government of Romania to achieve agreement whereby Canadian citizens, whether of Romanian origin or otherwise, would be compensated in some measure for assets or properties owned by them in Romania and confiscated by the Romanian state authorities and, if so (a) what is the state of such negotiations and has Romania in fact agreed to set aside a fund to compensate such claims by Canadians (b) is the Canadian Foreign Claims Commission examining such claims and, if so, what are the bases of consideration for determining "who is to get what" (c) in the absence of documents evidencing title to the assets or properties, as the case may be, what may serve as a satisfactory substitute therefor?

Hon. Mitchell Sharp (Secretary of State for External Affairs): (a) An agreement between the Government of Canada and the Government of the Socialist Republic of Romania, concerning the settlement of outstanding financial problems, was signed on July 31, 1971 and was ratified on December 14, 1971. Under this Agreement, the government of Romania undertook to pay to the Government of Canada the lump sum of Canadian dollars 1,400,000 in full and final indemnification of all claims including those of Canadian natural and juridical persons against the Socialist Republic of Romania and Romanian natural and juridical persons. (b) The Foreign Claims (Romania) Settlement Regulations were promulgated in

Order in Council 1972-570 of March 28, 1972 to deal with those claims notice of which had been received on or before December 14th, 1971 for recommendation, as provided in the Regulations. The Canadian Foreign Claims Commission is examining such claims and has begun making recommendations with regard to them. (c) The recommendation in respect of each claim is based on the evidence submitted by claimants and/or received from other sources, including the Government of Romania. In regard to the various elements necessary to establish eligibility for an award under the Regulations, the Commissioners must be satisfied that the evidence is sufficient to support a decision of eligibility by the Ministers designated in the Order in Council.

COST OF PROSECUTION OF IRVING NEWSPAPER INTEREST UNDER COMBINES INVESTIGATION ACT

Question No. 232—**Mr. Howie:**

1. How much money has been paid in legal fees to date for the prosecution of the Irving newspaper interest under the Combines Investigation Act?

2. To whom was this money paid?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): 1. $47,627.50

2. William L. Hoyt, Hoyt, Mockler, Allen, Dixon & Godin, Fredericton, N.B.

REVEREND GERVIS BLACK AND RONALD HUCK

Question No. 233—**Mr. Cossitt:**

1. Is the Reverend Gervis Black employed by the government and, if so (a) what is the nature of his appointment (b) what was the date of the appointment (c) what is his salary?

2. Is Ronald Huck employed by the government and, if so, (a) what is the nature of his appointment (b) what was the date of the appointment (c) what is his salary?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): 1. Yes. (a) Special Assistant to the Minister of Transport; (b) January 4, 1973; (c) Pay and classification of Administrative Officer 6.

2. No.

PRICES AND INCOMES COMMISSION

Question No. 269—**Mr. Lawrence:**

1. What staff members previously associated with the Prices and Incomes Commission are presently employed with the government and what are their responsibilities?

2. How many staff members including secretarial support staff have been hired or released since the publication of the final report of the Prices and Incomes Commission?

3. Is there any support role envisioned for the support staff of PIC with regard to the proposed joint committee on prices and wages?

4. Has the government sent any official to consult with the Governments of the United States or the United Kingdom with regard to the price and wage controls used in those countries?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): 1. One hundred and three staff members previously associated with the Prices and Incomes Commission are now employed with the government. Of these 79 returned or moved to government departments or agencies prior to the termination of the Commission on August 31, 1972. In their present positions they are responsible for performing a wide variety of clerical, secretarial, administrative and professional work. Twenty-one other former staff members of the Commission are now employed with a working group in the Department of Consumer and Corporate Affairs. The responsibilities of the group are to continue the contingency planning work of the Commission, to complete the editing, translating and publishing of the Commission's studies and to continue research on the role of prices and incomes policy in dealing with inflation.

2. Since September 1, 1972, three former staff members of the Prices and Incomes Commission have been released from the working group to move to other government employment and one has resigned. One former staff member has been hired.

3. No.

4. Yes.

ORAL QUESTION PERIOD

FINANCE

FEDERAL PROPOSAL RESPECTING SHARED-COST PROGRAMS IN HEALTH FIELD—ACCEPTANCE BY PROVINCES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of National Health and Welfare a question arising out of a proposal he submitted to the provinces last week designed, among other things, to limit the risk of the federal government in respect of shared-cost programs in the health field. Can the minister tell the House whether any province has accepted the proposal?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, that proposal was made to the provinces and it is, in our opinion, a substantial improvement over the proposal submitted a while ago. We have agreed with the provinces to meet again in about two months to discuss further the proposed formula and in the meantime, the federal officials will meet with their provincial counterparts to discuss that proposal more extensively.

[*English*]

Mr. Stanfield: Mr. Speaker, that is a long way to go about saying "none". I should like to ask the minister precisely what the proposal is and whether the proposal is that the provinces accept what the minister placed before them last week? If this is not agreeable to the provinces, will the present shared-cost arrangements continue, or is the situation that the provinces must accept this proposal and nothing else?

[*Translation*]

Mr. Lalonde: The proposal submitted to the provinces, Mr. Speaker, will meet, we hope, with the approval of most if not of all the provinces and we are endeavouring at the present time to come to an agreement with the provinces in the next two months. As for the rest, I think it is hypothetical.

[*English*]

Mr. Stanfield: Mr. Speaker, I hope the minister had a more straightforward answer last week than I am getting today. I would like to ask him whether in view of the fact the proposal made by him restricts the financial responsibility of the federal government while providing no such security for the provinces, he expects any provincial treasurer or provincial premier in his right mind to accept that proposal?

Mr. Speaker: Order, please.

[*Translation*]

MEETING OF FEDERAL AND PROVINCIAL MINISTERS—REQUEST FOR STATEMENT ON DISCUSSIONS—DATE OF BUDGET

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in the light of the reply given by the Minister of National Health and Welfare and in view of the reply given last week by the Prime Minister—

[*English*]

May I now address a residual question, shall we say, to the Minister of Finance respecting the solutions to the problems. Will the Minister of Finance tell us whether he is prepared to make a statement indicating the nature of the discussions he held with the provincial ministers of finance relating to the financial aspects and also to matters of welfare, health and what have you? Will he also tell us when he proposes to deal with these matters in a budget, as referred to directly by the Prime Minister on Friday last?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am naturally open, if it is the disposition of the House, to answer any direct questions that the hon. gentleman would like to put to me. As to the ulterior part of the question, there will be an opportunity to answer that in the near future.

Mr. Lambert (Edmonton West): Mr. Speaker, the Prime Minister gave us an indication on Friday that the Minister of Finance could be a little more precise today, particularly as to the date of the budget, and bearing in mind that the provincial ministers of finance have also been told that they must wait. Surely to goodness the situation in the country is such that the Minister of Finance must be honest with the people of Canada and say that the budget is going to be on such and such date. What is it?

Mr. Speaker: Order, please. That is argument.

[Mr. Stanfield.]

FEDERAL PROPOSAL RESPECTING SHARED-COST MEDICARE PROGRAM—EXTENSION OF PRESENT ARRANGEMENT PENDING DISCUSSIONS ON NEW FORMULA

Mr. David Lewis (York South): Mr. Speaker, may I start with a question to the Minister of National Health and Welfare. Pending the discussions on the new formula he has presented, has the federal government agreed to extend the present shared-cost program for medicare for a time, for at least a year or more, while these discussions take place?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the proposals made are now being considered by the provinces. We are to meet in two months and we hope at that time we can establish whether there is sufficient consensus for an agreement. Failing such an agreement, of course, other means would have to be examined.

[*English*]

Mr. Lewis: Mr. Speaker, may I suggest to the minister that he is not meeting the urgency of the situation. Unless I am mistaken the five-year period terminates at the end of March, probably before the next meeting of the ministers involved. In view of that fact, and in view of the fact they may not be able to reach an agreement within two months and may require more time, is the government considering making a definite extension of the five-year period in order to meet these eventualities?

[*Translation*]

Mr. Lalonde: Mr. Speaker, that matter was raised by none of the provinces, it was not discussed and has apparently not been the special concern of any province.

Again, we shall do our best to reach an agreement within the specified period.

• (1420)

[*English*]

CAPITAL WORKS PROGRAM—AMOUNT OF FUNDS ALLOCATED TO PROVINCES AND MUNICIPALITIES

Mr. David Lewis (York South): May I then ask a question of the Minister of Finance. I may say that this is in another area, Mr. Speaker, but I hope you will not mind. Has the amount in the capital works program announced several months ago, which was to be expanded this winter—his calculation was $65 million and mine is $50 million but the exact amount does not matter—already been spoken for by the provinces and municipalities? Has any part of that amount already been requested by the governments concerned and if the entire amount has not, what part of it has been?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, in order to be fair to the hon. gentleman and to the House I would like to get precise figures for him. I might say, however, that a number of provinces found themselves in a position to disburse their allocation of that amount very shortly and certainly within the cash flow anticipated this winter.

HEALTH

DELAYING OF THRUST FUND—USE TO DEVELOP IMPROVED SERVICES AT REDUCED COST ON BASIS OF PROVINCIAL NEEDS—DISCUSSION AT CONFERENCE

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, I have a supplementary question for the Minister of National Health and Welfare. Could the minister indicate the reasons for delaying the thrust fund of $640 million from 1972-1973 to 1973-1974, and can he assure the House that the funds will be used to develop improved health services at reduced costs on the basis of provincial needs that are determined by the provincial health authorities?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, in answer to the first part of the question, the reason for the delay is that the whole program has been delayed by one year; the base year was 1971-72 and now it is 1972-73; what had been proposed before now has been changed and postponed by a full year. That is the reason this thrust fund amount is taking effect only next year. On the second part of the question, the answer is yes.

Mr. Holmes: Could the minister indicate if new proposals for extended health coverage were discussed at the recent federal-provincial conference at which health ministers were in attendance and, if so, will these proposals be presented to the House at an early date?

Mr. Lalonde: Mr. Speaker, I apologize but I could not hear the first part of the question. Would the hon. member kindly repeat it?

Mr. Holmes: I shall be glad to, Mr. Speaker. At the recent federal-provincial conference where health ministers were in attendance, were new proposals for extended health service covered at that time and, if so, will the minister be good enough to present them to the House at an early date?

Mr. Lalonde: Mr. Speaker, the only proposals that were made were in the nature of the amended formula that was put forward; there were no other schemes or proposals presented to the provinces—

Mr. Stanfield: Oh, come on; what about Quebec?

Mr. Lalonde: —in the field of health. If the Leader of the Opposition has heard of another formula I should be glad to hear of it, but what has been put forward has been—

Mr. Speaker: Order, please.

DOCTORS' INCOMES—DISCUSSION OF CONTROL AT HEALTH MINISTERS' CONFERENCE

Mr. John Harney (Scarborough West): Mr. Speaker, I have a supplementary question for the Minister of National Health and Welfare. In view of the fact that the professional earnings of active fee practice physicians across Canada have been going up enormously in the past few years and particularly in the province of Ontario between 1960 and 1970 when the earnings of practising physicians neatly doubled—

Mr. Speaker: Order, please. The hon. member cannot make a speech; he should ask a question. I think the observation I direct to the hon. member could very well be directed to others. Questions should be asked directly without prefacing them by statements of fact.

Mr. Harney: Mr. Speaker, as you were saying, I was merely prefacing my question. Were there any discussions at the conference between the minister and the provincial ministers of health on the matter of exercising some control over the ever-increasing incomes of fee practitioners across the country?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): No, Mr. Speaker.

* * *

POST OFFICE

DISPUTE WITH WORKERS—PARTICIPATION OF MINISTER IN NEGOTIATIONS

Mr. Jean-Marie Boisvert (Drummond): Mr. Speaker, I should like to put a question to the Postmaster General.

Can he tell us whether or not he intends to take a more active part in the negotiations between the department and the workers?

Hon. André Ouellet (Postmaster General): Mr. Speaker, I am already very active in the matter. I can tell the hon. members that negotiations were resumed last night and that they are continuing today.

[*English*]

Hon. W. G. Dinsdale (Brandon-Souris): A supplementary question, Mr. Speaker. Am I to take it from the Postmaster General's observation that he is now in charge of the negotiations for the government, having taken over from the President of the Treasury Board?

Mr. Woolliams: Thank God!

* * *

AIR TRANSPORT

IN-FLIGHT SAFETY STANDARDS—REQUEST FOR INQUIRY INTO ENFORCEMENT

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct my question to the Minister of Transport. It has to do with the in-flight safety standards of commercial air carriers and the application of the regulations thereto. It arises out of a specific request by the Canadian Airline Flight Attendants Association. Has the minister undertaken a special inquiry into whether commercial air carriers are following all in-flight safety standard requirements and, if not, is he going to undertake such an inquiry immediately?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think I will take this question as notice.

Some hon. Members: Oh, oh!

Mr. Mazankowski: Mr. Speaker, last week the minister gave the House his assurance that the safety of passengers using Canada's commercial airlines would not be impaired in any way by the strikes, etc., which have been going on. In view of the allegations which were made over the weekend, could the minister advise the House whether he is reviewing the enforcement procedures to make sure that the carriers will follow the regulations as specified by the ministry of transport? Also, in order to reassure the public and the House, would the minister make a statement to this effect within the next week?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I think I mentioned in this House before—and I can repeat it—that we are following the application of safety rules very closely, especially in the case of Wardair, and that our inspectors make constant checks. So far, Wardair flights and maintenance services have been entirely in compliance with the department's standards.

[*English*]

Mr. Mazankowski: I appreciate the minister's reply, but in view of the allegations made over the week end which implied that commercial air carriers—

[*Editor's note: At this point a baby began to cry in the gallery.*]

Mr. Mazankowski: I had not realized that I had that effect, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Baldwin: That child wants candies.

Mr. Mazankowski: In view of the allegations made over the weekend, which affect all commercial carriers including Wardair and, specifically, Air Canada, would the minister undertake to review immediately the enforcement procedures undertaken by his department.

Mr. Marchand (Langelier): Mr. Speaker, before reviewing the standard of security I am going to check on the facts which were reported.

Mr. Diefenbaker: Mr. Speaker, my question is directed to the Minister of Transport.

Mr. Speaker: Order, please. I apologize to the right hon. gentleman. The hon. member for St. Catharines is rising on a point of order.

Mr. Morgan: Mr. Speaker, I was going to say there is a stranger in the House. I wanted to ask a supplementary question but perhaps I can do so later.

* * *

GRAIN

PROVISION OF CARS BY RAILWAYS TO TRANSPORT WHEAT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I should like to bring to the attention of the Minister of Transport a serious situation on the Prairies where, although the quota has been opened up in many marketing areas, rail cars are not available to transport wheat. Will he have this looked into, because it is creating a very serious economic situation throughout western Canada?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the railways are, as usual, working closely with the Canadian Wheat Board in providing cars for those delivery points which require them. Following the rapid opening up of quotas in the fall, some congestion certainly has resulted in some blocks. I am happy to report that at the meeting I had with the Canadian Wheat Board yesterday it was indicated to me that literally hundreds of cars are going into these blocks to relieve the congestion there in short order.

Mr. Diefenbaker: Mr. Speaker, I would have thought the Minister of Transport would answer. I thank the minister of all the departments for his answer.

Mr. Baldwin: And master of none.

Mr. Diefenbaker: Could I ask the minister whether he will secure a promise of co-operation so that hundreds of cars will move from block to block? In portions of Saskatchewan there have not been cars since the latter part of December and the situation is serious. Even in the minister's own constituency—

An hon. Member: What is the question?

Mr. Speaker: Order, please.

Mr. Diefenbaker: I am trying to help out.

• (1430)

REPORTED ADVICE BY MINISTER OF AGRICULTURE TO FARMERS ON AMOUNT OF WHEAT THAT SHOULD BE PLANTED

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have a question for the Minister of Agriculture. In advising farmers to plant 30 million acres of wheat, did the minister take into account reports that the United States department of agriculture is going to release some 15 million acres for planting this year? Also, is the minister developing a storage program and, indeed, a transportation program to meet the increased production, which will be 50 per cent, and which the minister should be anticipating?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I advised the farmers of Canada, not just western Canada, to produce all kinds of grain. I did not put any acreage figure on it whatsoever. The records will show that. At every meeting that I held in western Canada with my provincial counterparts we discussed all grains, including rapeseed, those that are important not only for the feeding of livestock in this country but for the markets we have developed over the past four years. Anyone who says anything different is not stating the fact.

Some hon. Members: Hear, hear!

Mr. Gleave: Of course, that is up to the Minister of Agriculture. If he claims he did not say it, I do not know

where the newsmen got their information. Can the House assume that the minister's advice to the farmers is any more reliable than that which the minister in charge of the Wheat Board—

Mr. Speaker: Order, please.

* * *

[*Translation*]

AGRICULTURE

DAIRYING—SUGGESTED INCREASE IN SUBSIDIES

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the hon. Minister of Agriculture.

In answer to a question I put to him several days ago, the hon. minister said that there would be a meeting with the Canadian Dairy Commission. My question is: in view of the fact that recently production costs have climbed substantially because feed grain prices increased, can the minister tell the House if he recommended to the Canadian Dairy Commission to increase the dairy product subsidies in order that a certain balance can be achieved?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I met with the dairy commission. I understand the national advisory commission to the dairy commission is meeting today in Ottawa. We are hoping that some recommendations will come from that meeting.

HOGS—PAYMENT OF SUBSIDY

Mr. Craig Stewart (Marquette): Mr. Speaker, I have a supplementary question for the Minister of Agriculture. My question also pertains to subsidies. In view of the fact some farmers raise hogs in a joint program with feed companies or the prairie pools, has the government decided who receives the hog subsidy payment, the farmer or the wheat pool?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, if the farmer owns the hogs he receives the subsidy.

Mr. Speaker: Order, please. I will allow the hon. member a supplementary, although he will appreciate that his question was not entirely supplementary. I believe the hon. member for Richmond has a supplementary to the previous question. The hon. member may ask a supplementary and we will then return to the previous question.

Mr. Stewart (Marquette): Thank you, Mr. Speaker. In any case where a pool or a feed company has received the payment, will the minister have the payment refunded and paid to the farmer concerned?

Mr. Whelan: Mr. Speaker, we are constantly checking these submissions as they are made. There may have been errors or omissions in some of the applications. However, where there is just a straight contract to feed a hog for $2 until it is ready for market and you do not own the hog and you do not own the feed, you are a hired man.

Some hon. Members: Hear, hear!

[*Translation*]

ANNOUNCEMENT OF POLICY RESPECTING INCREASE IN MILK PRODUCT PRICES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a supplementary to the question of the hon. member for Bellechasse (Mr. Lambert).

In view of the minister's answer, can he tell us when he will announce to the House the departmental policies about a possible increase in milk prices paid to farmers?

Mr. Speaker, the minister has apparently not heard my question. When will he announce to the House the department's future policy regarding milk producers?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): I hope soon, Mr. Speaker.

* * *

PUBLIC WORKS

ALLEGED DISPOSAL OF OLD BARGES BY DEPARTMENT IN LAKE OKANAGAN—STEPS TO REMOVE

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my question is for the Minister of Transport or the Minister of Public Works. In view of the immediate hazard to navigation and safety caused by the attempted disposal by the government by sinking three derelict barges in beautiful Okanagan Lake, can the minister tell the House what steps are being taken to remove these barges and especially to ensure that the air-filled 45 gallon drums still attached to the barges are removed before they break from their rope ties and shoot to the surface? Mr. Speaker, I am told some of these drums—

Mr. Speaker: Order, please. The hon. member cannot tell us what he has been told. He can ask a question. The minister might reply to the question.

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, I am informed that the barges are not the property of the government and that they were sunk in a place where there is no danger to navigation. If there should be a danger to navigation they would be removed. However, they are not a contaminant.

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to direct my question—

Mr. Speaker: If the hon. member for Saint-Hyacinthe does not object to it we could allow the hon. member for Okanagan-Boundary to ask a supplementary question.

[*English*]

Mr. Whittaker: Can the Minister of Public Works tell us whether the government is contemplating using dynamite to remove these barges?

Mr. Dubé: Not to my knowledge, Mr. Speaker.

[*Translation*]

COMMUNICATIONS

IMPLEMENTATION OF RECOMMENDATIONS OF DAVEY REPORT

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I have a question for the Minister of Communications.

Is the government aware of the two statements made by Senator Davey in Peterborough on November 19 and in Toronto on January 16, urging the government to act on the recommendations contained in the Davey report and arising out of a study on information media that took place in 1970?

Hon. Gérard Pelletier (Minister of Communications): Yes, Mr. Speaker.

Mr. Wagner: A supplementary question, Mr. Speaker. Can the minister explain to this House why it has not to date acted on this report?

Mr. Pelletier (Hochelaga): Mr. Speaker, I think the answer was in the Speech from the Throne which announces a document on government intentions concerning communications to come during the first few weeks of this session.

* * *

[*English*]

POWER

PROPOSED JAMES BAY HYDRO DEVELOPMENT—STUDY OF FEDERAL INTERESTS AFFECTED—AVAILABILITY TO PUBLIC

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is directed to the Minister of the Environment. Has the Department of the Environment caused a study entitled "An Analysis of Federal Interests Affected by the Proposed James Bay Hydro Development" to be made and, if so, when is it going to be made public?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, there is a series of joint studies under way, joint in the sense they are federal-provincial studies. They are the only ones of which I am aware.

Miss MacDonald (Kingston and The Islands): This is a federal inquiry only. Will the minister check further with the department as there are a number of questions I wish to ask him about this study?

PROPOSED HYDRO DEVELOPMENT IN NORTHERN SASKATCHEWAN—PARTICIPATION OF FEDERAL GOVERNMENT IN INVESTIGATION

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the Minister of the Environment. Is the minister also involved with the province of Saskatchewan in conducting an inquiry into the proposed hydro development project in the northern part of Saskatchewan in the Black Lake area? Is that a joint or a federal inquiry?

[Mr. Dubé.]

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, I do not think the federal government is involved at this stage. The provincial government may be asking for federal assistance in such an inquiry.

Mr. Korchinski: Possibly the Minister of Indian Affairs may be able to assist the Minister of the Environment in answering this question. Is it a policy of the federal government to conduct separate inquiries with regard to the interests of the environmentalists and the Indian people, or will this be done jointly?

Mr. Davis: Mr. Speaker, the interests of the native people and the fishery in the area will definitely be taken into account.

* * *

• (1440)

ENERGY

ASSISTANCE TO ELDORADO NUCLEAR LIMITED IN NEGOTIATING CONTRACT FOR EXPORT OF URANIUM CONCENTRATE

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. Would the minister please indicate to the House whether or not the government is contemplating helping the Crown corporation, Eldorado Nuclear Limited of Uranium City, Saskatchewan, to negotiate a contract for the export of uranium concentrate along the lines of the $29 million given to Denison Mines back in the 1970's?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I should like to take further note of that and respond to the hon. member at a later date.

Mr. Nesdoly: Would the minister be good enough to explain to the House the reasons for subsidizing a private corporation while at the same time neglecting a Crown corporation in Uranium City which has been laying off workers—

Mr. Speaker: Order, please. A question such as this is debate. I would suggest to the hon. member for Meadow Lake and to other hon. members who put questions asking the government to make an explanation that they are inviting a statement that ought normally to be made on motions.

* * *

EXTERNAL AFFAIRS

VIET NAM—PROPOSED PEACEKEEPING FORCE—NATURE OF CANADIAN ELEMENT

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, thank you for allowing me the opportunity of rephrasing the question I had hoped to put on Friday to the Minister of National Defence. In view of the minister's answer to my question on that occasion about the force

being prepared for possible service in Viet Nam, would he assure the House that since that force, as the minister said in *Hansard* at page 474, will be a volunteer force those who do not volunteer will not be confronted with delays affecting their normal discharge or release?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, as I said last week, all personnel in the Canadian armed forces are volunteers, but when there are specific duties to be performed they are selected for those duties.

Some hon. Members: Oh, oh!

Mr. Bell: Wait till Mackenzie King hears that.

Mr. Richardson: To put it another way, Mr. Speaker, you only volunteer once and that is when you join up. You volunteer for service anywhere in the world. After that specific assignments are a matter of selection.

Mr. Munro (Esquimalt-Saanich): For purposes of clarification, would the minister assure the House that those who have not been selected for this assignment—I am not sure whether they are going to volunteer or be selected for the assignment—will be exempt from any penalties respecting their discharge or retirement?

Mr. Richardson: Mr. Speaker, I tried to make it clear that personnel do not volunteer for specific assignments. They are selected for specific assignments.

* * *

NATIONAL DEFENCE

ALLEGED EXCLUSION OF GAGETOWN FROM BASES SHARING FUNDS FOR LABOUR-INTENSIVE PROJECTS

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I should like to direct a question to the Minister of National Defence. Would the minister tell the House why Base Gagetown in New Brunswick was omitted from the 40 bases sharing the $13.3 million allotted for federal labour-intensive projects?

Mr. Speaker: Order, please. That question, I suggest, ought normally be placed on the order paper. If there is urgency it can be considered at the time of adjournment.

* * *

INDIAN AFFAIRS

ABORIGINAL RIGHTS—REQUEST THAT GOVERNMENT ACCEPT AS ITS OWN MOTION PROPOSING ESTABLISHMENT OF COMMITTEE

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I have a question for the government House leader. Would the government be willing to accept as its own motion motion No. 49 in my name on the order paper. I am referring to the notice of motion that a committee of the House be set up to look at all aspects of the aboriginal rights of the native peoples of Canada.

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will undertake to examine the motion and discuss it with my colleagues, especially the Minister of Indian Affairs and Northern Development, and advise my hon. friend later.

* * *

UNEMPLOYMENT INSURANCE

APPROVAL BY MINISTER OF FINANCE OF CERTAIN ADVANCES OF FUNDS TO COMMISSION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Minister of Finance whether he has approved the advances to the Unemployment Insurance Commission in excess of the $800 million statutory limit set by act of parliament?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, since this was done in accordance with the law, yes.

Mr. Baldwin: If advances were made in excess of $800 million, did the minister give his authorization under section 137? If it was in writing, would he table it, and would he give the legal opinion under which he saw fit to exceed the provision of an act of parliament?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I disagree fundamentally with the premise on which the hon. member bases his question. The authorization was given under section 23 of the Financial Administration Act and was part of a general authorization involving my collective responsibility in the cabinet which was behind the order in council.

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

Mr. Speaker: Order, please. Before the hon. member proceeds with his point of order I think I owe it to hon. members to remind the minister and the hon. member for Reace River that they are now engaging in a debate about a matter that has already been referred by the House to a committee. The hon. member for Peace River on a point of order.

Mr. Baldwin: Mr. Speaker, my point of order is that I asked the minister a simple, clear question.

Some hon. Members: Oh, oh!

Mr. Baldwin: It may not be clear to people who break the law, but it is clear to me. I asked him whether he made an authorization under section 137 of the act, and he can answer that yes or no.

Mr. Speaker: Order, please. The hon. member for Peace River will appreciate that is hardly a point of order. He is asking for a second time the question he asked a moment ago.

PROJECTED COST FOR YEAR

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I ask a supplementary question of the Minister of Manpower and Immigration. In view of the fact the minis-

ter now has legislation on the order paper removing the statutory ceiling, and since I know he will have a projected cost figure if his intention is to get such legislation passed, can the minister advise whether he has any projected costs for the Unemployment Insurance Commission for the year 1972-73?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the Unemployment Insurance Commission benefit pay-outs and administrative costs are based on the calendar year, not on the fiscal year, just as a matter of interest. When we have some indication of the kind of amendments that will be made to the act and their acceptability, as well as the kind of administrative changes to be made, I shall be glad to deal with them in detail before the Standing Committee on Labour, Manpower and Immigration.

Mr. Alexander: Mr. Speaker, I do not know why the minister is debating my question; I asked a simple question. The minister must have some projected cost for the future regarding the Unemployment Insurance Commission.

Mr. Speaker: Order, please. The hon. member is simply repeating his question. He has asked the question once and he knows that he can ask a question but the minister does not have to reply.

Mr. Alexander: Would the minister undertake, if he cannot answer the question at this time, to table such projected costs before the Standing Committee on Labour, Manpower and Immigration in order that the committee may be in a position to know whether or not the minister should receive a blank cheque in regard to this legislation?

Mr. Andras: Mr. Speaker, whether or not I will be able to table such a forecast is something I cannot commit myself on now, but I have no doubt that this question will be extensively discussed when it comes before the committee.

* * *

STATUS OF WOMEN

MINISTER DESIGNATED TO DEAL WITH RECOMMENDATIONS OF ROYAL COMMISSION—INQUIRY AS TO LEGISLATION

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a question to the Prime Minister, one that is close both to his and to my own heart. Would the right hon. gentleman tell the House which member of the cabinet has been designated to deal with those matters relating to women arising out of the royal commission report on the status of women?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, a minister who is very close to my heart, the Minister of Labour.

Mr. Speaker: Order, please. I believe the hon. member for Vancouver-Kingsway has a supplementary question and I will then recognize the hon. member for Edmonton West.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, now that we know who is in charge of women's affairs, may I ask the minister whether he plans to introduce legislation at this session to implement the recommendations of the royal commission on the status of women?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I hope soon to be in a position to state the government's policy in that regard.

Mr. Speaker: Order, please. We have just about reached the end of the question period. Perhaps the hon. member for Vancouver-Kingsway might ask her supplementary question and I will then recognize the hon. member for Edmonton West. I am afraid that afterwards I shall have to call orders of the day.

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, I wonder whether the Minister of Labour would consider a statement very shortly on his priorities in introducing this legislation?

Mr. Munro (Hamilton East): Yes, Mr. Speaker.

* * *

UNEMPLOYMENT INSURANCE

PROVISION OF FUNDS TO PAY BENEFITS PENDING PASSAGE OF BILL

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. Since the government has not yet chosen to bring forward Bill C-124 for debate on second reading, will he advise the House how the government proposes to finance benefits after February 7 or February 8, referred to by the President of the Treasury Board?

Mr. Speaker: Order, please. I should think that question ought to be answered by way of a statement on motions. The hon. member will appreciate, I am sure, that it is difficult for the Chair to allow that question to be answered now. Orders of the day.

• (1450)

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL COMMITTEE OF THE HOUSE

The House resumed, from Friday, January 19, consideration of the motion of Mr. Gray:

That a Special Committee of this House be appointed to enquire into and make recommendations upon the trends in food prices in

Canada and factors domestic and foreign which account for these trends;

That 20 Members of the House of Commons to be designated by the House at a later date be the members of the Special Committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said Committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary.

And the amendment thereto of Mr. McGrath (page 477), and the amendment to the amendment of Mr. Harney (Page 478).

Mr. Frank Howard (Skeena): Mr. Speaker, it is with a little reluctance that we agreed to support the motion of the Minister of Consumer and Corporate Affairs (Mr. Gray), partly because we doubt very much that the government is serious about dealing with the question of food prices and partly because we doubt that the Conservative party is serious about tackling this problem. That is why we proposed the amendments we have proposed and the additional ones that I think will be proposed. We wanted to put some teeth in the structure of the committee so it will be able to examine the question of rising food prices and make some clear, definitive recommendations.

Perhaps I might mention very briefly that we have before us an amendment and our own sub-amendment. I think the amendment for the three-month time limit on the activities of the committee is designed with no other purpose in mind than to see the committee die at the end of the three month period having accomplished nothing. The contemplation of the Conservative party is that within three months the committee will terminate and that there will be nothing further to be examined. I expect that they have either a crystal ball, which is probably the case, or that they intend to destroy whatever effectiveness the committee might have. That is why we moved the amendment we are now considering.

We envisage the possibility of continuing operations of this committee with the hope that it can examine many aspects of food prices within a minimum time following the establishment of the committee. Every Conservative member who has spoken, as I listened to them in any event, attempted to discredit the potential of the committee. They tried to establish doubts in the minds of everyone who listened to them by suggesting that the committee structure would be of no value. I think that is the prelude to their concept of the committee and what it may or may not be able to accomplish.

I see that the Minister of Consumer and Corporate Affairs (Mr. Andras) is not in the House at the moment, but I am sure he will be listening somewhere or will read these remarks at some time. In closing his remarks, he said that he would be quite prepared to appear as a witness before the committee to give it whatever information he had in his possession or that was available to him. I wonder seriously about the value of that. If the Minister of Consumer and Corporate Affairs has information which is of value, and which discloses what is taking place within the food processing industry, a more important course than presenting it to the committee would be for him to act on it. What would be more favourable would be for the minister and the government to say they know what is taking place and take some legislative action. If on the other hand the minister is not in possession of valuable information, then why should he appear before the committee with it? Why should he bother the committee by presenting something to it which does not appear to be of any value whatever? This is another reason I doubt the sincerity of the government in proposing this particular committee.

Let me consider some of the aspects of the Department of Consumer and Corporate Affairs. I refer not to the corporate affairs section of the department, but the consumer affairs part. We all know that the purpose of the corporate affairs section of the department is to maintain an even flow of campaign funds into the treasury of the party to which the hon. minister belongs. The consumer affairs section has tipped its hand by indicating it is largely an apologist for rising prices, an explainer-away of exorbitant prices, and really is not serious about trying to deal with the problem. I want to make a brief reference to the same thing the minister mentioned when he spoke, namely coffee. In one of the publications of the minister's department, "Consumer Contact" of November, 1972, there is reference to coffee prices. Let me indicate what that reference is:

We had a letter the other day from a Member of Parliament complaining about the price Canadians pay for coffee. Our reply was enlightening but hardly satisfying. The truth is that we can't do much about it, because we don't grow coffee.

I suggest that exemplifies the response of the whole department. It just throws up its hands and says it is none of its business; it cannot do anything about it because coffee is grown outside the country. Therefore, it is powerless to take any action whatever in respect of it.

In the same publication on the front page, there is a paragraph devoted to the production of honey. Under the heading "Bees Do It", and I submit this is probably the most enlightening thing in the whole pamphlet as everybody knows that honey is produced in Canada, the article states:

You've probably noticed that domestic prices for honey have shot up in the last year.

It indicates that the price of No. 1 white honey increased by 24.4 per cent from July, 1971 to July 1972. Then, there is a long explanation of how bees do it and what happens. The article winds up by saying this:

Consumers are naturally annoyed at these price increases as it places an additional strain on the family budget.

What insight. I do not know how the minister or any of his colleagues could possible know that, but that is what it says. Probably the same man who said the department could not do anything about the price of coffee because we do not grow it here went on to say in respect of honey prices:

The best advice we can offer consumers is to shop wisely for less expensive products—

The taxpayer has to pay for this drivel that comes out of the consumer affairs section of the minister's department. I ask again in a rhetorical way, what possible value could

there be in the minister appearing before the committee, unless it is to use this opportunity as a kind of grandstand on which to make some other simpering declarations about how concerned he is with food prices.

I think also that the Conservative party approach to the matter is suspect.

An hon. Member: Come on.

Mr. Howard: The hon. member for horsefoot—I am sorry, Crowfoot (Mr. Horner) nods his head in agreement, that there is something suspect about it.

Some hon. Members: Oh, oh!

Mr. Howard: Perhaps I should point out that it is more than suspect, it is hypocritical. The hon. member for Crowfoot and all his buddies, most of them in the front benches, who were here when the right hon. gentleman from Prince Albert (Mr. Diefenbaker) was Prime Minister, were confronted with the question of rising food prices. They took that time honoured Conservative way of dealing with the situation. They appointed a royal commission. In fact, that was the traditional way in which the Conservative party approached every problem. The only time they got into trouble was when they ran out of party hacks to appoint to royal commissions.

• (1500)

Mr. Horner (Crowfoot): We never appointed royal commissions.

Mr. Howard: The right hon. gentleman from Prince Albert, when he was Prime Minister, appointed a royal commission. Someone said he did not. The hon. member for Crowfoot obviously was not paying attention at that time because, as is the case now, he was not interested in the subject matter. Dr. Stewart was chairman of that commission. In any event, a royal commission was appointed in respect of the price spreads of food in 1959. The report was published in blue. That should be recognized by the hon. gentlemen from the Conservative party.

Before anyone says, "Oh, but that is old stuff; that is not like us new Tories", let me point out that this whole front bench comprises the same gang who were here in 1959 and who hid from that subject. The hon. member for Prince Edward-Hastings (Mr. Hees) and the hon. member for Malpeque (Mr. MacLean) who are looking at me now were in that cabinet. They knew, and they have read that report. Let me tell you what the report had to say about the situation. It recommended the establishment of a permanent council on prices, productivity and incomes which would involve a review of the whole area of the food industry and which would bring in an early report to the Governor in Council. What has happened to that recommendation? This was before the government was defeated. The Conservatives ran away from that recommendation like a cockroach shuttling out of the light, yet they have the audacity to stand up in this House—the same ones who in those years had the largest majority in the history of our country—and tell us they are concerned about food prices. I just do not believe them, Mr. Speaker.

Let me now talk about the Liberal and Conservative conspiracy. At that time the Minister of Justice was Davie Fulton and the great leading Liberal light was Jack Pickersgill. The two of them, like long lost lovers who had not seen each other for years, embraced in the middle of this floor, put their arms around each other and gave the food industry in Canada the right to sit down and conspire to fix prices. They put that into the legislation. It is in the Combines Investigation Act at the present time. At that time in 1960 the Liberals and Conservatives conspired. Incidentally, the amendment which was accepted was introduced by Jack Pickersgill. The Combines Investigation Act provides that it is an offence to fix prices except that, I believe it is in subsection (4) of section 32, it provides:

> ... The court shall not convict the accused if the conspiracy, combination, agreement or arrangement relates only to the export of articles from Canada.

Does anyone mean to tell me that the fish-packing companies and food processing companies which are able to sit down and work out a price-fixing agreement for the export market forget all about that when they place goods on the shelves in Canada? They fix prices and this practice is sanctioned by the law. It is sanctioned by the Liberals and Conservatives. That is why I doubt the honesty and sincerity of the hon. gentlemen who belong to these parties and who have spoken in support of this measure.

One reason given by the hon. member for Northumberland-Durham (Mr. Lawrence) for moving his amendment in respect of the Senate was that the House of Commons committee must remain in Ottawa to examine these questions. I hope the committee does not remain in Ottawa. I hope it goes out into the country. I hope the members of the committee travel up north and into other such areas where they can see what it is like to spend a fortune on a can of beans, what it is like to live month after month on canned, processed or dried food. The only time people in such areas see fresh vegetables is when the carrots are like rubber and a head of lettuce looks like a dirty shirt which has been worn for a week. And these items are sold at exorbitant prices.

I ask the members of the committee and the government to consider this. I suggest they find out what it is like for the housewife and wage earner to have to attempt to make ends meet not only because we have a steady increase in food prices in the southern part of Canada but also because this situation exists in rural areas and in northern Canada. They should see what people have to put up with in those areas. I hope the Conservatives will retract the suggestion that members of the committee remain here in the comfort of the air conditioned committee rooms in these buildings and tell the consumers to come here instead of going out to see what the consumers have to endure. In that way the members of the committee would learn what the consumers have to put up with and would not be dealing with dry, impersonal statistics, cost items and figures in the comfort of the rooms of these buildings. I believe it is shameful to suggest to the consumers across this land that we are not prepared to go out and speak to them. It is shameful for the Conservative party to say to those people that they should travel great distances to see us.

There is no purpose in extolling again and again the importance of this question. Everybody knows the statistics in respect of food prices. There is no purpose in filling the records with additional statistics. This has been done before and probably will be done again. I believe that, more than anything else, we must think in terms of this committee coming up with an immediate answer in respect of staple items of food. I am not referring to chocolate-covered ants or butterfly wings or all these other rare, exotic foods which exist, or boiled cockroaches as my friend behind me suggests. I want to see some action in respect of bread, butter, meat, eggs, milk, fresh fruits and vegetables which are so necessary for a growing child and which many people are being denied. These are the things at which the committee must look. It should come up with some immediate recommendations and suggestions to deal with the price of those things, and then continue its deliberations into the more unusual aspects of food prices.

I suggest that the committee consider breaking into subcommittees so that those members who are afraid to go out and speak to the consumers may remain in Ottawa, look at the books, examine the corporate records and ascertain how the food industry is able, as the items proceed through the various segments of the chain to the retail shelves, to add an exorbitant percentage of mark-ups, even within the same company. Let us examine that. Let us see what the middleman is extracting and why the farmer is receiving the least possible amount of the food dollar. Let us see why the fisherman does not get a fair share of the food dollar. Let us find out who the middle man is and inhibit his ability and his opportunity to cheat Canadian prime producers, farmers, fishermen as well as consumers.

• (1510)

Let us have another part of that committee, do as the committee on agriculture did a few years ago. Let them out into the country and see what it is like in these areas; let them feel in their guts what it is like to have to stand in a grocery store with a few dollars available to you and debate which is the cheapest type of carbohydrate food that you can buy. You do not have to debate about buying protein food or buying beef or steaks. I know families, as I am sure other members in the House do, who do not see a steak from one year's end to the next. The hon. member for Northwest Territories (Mr. Firth) will confirm that there is what Indian people refer to as "Indian steak". Indian steak is baloney. That is about the limit of the meat purchases that many families can make. We all know that baloney is not a very nutritious food as compared with natural food products such as steaks, roasts and chops which are foreign to these people. Let the committee break up into sub-committees and go out into the country to see what the Canadian people have to endure. Perhaps we should even demand that members of the House try to live for a month on the income on which dozens and dozens of families in this country have to exist. Perhaps then they would come back into the comfort of the committee room and really try to write a report which would contain recommendations that were meaningful to the consumers of this nation.

If the committee is going to follow the Tory line, sit here in Ottawa and have formal presentations made to it, they will not get the least understanding of what the situation is, and will not be able to make any worthwhile recommendations.

Mr. Paul E. McRae (Fort William): Mr. Speaker, I suppose because I am a new member I do not share the scepticism of some of my colleagues who told me that the Conservative party does not have a policy with respect to rising food prices. Perhaps I am more charitably disposed, but I have always felt that in fact they do have a policy but they have kept it secret very effectively.

Mr. Dinsdale: Ho, ho, ho!

Mr. McRae: They have kept it secret throughout the last election campaign and through most of this debate. I must commend the hon. member for Northumberland-Durham (Mr. Lawrence) for his very fine rhetorical effort and for the fact that he spoke for 20 or 30 minutes during which time he was able to keep this secret. But you can imagine my surprise when, on Friday afternoon, the hon. member for Ottawa West (Mr. Reilly) blew the secret, at least I believe he did. He said: We must regulate wages and prices. I believe that that is the secret policy of the Conservative party. The reason I believe this is that the policy commends itself to that party. It is basically simple. It is not encumbered by extraneous ideas about, for example, how you control profits. It is not encumbered by abstractions such as information on world food prices. It is not encumbered by concerns about nutrition, and so on. It is a simple policy to deal with a simple problem as if we were still in 1950. But this is 1973. There are no simple problems, and therefore there are no simple answers.

Mr. Dinsdale: The problems have been compounded by the government.

Mr. McRae: I was much more impressed with the words of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and her suggestion for the establishment of a prices review board. She is well known in the field of food and consumer prices, and I think there is some merit in this solution. I do not know whether it should be adopted in exactly the way it is suggested, but there are some short-term problems which may be solved by the method she suggested.

There are other matters which I hope the committee will consider, such as the quantity of distribution outlets in this country. These are factors which bear on food prices. I believe the committee will have to give the hon. member's suggestion very serious consideration, and if it agrees with that suggestion, I will certainly support it.

As I mentioned earlier, we are living in a far more complex time than the 1950's to which I referred, and there are no basic and simple answers to this problem. I welcome the establishment of this committee, first, because I think it is time we put before the Canadian public and before members of the House the complexity of the problem of rising food prices in the world. I refer to world food prices because this is the crux of the whole problem. We are no longer dealing with a simple matter of shortages of food in Canada or rising prices in Canada.

We are dealing with global price increases. We have been told by such people as Brock Chisholm, by groups from the United Nations, by population experts and by a recent publication called "Limits to Growth" coming from M.I.T, that a growing population will create growing food problems. I contend that we are at a point where we will have to face these particular problems.

I think there are two aspects to world food problems that we must consider. First and foremost is the growing number of human beings on this earth. We are told that the world's population will double in 33 years, that it is growing at the rate of 2.1 per cent per year, and that that exponential growth rate will give us a population of around seven billion around the turn of the century, as opposed to 3.6 billion in 1970. We are told that the growth rate itself is rising. In the middle of the 17th century we had a growth rate of about .3 per cent; today it is 2.1 per cent. So, we have a massive problem. It is not such a great problem in areas of the world like Canada where the growth rate of the population is levelling off somewhat, but it is a great problem in many areas of the world where the population is still growing at an ever-increasing rate.

There is another problem in connection with the so-called affluent countries where the demand for food is growing at an excessive rate. This demand of the affluent nations on the food supply is serious. I hope the committee will take a real look at the food problem as a world problem, will take a look at the growing world population, and take a look at the excessive demands made by affluent nations on the supply of food.

• (1520)

I would make one or two suggestions to the committee as possible solutions. Canada, under the present Prime Minister (Mr. Trudeau) and government, has developed a very fine reputation in international circles. Mr. Speaker, we are a major producer of food. I think it would be a fine thing if, as a nation, we took it upon ourselves to present this problem in international circles and call for a world conference on food shortages, similar to the conference on the environment held in Sweden last spring, which we supported. Second, Mr. Speaker, I suggest that the committee take a good look at food supplies. I am convinced that there has been too much movement from the farms to the cities in Canada. I believe there are areas of the country which could still be farmed, and farmed in the future, thus helping to reverse that trend.

I am convinced also that as an affluent nation we have not done a good job in developing better food supplies in the non-affluent, non-industrialized parts of the world. Production of food in some of those areas has not grown as it should have, partly because the measures taken were too grandiose to suit the social patterns of the peoples living in those countries. More effective methods must be sought. In the non-industrialized nations of the world over the last ten years, per capita production of food has remained just about even. In Latin America and Asia the curve has remained almost unchanged, while I notice that in Africa in the last two years it has actually moved in a downward direction. We are not helping to increase supplies of food in those areas in any substantial way.

The third suggestion I make is that all the countries of the world, and this includes the affluent nations, need a great deal more information about the nutritional value of foods. There is much that can be done to substitute some foods that are cheap for other foods that are expensive. This is another area the committee could examine.

In conclusion, Mr. Speaker, I wish to repeat that I welcome the establishment of the proposed committee because I think it is time for us to put away simple answers to highly complex questions. This committee will give us an opportunity to start understanding the complexity of world food shortages. The committee should not recommend just one simple solution. I hope it will make attempts on several fronts to solve the problem.

Mr. Stan Shellenberger (Wetaskiwin): Mr. Speaker, being one of the younger members of the House of Commons it gives me a great deal of pleasure to rise and speak. I am still slightly idealistic, however, and I wish members would stop talking, as some of the NDP and other people have been doing, and get right down to work on some of these problems.

Mr. Knowles (Winnipeg North Centre): Question!

Some hon. Members: Hear, hear!

Mr. Shellenberger: Mr. Speaker, I should like to associate myself with other hon. members in congratulating you on your election to the high position you hold, and also in congratulating Mr. Deputy Speaker on his election to that post.

I do not think the Prime Minister (Mr. Trudeau) is proposing anything new in his food prices probe. Indeed, the administration of which he was a part in 1966 made a similar last ditch effort to control a situation of which they had clearly lost control. This, to my way of thinking, is an act of desperation, an admission that the government's fiscal and economic policies were a failure, a disaster to all Canadians, calamitous to small business, ruinous to the farmer, and inexplicable to the general public. The general public can only suffer in their bewilderment, and await an opportunity to state their opinion at the ballot box, an opinion which they already gave on October 30 last but the implementation of which has been slightly held back by the hon. member for York South (Mr. Lewis). I state that that is a judgment which will be rendered again very soon.

So, admitting that the collective responsibility and genius of the cabinet have failed, the government seeks to extend the responsibility to a committee. The supposedly wise men can no longer handle the problem. I doubt very much if they ever could. It is a convenient situation, Mr. Speaker, but I have no doubt that the committee will acquit itself well, especially since the Liberals will not have a majority on it.

Controls of any sort on the economy are abhorrent to a free society, to a free market economy, to people who love freedom and are convinced that the system under which we live is the best in the world. We believe this because the free enterprise system is a natural one. It is based on natural law. But because it is natural, its operations can be affected by the unnatural—the perversities which lurk

in men, the machinations of the corporate agglomerations which control so much of our lives today. It is to eliminate these perversities that my leader has called for stern medicine to return Canada to the status quo.

Consumerism is a fashionable trend these days, and I think it is a pretty good one. The Canadian public, exposed to this movement and to its ideals, are fed up with the gimmickry and quasi-honest promotions that are now part of the advertising game. Here I must make reference to my colleague, the hon. member for Crowfoot (Mr. Horner), who stated that consumers are to blame for this to some degree. They demand coloured Kleenex and coloured boxes instead of white Kleenex. They want enclosed shopping centres so that they do not have to cope with the weather. In so doing the cost of these things to some extent must be paid by them. But consumers are now demanding standard packaging. Mr. Speaker, I understans that soon there will be a series of upwards of 15,000 different packages. I would hope the public will want a pound that is a pound, an orange that is an orange, and a box of corn flakes that is a box of corn flakes, not corn flakes and air, with a toy whistle, or a decal with which children can smear their faces.

The Minister of Agriculture (Mr. Whelan) says that there are rising costs in the food processing industry. I hope he is not referring to some of the farm establishments, and specifically to the feed grain industry. I believe his remarks had a general application. For example, the demands by producers for higher dairy subsidies, because of the government's bungling of preferential treatment for Canada resulting from the expansion of the EEC, will result in more price increases. I have spoken about this a number of times, Mr. Speaker, but so far have not received any answers. The public, he says, must be conditioned to pay a more realistic price for food. Perhaps he is proclaiming that we should tell the consumer what a fine job we have done. Let him tell that to the people who now pay 19 per cent of their income dollar for food and an ever-increasing percentage of their gross national product into the government's ever-expanding pockets.

• (1530)

Last year, Mr. Speaker, 38 per cent of the gross national product went to taxes. If the consumer is going to be conditioned to pay more for food, then the government had better start leading the way by lowering taxes. I for one, Mr. Speaker, would rather spend a dollar or two on a sirloin steak than pay it to the federal bureucracy any day of the week. A chicken in every pot is better than dollars into the quicksand, as is the case with the absorption of citizen's money by the tax authorities.

I want to make it quite clear, Mr. Speaker, that I do not feel it is the farmer who is responsible for rising food costs but rather the processors, distributors and retail supermarket cartels. A day or two ago, Mr. Speaker, Statistics Canada informed me that while the consumer price index went up by 39 per cent in the last 12 years, wages in the meat industry went up by 71 per cent. Farm income continues to shrink, however. Prices received by farmers for farm products have advanced by only 13 per cent since 1967, while the general wholesale price index has increased by 22 per cent.

We have been talking about solutions, Mr. Speaker, and I agree that they are not easy to find, especially solutions which guard our free enterprise system. However, it is time for the rights of the many to be considered as well as the rights of the few. It is far too late for the government to regain any popularity in the west by sending the Minister of Agriculture from Ontario to Halifax to reveal another phase of the government's deathbed repentence and discovery of the western farmer. The government already stands condemned because of its arrogance and ineptitude.

I believe that the provisions of Bill C-180 should be amended to take away the power now given to the Governor in Council to exempt certain products from the application of the act and give that power to parliament alone. The erosion of the powers of parliament and the assumption of quasi-presidential power by the cabinet is one of the most alarming trends in Canadian society. I shall refer to this question again at a later date, Mr. Speaker. Let us give the power back to parliament. We may be nobodies, Mr. Speaker, but I would rather leave the decision to 264 nobodies than 30 precious technocrats sitting in the front benches opposite.

Let us not forget that the farmer is a consumer, too, who must normally buy most of his food like anyone else. He is just as concerned as the rest of society with the rising costs of food—perhaps more so because as everyone knows, farming is generally not a high income occupation. Farm families are more likely to suffer diet deficiencies than non-farm families. They pay more of their limited income for the necessities of life; usually they live at a distance from the discount stores and volume dealers and so have less opportunity for comparison shopping.

One of the things I should like to add to this probe on food prices is an experience that I shared with some of the students at the University of Alberta. We conducted a research project covering approximately 40 stores in Edmonton. One of the food chains had approximately 60 per cent of the sales volume of the area and seemed to have most of the stores. We found that these stores were directly over-pricing in areas in which there were low income people and students. We gathered that this was because of the lack of mobility of these people. If nothing else, Mr. Speaker, I think we should ensure that there is price standardization in the provinces if not across Canada.

Mr. Speaker, I have made my remarks short because I have been suffering from a cold. As well, as I stated earlier, I am rather idealistic and I think we should get down to solving this problem as soon as possible.

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, when Statistics Canada published its most recent consumer price index, it was obvious that the highly desirable goal of reasonable price stability in this country had not been achieved by a long shot, certainly not in all sectors of the economy. The over-all cost of living during 1972 rose by 5.1 per cent but some prices rose faster than others.

Canadians paid 8.6 per cent more to eat and 5 per cent more to keep a roof over their heads. By contrast, durable goods which have the highest labour content, cost only fractionally more. Stoves, cars, vacuum cleaners, refriger-

ators, radio and television sets and furniture increased by only 0.6 per cent. That statistic fascinates me, Mr. Speaker, because we have heard it said so often that high labour costs are to blame for advancing prices in this country. The blame is laid so frequently on those who work in the shops and plants whenever we have to pay more in the market place for our goods. Here, we have some good evidence to show that such is not necessarily the case.

Rising food costs, the main concern of the committee that we are about to establish by this motion, are blamed on shortages not in Canada, but throughout the entire world. If, as a result of these shortages, producers of food are receiving more for what they grow and raise, it is hardly compensation enough for the years in which they received far, far too little, especially in relation to the huge investments that food producers have to make in their enterprises and the small returns which they usually enjoyed.

Feelings about inflation are, therefore, confused and ambivalent because really inflation has two opposite faces. Whether we welcome or fear it, depends upon the face at which we are looking; how it seems to affect our personal interests at the moment. Inflation sometimes does have harsh effects on wage earners, on farmers and on businessmen, but the inflation which each of these groups deplores is not the inflation of their own prices, but those of some other group. It is not the prices which they get for their own services which are so distressing but the prices which they have to pay for the goods and services of others. Sometimes it seems, Mr. Speaker, that those who gain the most from inflation are those who cry the loudest against it. Reasonable price stability must certainly be a goal of economic policy. There is no question about that because inflation produces an arbitrary and often capricious redistribution of income, causing hardships for many people. With a general increase in prices, some prices and money rates of return rise faster than others. As a result, persons or groups whose money incomes remain fixed, or rise more slowly than prices rise, lose command over goods and services. In so far as these people are unable to defend themselves against erosion of the real purchasing power of their incomes, inequity and hardship always accompany inflation.

• (1540)

The real evil of inflation, then, is that it redistributes wealth and income in a wanton fashion. Those who gain through inflation, such as land speculators, do so at the expense of others who lose. They cause great hardship to the economically weak. I have even read, Mr. Speaker, that certain prominent politicians have profited from large land deals. I sometimes wonder why provincial governments, especially the government of Ontario, are so slow in taking action to control rapidly rising land costs. Rising food costs are indeed perturbing, but inflated land values also punish families which must, as a result, pay higher rents and higher mortgages and thus do without so many of the other things they would like to have.

It has been said, Mr. Speaker, that inflation is like a twisted magnifying lens through which, if one views, everything is confused, distorted and out of focus, and few are able any more to see realities in their true proportions. Hon. members in this chamber have spoken elo-

quently about the alarming rate of inflation, yet few have bothered to mention the significant increase in the weekly earnings of the majority of Canadians. We have just passed through a festive season which saw the biggest outlay of consumer cash and credit in our history. How was this money spent, Mr. Speaker? For the essentials and basic necessities of life? Of course. But it was also spent for an increasingly wide variety of luxury goods. Shoppers scurried about anxiously seeking that special item for the person who has everything.

Not everyone, however, was able to participate in this winter solstice spending splurge. Many pensioners, the unemployed, and large numbers of unorganized workers could do no more than barely meet their daily needs to keep body and soul together. Because this is so, Mr. Speaker, this House ought to move as quickly as possible to bring about measures which will alleviate this desperate situation facing a large number of Canadians. We must act to raise the basic old age pension and to increase the guaranteed income supplement. Family allowances must also be increased, especially for those on low incomes. As well, Mr. Speaker, there must be some generous income tax cuts, particularly for those with middle incomes and less who are trying to raise their families in an inflationary economy. Further, in amending the Unemployment Insurance Act, great care must be taken by us all to make sure that we do not unjustly punish those without jobs because of any misdirected sense that some few people are violating the work ethic. Before we jump with both feet on those people, we should deal as well with those in this country who are violating the business ethic, the professional ethic and the political ethic. I favour the establishment of a parliamentary committee that will look into the cost of food in Canada and I say, let us do it quickly; let us get on with it and then let us push on with some of those concrete measures which will assist the "economically disadvantaged", as we so euphemistically call the poor.

Reasonable price stability must be a goal of economic policy, because inflation results in an undesirable redistribution of income. That undesirable effect must be first and foremost in our minds. As well, Mr. Speaker, if our exports are to sell competitively in world markets, our costs and prices must not rise significantly more than they do in other countries. Inflation carries with it other dangers and other evils as well. Businessmen may come to consider continuous price increases as the normal course of events. Consequently, they may add to their inventories and plant, with the intention of escaping higher costs and prices in the future. Moreover, such businessmen will be inclined to proceed with less caution, in the hope that mistakes which may be made can easily be compensated by higher prices charged in the future. This is a lovely safety valve for those who have to make business decisions but are not always especially competent to do so. They think inflation will take care of any mistakes and errors they are likely to commit. As a result, inflation leads to the misdirected use of our resources. It leads to inefficiency and waste and finally to a destabilizing effect on the whole economy.

Also, Mr. Speaker, in an inflationary economy there is a natural tendency to switch from money into other assets as a hedge against rising prices. This results in prices

being pushed even higher. Thus it is that inflation may become self-generating, ending in what some economists call hyperinflation, and leading to a general breakdown of the country's monetary system.

Reasonable price stability must be a goal of economic policy, but how to achieve this in a satisfactory way without disastrous and undesirable side effects remains, I gather, a big puzzle for economists. Only by bringing about such stability, it has been argued, can the inflation psychology be broken. So, some favour the idea of government controls. They think they are a panacea for curing the inflation under which we are now living. Proposing the introduction of price controls, however, leaves a great many questions unanswered. For example, how do you determine the price of a new product after the controls have been introduced? How do you cope with changes in a product during the period when these price controls are in effect? How do you decide what the price ought to be after those changes are made? In the service sector of our economy, how can you ever arrive at a satisfactory definition of "normal service", in order to set a price? The sheer volume of goods and services available in our consumer-oriented society defies any meaningful way for controlling and monitoring prices. If controls are temporary, will not the accumulated demand pressure bounce prices right back up when controls are lifted? If controls are selective, whose prices and whose wages are we going to regulate? Whose will be left alone? Who decides?

• (1550)

In Canada there is a further problem in administering price controls. I refer to the substantial regional variation in the cost of living. There is also a very large political question. Do we really want a further massive intrusion of government into the market place? Hopefully, this committee to examine food costs in Canada will also consider how effective controls could be implemented, if they decide that it is a desirable solution, and whether these controls would in fact do what we all know is desirable, namely having a reasonable price stability in this country. Meanwhile, I repeat, that while this committee is deliberating in earnest, while they are busy examining witnesses and reading documents, we in this House must deal with priority number one, that is helping those who are most hurt by inflation, redesigning our income redistribution programs to make them more effective and beneficial for those who are in serious need.

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, I do not want to prolong this debate unduly, but I wish to make a few observations before the vote is taken. First, I commend to this House the subamendment moved last Thursday by the hon. member for Scarborough West (Mr. Harney) calling for a two-month interim report with recommendations for action from the committee, but opposing the three month absolute limit upon the committee's activities which was suggested in the amendment moved by a member of the Conservative party.

I feel the subamendment achieves the best of both worlds in that it requires the committee to bring before this House within 60 days some recommendations for action which will have an effect in the economy before the winter is over and, therefore, bring relief at least in part to Canadian consumers as early as possible, without restricting the efforts of the committee to what would be an unrealistically short period of time considering the immensity of the task we are giving to it. One of the dangers of compiling a final report within a period of 90 days is that there will inevitably be a tendency to come to the easy and glib solution of pointing the finger at those who are least able to defend themselves and most vulnerable to accusation.

In speeches in the past two or three days, members to my right referred fairly frequently to the advisability of a prices freeze. We should look at that kind of action carefully. The implication in a prices freeze is that the primary producer and the ordinary working family are likely to be affected most directly and least beneficially. What will follow from a prices freeze may very well be some kind of wage freeze or control. Neither of these approaches, the price freeze or wage freeze, will come to grips with the basic problems in the food industry.

Hon. members have referred to the undesirability of the government intruding into the market place by means of a price review mechanism. They even went so far as to suggest that the committee would be intruding. Intrusion into the market place it may be, but that is surely up to the market place. If the market place is prepared to provide decent goods to consumers at a fair price and to offer the consumers the benefit of the doubt, I suspect there will not be much in the way of intrusion. On the other hand, as I suspect is the case in the food industry, if retailers and merchandisers try to get away with what the traffic will bear, the government will be forced by public opinion to intrude into the market place. I suggest to those hon. members who fear a collapse of the free enterprise system that most of the recommendations for an inquiry are coming, not from any kind of ideological foundation, but from the demands of many hundreds of thousands of Canadians across the country who want some action taken. That is why this House of Commons is now faced with the proposition of a prices committee.

The committee should examine the corporate structure underlying the food industry and inquire into large agricultural business—I believe the term is agro-business—transportation, packaging, processing, distribution, displaying, promotion, retailing and all other aspects which pertain to the food industry and food pricing. In particular, commodity prices and tariffs should come within the terms of reference of the committee. It would be of interest to study the extent to which food price controls in the United States affect prices in Canada. That is, do multinational corporations partially make up for restricted prices in the United States by charging higher prices in Canada, among other countries? There have been charges by consumer associations that certain canned and packaged foods contain too small a portion of the main ingredient advertised. Some information has recently been brought to light about stews which consist largely of potatoes and gravy.

A special study should be made as to whether products should be standarized as to contents by weight or whether precise information on labels would be sufficient to protect consumers against receiving less than fair value for

their food dollar. Studies should also be undertaken on price differences between supermarkets in poorer downtown neighbourhoods where there is little competition and affluent suburbs where the competition is usually stronger. The information that is available indicates that higher prices are charged to those who can least afford them.

Little information has so far been assembled about the nutritional needs of older people and the food costs incurred by an elderly person living alone who buys food in small quantities and accordingly pays higher prices than large families which can buy in bulk. Packaging costs are probably the most significant factor. A study should be made in this context. Some years ago a royal commission undertook a study of food pricing and food merchandising practices on the prairie provinces. This commission, known as the Batten commission, brought in its report in 1966. I just want to quote briefly from some of its findings since I think they are relevant to the work that will be assigned to the committee, the proposal to establish which we are discussing today.

• (1600)

In examining how prices are determined, the royal commission concluded that the power to raise prices is limited by the degree of market concentration. Where sales are concentrated in the hands of only a few sellers, those sellers recognize their mutual interdependence. It is usually in the mutual self-interest of sellers to avoid cutting prices and to agree, either tacitly or explicitly, on a price level that maximizes their joint profits. Without trying to pre-empt the conclusions of the special committee, I suspect that things have not changed very much since 1966. As one who represents a constituency where food prices are very much a matter of lively concern at this time, I am particularly anxious that the committee examine in great detail, and with as much searching light as can be applied, the subject of the pricing policies of the large food chains.

Amplifying on their conclusion, the commission stated that the largest sellers—it is true they were talking about the Prairies—had acquired sufficient power to enable prices to rise above competitive levels, thereby earning excess profits for the large chains. Second, excessive building of stores had led to what they called sub-optimal rates of utilization of stores, hence unnecessarily raising the cost of retailing groceries. Third, the position and power of the chains had led to and required the use of self-cancelling and costly advertising campaigns. And fourth, the luxurious and expensive supermarkets built to lure customers away from other stores had raised the cost of food distribution. All of these costs and price increases, and the factors leading thereto, had damaged the consumers' interest.

As our committee commences its work, I think we must bear in mind continually that it is the interests of the ordinary working consumer that must be paramount. I believe that they have a right to know what goes on in the matter of food pricing policy, just as, for example, the public feels it has the right to know what goes on in negotiations between the government and the postal workers, or in negotiations that are carried on in any form of collective bargaining.

[Mr. Grier.]

Just as the ordinary worker must justify, through elaborate machinery sanctioned and established by the government, his reason for wanting a wage increase, I believe that food merchandisers and retailers, as indeed many merchandisers and retailers of other products, must similarly be placed in the position of justifying to the public their reason for feeling that a price increase is necessary. All too often the consumer, when confronted by a sudden price increase, is advised that the reason for it is that the price of coffee in Brazil went up last week, or that there had been a strike in San Francisco, or some other reason is given usually relating to an event outside the country and well beyond the public source of information. Thus, the public has to take the retailer's word at its face value, and from time to time I think this has enabled merchandisers and retailers to take advantage of the consumer.

I hope that this committee will conclude that a permanent, on-going prices review mechanism, whose purview should range well beyond simply the subject of food prices, should be set up for the purpose of continually exposing to the public gaze and bringing to the public knowledge the facts behind food pricing. After the committee has concluded its investigation, I believe it will be hard-pressed not to come to some such conclusion.

I hope that the publicity attached to the committee's efforts will serve to keep food prices in check over the winter. Since I have great faith in the public having knowledge of the facts, I am convinced that a permanent prices review mechanism will serve over the long run to expose facts to the public gaze that will keep prices stable, thereby assuring that the hard-won wage increases of the working men and women of this country are not eaten away or used simply to bolster and to maintain the ever-increasing profits which our corporate economy demands.

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, I have some very grave concerns and reservations about the proposal before the House to set up a special committee to inquire into trends in food prices in Canada and to relate domestic and foreign influences to today's soaring costs. In the long run, it is true that the committee may come up with some proposals that will alleviate the situation, but I particularly hope that the committee finds an answer to why there is such a gap between what the producer receives and what the consumer pays. What concerns me most is the immediate need, the need that will have to be faced tomorrow, next week and in the coming months of long, hard winter, by hundreds of thousands of Canadians on fixed incomes. The winter will indeed be much longer and harder for some Canadians than for others.

The special Senate committee on poverty told us that six million Canadians, almost one-third of the population of our country, live on or below the poverty line. A single person, we were told by that committee, lives below the poverty line if he or she has an income of less than $2,140 annually. That was the 1969 figure. It is interesting to note that all our senior citizens whose income is limited to the old age pension and supplement are today living below the poverty line. My concern is what will happen to them in the cold, long months ahead while the committee is

sitting and discussing its needs and expressing its concerns, while in the meantime prices continue to rise.

There are some 17,000 Canadians on disability pensions and their numbers increase by almost 1,000 a month. Do hon. members realize that some disability pensioners receive only $100 a month? If there are two children in the family, that amount is increased to $154 a month. People such as those on fixed incomes are finding that as a result of recent fuel oil increases they have to pay an average of $4 more per month for fuel oil. To them, $4 more for fuel oil means $4 less for food.

• (1610)

The department of health and welfare has just released figures from a year long study entitled "The World of the Welfare Recipient". This study shows that 62 per cent of women on welfare are single family heads and must look after the needs of dependents. In Ontario and Quebec alone there are 79,000 such women. Newfoundland, New Brunswick and Nova Scotia each have over 3,000 single mothers with at home families. There are 10,000 in Alberta and 14,000 single heads of families in British Columbia. I wonder how these women and others on fixed incomes reacted to the remarks of the Minister of Agriculture (Mr. Whelan) last week. The minister is reported to have said during a speech in Halifax:

> The public must be conditioned to expect to pay a more realistic price for food. I think we should be telling consumers what a fine job we have been doing and what a bargain they are getting.

What a bargain, indeed! Is this government, according to this minister's statement, so callous and so insensitive it can tell all those on fixed incomes what a bargain they are getting as food prices increase? I really do wonder whether the minister would be prepared to meet concerned Canadians like consumers, people on welfare, old age pensioners, the working poor, the 615,000 unemployed, all those on fixed incomes, to tell them what a bargain they are getting?

About 10 per cent of the labour force of Quebec and the Maritimes is expected to be out of work by spring. Statistics Canada reports do not include the 100,000 people on manpower retraining programs and the 100,000 or so on LIP grants. All these people are on minimum incomes. How will they manage this winter? The Minister of Agriculture seems totally unaware of the fact that one of the most disadvantaged groups of consumers in Canada is the 6 million people living below the poverty line. Their inability to earn a decent living is only one side of their economic plight. It is also important how they spend what little income they have. If they are forced to pay more for goods they buy they are, in essence, being denied the benefits of their earning power. It is cold comfort to a woman on a widow's allowance to be told by the Minister of Agriculture she is getting a bargain in food prices. It is cold comfort to a mother eking out a living on a mother's allowance to be told a food inquiry will eventually provide answers to her current needs. It is cold comfort, indeed, to an old age pensioner to be told his pension will be increased some time before April, perhaps, while food prices go up day by day.

A food prices inquiry is a simple way, I would think, to blur what must seem to many to be a drastic situation. Can they really wait while the committee holds its hearings? The committee may have a psychological effect on some people in this country whose earnings keep pace with increasing food prices, but the committee hearings will bring no immediate relief. It is beyond my comprehension how the minister, in introducing this motion, can say the committee would report in a relatively short period of time and, in the same breath, say the study should include an evaluation of food prices and trends throughout the world. Surely, there is conflict in his thinking. To achieve these goals the committee should be sitting on a 24 hour basis, seven days a week. With fuzzily defined terms of reference and a committee report at some unspecified date, the minister seems hell-bent on taking his time. As my colleague, the hon. member for Northumberland-Durham (Mr. Lawrence), pointed out, while the committee plods along through the winter and into spring the responsibility for action would soon become the responsibility of the committee instead of that of the government which is the real culprit behind the current high cost of living.

Just what is it that we are concerned with here and now in these immediate days and weeks? I suggest it is Canada's food price increase statistics. From 1961 to December, 1972 food prices increased by 47.1 per cent. The Minister of Consumer and Corporate Affairs (Mr. Gray) finds solace in the fact that the citizens of France have to pay more for food than we do. He also assures us that the government has contingency plans. What are these mysterious plans we keep hearing about and when are we going to hear them?

Do members realize that the price of major foods have increased, except for powdered milk, peanut butter and baby food? Perhaps we could recommend baby food as a bargain to the Minister of Agriculture. The Minister of Finance's (Mr. Turner) proud claim that Canada's inflation is lower than that of most European countries does not console those on limited incomes who must pay 36 or 37 cents for a quart of milk, and in some places much more? Does the minister realize that the average cost of a loaf of bread to the grocer jumped to 29.3 cents from 27.7 cents at the beginning of December? Does he realize that the price of eggs is up 11.2 per cent over that of this time last year, that the cost of vegetables is up 8.6 per cent and that the price of beef has climbed? The price of hamburger is up 17.3 per cent in 12 months, the price of beef liver is up 15.6 per cent and the price of stew meat is up almost 6 per cent. It is the cheaper cuts that have been increasing faster in cost. These are the cuts that are the staples for the 6 million Canadians who live below the poverty line.

If we think prices in most parts of Canada are out of line with people's earnings, those who live in remote areas and the periphery are in much worse shape. This applies particularly to the northern territories where food prices are always much higher than in the south. The rapid rise in prices in those areas in the last year has made them astronomical. While the prices rise, the quality of some foods like fresh fruits and vegetables deteriorates. I hope this unique situation will receive very extensive examination and special consideration by the committee.

I am sure we have all done analysis in respect of food prices in our own areas. In the Kingston area, basic food

prices have gone up by as much as 50 per cent since 1968. I realized this when I started comparing current supermarket ads with those of four years ago. In 1968 staples like meat, vegetables, fruit, butter, eggs, cheese and coffee that I could have purchased for $18.68 would today cost $28. This is an increase of over 50 per cent.

Let me tell you that the primary producer is no better off than he was in 1968. The food price increases are not reaching the farmer. What is even worse, there appears to be no end in sight. Statistics Canada reports that the general food price index has risen 8.6 per cent from December, 1971 to December, 1972. The present government obviously does not know what is causing this spiralling and has been unwilling to attempt measures to stop it.

To the extent that the food inquiry might come to some basic conclusions about food increases, I hope that, unlike so many other reports, it does not get covered with dust or perhaps lost in some flour bin. Again, I ask what will happen in January, February and March of this year? There is a great fear that food speculators will have a free ride for these months and will take advantage of the time lag in getting the report of the committee. The urgency of the immediate situation bothers me. To get us through this period of winter seasonal hardship, the government should have considered companion action in the form of price freezes, voluntary wage and price controls or some other structure until the committee has had a chance to report. These are measures which could help those millions of Canadians who will suffer from deprivation this winter, rather than make them wait for the final outcome of the committee's report.

• (1620)

Mr. Chas. L. Caccia (Davenport): Mr. Speaker, of course some interesting contributions have been made during this debate. It is very difficult to come to grips with and even more difficult to find answers to, this situation within the system in which we live. In his contribution to this debate the hon. member for Northumberland-Durham (Mr. Lawrence) promised to be brief and sharp. He promised to be sharper than the Minister of Consumer and Corporate Affairs (Mr. Gray). Indeed he was brief, but it is very difficult to find in his speech, as recorded on page 433 of *Hansard*, any evidence that he was sharp. One highlight of his speech seemed to be this statement:

> The answer is simple: he is wrong and his colleagues are wrong. Food prices, like all prices, are simply running out of control today.

Having said that, he carries on and lays down a number of conditions in respect of the support of his party. He makes a tremendous contribution to the effect that it is the intention of the hon. member, on behalf of his party, to introduce an amendment which would reduce the number of members of the committee to 20.

Continuing on to the end of his speech, one finds very little evidence of a positive, constructive contribution that would permit members of this House and members of the committee to point to some guidelines or indications of what is in the hon. member's mind. At least the hon. member for Scarborough West (Mr. Harney) expressed the thought that what we have before us is a very complex problem. I agree. It seems to me that the question of price, be it in respect of food or other commodities or services, is a question that is integrated with wages, incomes and profits and that therefore when we speak of price we are speaking of an item that is the result of a number of factors including the salaries of individuals, the percentage of profit which takes place at the retail level and so on. Therefore, we really are analysing the whole structure of our society when we try to come to grips with the question of price.

[Miss MacDonald (Kingston and The Islands).]

If we imply that we wish, in order to control the rising cost of food, to introduce a system of wage controls, I would think that it would be most unfair, particularly in respect of the category of salaried workers who are still desperately attempting to catch up with the remainder of society but who have not been fortunate enough to belong to powerful unions or powerful professional organizations over the years. This government—and I admit without success—asked Canadians to assume the responsibility of self-imposed voluntary controls. We all remember the experience of 1969-70. The suggestion was not well received. Perhaps it was not well explained. It was rejected, and here we find ourselves again, a few years later, facing what looks like another inflationary round still without a substantial knowledge of how to come to grips with this trend which affects not only Canada but apparently every other country which has a so-called free market society.

It seems to me, in light of the system we have and the society in which we live, the solution expressed at that time, which is still before us, that of voluntary self-imposed controls, is the most desirable one because it does not strike at the root of our system but invites, recommends and hopes that we can practise self-restraint. However, the reality of the situation is still that we are not ready for such an application. Therefore, what has happened in the intervening years is that the Liberal government in this country took measures in respect of redistributing the purchasing power of the people. It said it would take the purchasing power from those whose incomes are high through the means of income tax reform and the introduction of a capital gains tax. The government said it would redistribute this purchasing power and make it available to those at the lower income level by means of better pension programs, better support schemes, better developed and better funded public and low-cost housing and other such programs of reform introduced by the Minister of Finance (Mr. Turner).

The other measure passed by the previous parliament, and just now being implemented, is the establishment of national marketing boards for a number of commodities. One which is now being put into practice is a national marketing board for the marketing of eggs. The purpose is to avoid the up and down cycles in respect of the price of eggs, to introduce some rationality into the production in that industry and in the end to protect the consumer from fluctuations in the prices of some of these basic commodities. I am looking forward to seeing what this committee will be able to establish, and what advice it will give to the government to resolve this very tough question as to whether, in a free society like ours prices can be controlled, an element can be introduced to slow down inflation when some of these elements are far beyond our control because they are part of an inflationary move-

ment that is taking place outside Canada as well. Today, it seems to me that voluntary self-imposed controls are the ideal answer and that, failing our ability to introduce such controls, we would be hard put to find permanent, satisfactory answers because the experience in other countries where temporary control measures have been introduced has been that once the lid was taken off prices jumped up again and what had been gained during the period of controls was lost in a matter of days.

• (1630)

It seems to me that if we are able to keep inflation below the level of inflation in other countries so as to remain competitive, and if we are able to redistribute the purchasing power to a much greater extent than we have been able to do so far in favour of the low income groups so as to provide them with the purchasing power that they are losing as a result of inflation, we will be making at least some strides in the right direction.

Perhaps this committee will be able to discover that there are certain levels in the distribution chain of food products that are not necessary. Perhaps this committee might discover that an increase in the production of certain staples, certain goods, might have the effect of producing an over-supply that will push down the retail price. I really do not know whether this will be the case, but I do know that there is no easy answer to this question unless we are really prepared to change, perhaps profoundly so, the system which we have.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have listened with a great deal of interest to this debate and wish to assure all hon. members that I, too, share the great concern that has been expressed here by members from all parties in respect of the matter of increased food prices for all Canadians. I can assure you that my concern is certainly no less than that of any other hon. member in this House, but I do believe that it is fortunate that in this resolution we have singled out food prices because it can be well documented that in the whole gamut of cost of living increases food prices is but one of the major components. I think that while this committee which we are proposing to establish may well study increases in food prices, it would auger well for the House to seriously consider the other components that make up the cost of living index.

The committee may very well provide for a critical examination of all the factors that lead to increased food prices, such as production, processing and distribution. But I can assure you, Sir, that I will certainly not hold my breath while the committee comes up with a solution which would immediately relieve the pressures that have built up with respect to the rise in food prices.

It is interesting to note that our friends to the left, the NDP, are quite anxious to support this measure. When a similar joint committee was established in the House in 1966 to report, among other things, on the cost of living, the hon. member for York South (Mr. Lewis) stated, as reported at page 8312 of *Hansard* of September 9, 1966:

> But I suggest that the minister's motion is a mere ruse to shelve the problem which faces him, instead of solving it. It seems to me that it cannot be anything else than a political move to seem to be doing something, when in fact referring the subject matter to a parliamentary committee is doing nothing to deal with the problem of the cost of living.

I think it is rather significant that in 1966 the hon. member for York South had some serious reservations about the impact of the establishment of such a committee. We now find that he and his party are supporting it wholeheartedly. I suggest to you, Sir, that this is just another of their hypocritical approaches in solving some of the major problems that confront this country. Perhaps we could call it another NDP flip-flop.

I suggest to you that the committee will not come up with an absolute solution, an over-all panacea, to mitigate the rising costs in food or the rising cost of living. I think that we should be looking at something more positive to immediately compensate those people who are most seriously affected by the increase in food prices and other living costs. The plain fact of the matter, as has been pointed out by many other speakers here, is that we are in the midst of a very dangerous and rapid inflationary cycle. Of course, it is one of the many failures that has resulted from the inadequacy of this government, and I do not believe that anything is more blatant than this government's economic mismanagement, and particularly the manner in which it has approached the matter of inflation. I do not believe that we can study the increasing cost of food in isolation. I think we have to look at the problem of inflation, the problem of rising costs in every sector of our economy, in a more co-ordinated way.

Certainly, inflation has its detrimental effect on all Canadians, but it is more disastrous and more detrimental to those who are on fixed incomes, to the recipients of old age pensions. Basically, those people are at the bottom of the income scale. But there are others who are affected by the problem of inflation, namely, the primary producers. Farmers have borne the twin effects of inflation and low prices for the goods they produce. There is no other segment of our society that has been hurt more than the producer by the so-called cost-price squeeze. It is quite true that in recent times the prices to farmers have increased, thanks to the world food shortage. We hear from both sides of the House that the prices paid to farmers now are better than they used to be. Better than what, Mr. Speaker?

Are we comparing them with the price slumps of 1969 and 1970? Yes, I agree that prices to primary producers are somewhat better, but we only have to look at world wheat prices as reported in the 1970-71 Wheat Board Report. We noted that the receipts to the producers for wheat were the lowest in ten years. When we look at the prices of other commodities today, as compared those in 1951, we find that there has been only a moderate increase in the price of these products as received by the producer. If we take into consideration the inflationary effect, the devaluation in the purchasing power of the dollar, in essence we have a backward step. In other words, if the income is remaining constant, the purchasing power is much lower. Here I suggest that we look at the realized net income picture for the farming industry. These figures were reported by Statistics Canada.

• (1640)

In 1966, realized net farm income was in the order of $1.8 billion. It dropped to $1.2 billion in 1970, a drop of $600 million in a period of four years. I ask you, Mr. Speaker, what other segment of society could withstand that sort of drop in net realized income and still remain viable? In 1971, realized net farm income improved to $1.3 billion, and the estimated 1972 figure is something in the order of $1.8 billion or $1.9 billion, which simply returns it to the level established in 1966. Therefore, I suggest that we must be very cautious in examining the whole matter of food prices so that the emphasis will not be placed in the wrong area. The farmer, by and large, takes what he can get for his product. He has no measure of collective bargaining at his disposal. He must take what the buyers will give him for his product. If there is a demand for his product he gets a good price. If there is a surplus of his product he tends to get a lower price.

What did the government do to help the farmer, Mr. Speaker? In 1968, after the Prime Minister (Mr. Trudeau) took office, it lifted the interest ceiling on farm improvement loans and farm credit loans, which at that time was frozen at 5 per cent, and within a year those interest rates rose to 8 3/4 per cent.

An hon. Member: And $3 wheat now.

Mr. Mazankowski: Yes, $3 wheat now, but the domestic purchaser is not paying $3 per bushel for the wheat he purchases. The mills are paying $1.95 at Thunder Bay. Either we must take steps to subsidize our producers, if we want to achieve and maintain a healthy agricultural industry, or else the consumer must pay more. Immediately on assuming office, the government reduced the initial price of wheat. It removed the premium on the production of hogs, which was something in the order of $10 million. It unilaterally and indiscriminately destroyed the small dairy producers. The government received recommendations from the Royal Commission on the Price of Farm Machinery, but not one of those recommendations has been implemented.

Then we had a Prices and Incomes Commission that was another complete and total failure. It did nothing with respect to narrowing the gap. We had a Prime Minister who in December, 1970, said that inflation was licked. Mr. Speaker, it was licked then simply because there was a war on between the food chains, and also because the producers were getting very low returns for their produce.

What has happened to the cost of in-puts generally? Farm in-puts have risen from an index base of 100 in 1961 to 135.4 in 1971. Farm labour costs, based on 100 in 1961, have risen to 178.2. How has the farmer survived? He has survived simply by increasing his productive capacity. He has increased his productivity by 13 per cent per annum over the past two decades. Meanwhile, the cost of processing and distributing has increased about six times as rapidly as the return to the producer. This is manifested by the fact that in 1971, out of a total Canadian food bill of $7 billion, only 6 per cent of that went to the primary producer. This was a drop of 4 per cent since 1959. If you measure it in constant dollars, you would probably have to deduct a further 35 per cent from that figure. This simply means that 94 per cent of the consumer's dollar is received by someone other than the primary producer. I suggest that this is ridiculous and must be corrected. If this inquiry is going to be totally objective it will bear this out, and place the welfare of the producer in its proper perspective.

I suggest that the whole inflationary cycle which is upon us at this time is something that the government has failed to correct. I believe that its policies and non-policies have helped to exacerbate the problems of inflation. I know that the food processors and those charged with the distributing of food products are getting the major brunt of the blame in this particular area, but I am sure that they, too, have had their problems with increased costs. This part of the food industry has, in fact experienced a very sharp increase in costs, increased basic costs of labour, of transportation, higher taxes, higher costs of urban land—these have all risen rapidly due to inflationary forces.

Other things which have contributed to higher food costs include an increase in the degree to which foods are processed. Canadians are buying more of their food products in more highly processed forms. There are very few products sold now in their natural, raw state. There is a great deal more prepackaging of foods. Then, there is the matter of increased shopping convenience. As mentioned by other hon. members, there are the huge outlays of money on great shopping malls and supermarkets. Someone must pay for those costs, Mr. Speaker. Who pays? The consumer pays.

I do not think too many members have touched on the matter of imports. A large portion of our food bill is for imported foods. This is something over which we really have very limited control. The prices of foods that we import have risen sharply. We are victimized by high transportation costs. Many of the products imported are of a seasonal variety. Then, there is the matter of tariffs, particularly tariffs on those items that are highly processed.

To put this thing into perspective, Mr. Speaker, I wish to give a few figures. In 1969, for the first time in the history of Canada, we imported $35 million more worth of agricultural products than we exported. That is a shame in a country such as Canada, with its expertise in agricultural production and its ability to produce. We are still importing $1.3 billion worth of agricultural products per annum. As I say, we really do not have too much control over the cost of those products. I suggest that in large part many of those products could be produced in Canada. Instead of discouraging the production of many of these agricultural products, I think we might do well to diversify our production to take in some of the items which we import. At the present time we are encouraging and paying farmers to leave the land and limit production. I believe this is an area that the Department of Agriculture could look at in a positive and rational manner. Many of the items we import we could produce quite effectively at home.

There is a great need for diversification in our agricultural industry. We would do well to promote a healthy, viable agriculture industry by encouraging more diversification. In short, I believe we must maximize our production and we must diversify our production. It is important

also that we take steps to bolster those sectors of our agriculture industry that from time to time may suffer depression. As we have experienced in previous years, if we get a recession in the wheat industry it tends to spread to the hog or livestock industry. This situation must be corrected by government action. I am suggesting here, Mr. Speaker, that the Department of Agriculture should look very positively at protecting those sectors of agriculture which depend upon one another.

• (1650)

It seems that the government is bent on maintaining a cheap food policy, but if we are to have that we must have subsidies to the producer. There is no way that we can maintain an effective, healthy and viable agriculture industry unless there is a return for it and we cannot maintain the return unless we get it from someone. That is the decision that we must make. If we do not get it from the consumer, we must get it from the Treasury and that means some kind of subsidization for the producer. Increased labour costs, taxes, increased machinery costs and all the other inputs that producers have been confronted with cannot continue to rise without a corresponding increase in returns to the producer. If we have only an income comparable to the level of 1951, it is unlikely that agriculture can survive as a healthy productive industry.

Another area that needs consideration is that of transportation costs. There are great discrepancies between the rates in the east and the rates in the west, particularly in the area of processed agricultural products.

In conclusion, Mr. Speaker, I think the government should examine its own expenditures because they, too, have a very inflationary effect upon the production, distribution and processing of agricultural products. Above all, I think government should refrain from further interference, further regimentation and further regulation of the industry. We have seen much of that in the past four years. Some of the programs thrust upon farmers have been so embossed with red tape that they have been difficult to implement. Less government interference would be welcome. I hope that the committee will take a very constructive approach to the examination of food prices, and I hope it will keep the welfare of the producer in its proper perspective.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I hope I can get a couple of thoughts in between now and five o'clock.

Mr. Turner (Ottawa-Carleton): You will have some trouble.

Mr. Gleave: I will do what I can. Mr. Speaker, if the government intends to carry out this inquiry I hope that consideration of the percentage of the food dollar which goes to the farmer as a return for his labour will be a part of it. If I should have the opportunity to be a member of the committee, or even if I were to sit on the sidelines, I would make sure that the committee concerned itself with the farmers' contribution to the well-being of the Canadian people.

It does not become the hon. member for Vegreville (Mr. Mazankowski) to charge members of this party with hypocrisy because we want an investigation of food prices.

Some hon. Members: Shame!

Mr. Gleave: Like myself, he is a prairie man.

Mr. Mazankowski: You have changed since 1966; that is what I said.

Mr. Gleave: The hon. member now qualifies it and says we are not hyprocritical in 1973 but we were in 1966.

Mr. Yewchuk: You were then and you are now.

Mr. Gleave: I thank the hon. member for Athabasca. He has the courage to stick with what the hon. member for Vegreville said.

Mr. Yewchuk: I wish you had the courage to stick with what you said.

Mr. Mazankowski: We have a lot of faith in you but not your leader.

Mr. Gleave: The hon. member for Vegreville said that we are encouraging farmers to leave the land. I point out to him that the government of Alberta has signed an agreement with the federal Department of Agriculture to carry out what they now call a farm development program. The name has changed; formerly it was the farm adjustment program but the federal government was getting a lot of flak so the name has been changed. I point out to the hon. member for Vegreville that this will progressively eliminate a number of farmers in Alberta.

An hon. Member: They will get $7 million.

Mr. Gleave: They will get $7 million. I am always interested when members on that side of the House start to read us a lesson, Mr. Speaker.

Mr. Mazankowski: We are not taking over the land.

Mr. Gleave: If there is anything left after you are through with it, it will be like a plucked chicken; there will only by the pin feathers left. I just want to point out to the gentlemen over here—

An hon. Member: Gentlemen?

Mr. Gleave: Well, I am a polite man, a courteous man.

Some hon. Members: Hear, hear!

Mr. Gleave: I will speak to my enemies. I want to point out, Mr. Speaker, that if they want to have a proper investigation conducted, then they should help the House to do it because this is a very serious problem. The Canadian people, like the people in the rest of the world, especially the western world, have believed it their God-given right and their heritage to have an unlimited supply of cheap food available at their door all the time. But it is not necessarily so, Mr. Speaker. I suggest that this House should take the matter very seriously.

Mr. Deputy Speaker: I regret to interrupt the hon. member but it is five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It being five o'clock the House will proceed to private members' notices of motion as found at page 23 of the order of business for today, but first it is my duty, pursuant to Standing Order No. 40, to advise the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Humber-St.George's-St. Barbe (Mr. Marshall)—Manpower—Local Initiative Programs—Request for statement on progress in approving projects; the hon. member for Scarborough West (Mr. Harney)—Canadian National Railways—Terms of loan from pension fund to Fidinam (Ontario) Limited—Inquiry as to leasing by railway of part of Upper Canada Place; the hon. member for Vegreville (Mr. Mazankowski)—Air Transport—Northern Canada—Inquiry as to program for installation of improved navigational aids.

• (1700)

PRIVATE MEMBERS' MOTIONS

SMALL BUSINESSES LOANS ACT

SUGGESTED INCREASE TO $75,000 IN MAXIMUM AMOUNT OF LOANS

Mr. J. R. Ellis (Hastings) moved:

That, in the opinion of this House, the government should consider the advisability of amending the Small Businesses Loans Act to increase the maximal amount of a loan thereunder to $75,000.

He said: Mr. Speaker, my colleagues and I discussed this notice of motion before bringing it before the House. We find no real objection to some of the items spelled out in the Small Businesses Loans Act. It first came into force 11 or 12 years ago, in 1961, for an initial period of three years and was subsequently amended to offer a wide range of opportunities for businessmen who wished to borrow money to improve their businesses. They could use such money for the purchase of fixed or movable equipment, the construction of premises or the improvement or modernization of premises. The act defines a small business as one with gross revenues not exceeding $500,000. From this point on, my colleagues and I begin to differ with the act. We feel that the maximum amount of $25,000 for a loan, as at present specified, in no way reflects what is reasonable for businessmen in Canada today. If one were in the construction business, $25,000 would not begin to buy some pieces of equipment; if one were in the manufacturing business, one could not buy much by way of raw materials for $25,000. In the wholesale business, $25,000 would not even buy you a decent stock of cigarettes, never mind anything else. In the transport business, you could not buy one truck of reasonable size for $25,000.

In my maiden speech in the House, I made a point of saying what I thought of the Industrial Development Bank. Supposedly, it is a court of last resort for businessmen. It operates in the high risk area but, at present, definitely does not fill the needs of businessmen. The bank is far too protective and asks for far too much by way of security for the types of loans it makes. I repeat, its interest rates are usurious, to say the least.

The Small Businesses Loans Act was meant to help smaller businesses, because it was thought smaller loans would be an asset to businessmen of the type I have described. We contend, however, that even in that particular area the Small Businesses Loans Act fails. On looking at the statistics relating to the Small Businesses Loans Act for 1971, we find that were 2,129 loans, amounting to $22.3 million, for an average of $10,460 per loan. Of those, service businesses accounted for 37 per cent, retail for 22 per cent, construction for 14 per cent and manufacturing for 13 per cent. These are exactly the types of businesses that the Industrial Development Bank pretends to service.

We do not quarrel with the percentage of loans made in various provinces. On reading the report one will find that they are spread pretty well across the provinces in proportion to population. The banks which actually administer the loans seem, if one considers their size in relation to that of the community, to grant a reasonable percentage of such loans. We are suggesting, Mr. Speaker, that if 40 per cent of the maximum is the average criterion in granting loans, the average loans being for $10,500, or approximately 40 per cent of $25,000 allowed as a maximum, that by increasing the maximum to $75,000 loans of a reasonable size could be granted to the business community.

In 1961, the average loan was in the order of $8,500. The increase of $2,000 in ten year to $10,500 in no way, shape or form reflects increases in costs that must be met. I suggest that if one considers true dollar purchasing power, the size of loans has actually gone down, not increased. I suggest that this does not reflect the sort of activity that one might expect from legislation first passed in 1961 and now 12 years old. We suggest that as more people become aware of the existence of this loan program, the size of loans granted would have increased as well.

I know that motions of the type I am presenting are usually talked out by members on the government side. I suggest this to hon. members on the government side: Are there not in their communities, perhaps, businessmen who might need some extra money for their businesses, whether those be manufacturing, retail or service businesses? Are there not businessmen in their ridings who want extra help in putting their businesses together? Or is it that members on the government side do not care whether businessmen in their areas want or need extra help with their businesses?

Members on the opposition side of the House have stated very carefully how they feel about small business and how we ought to proceed if we are to help small

business which is the life blood of the Canadian economy. My colleagues and I think that the motion before the House covers the situation pretty well. This is not an attempt to give money away. The motion speaks of loans to businessmen. We are not asking for something for nothing. If indeed this notice of motion is talked out by my colleagues on the other side of the House, then I ask them to promise us that there will be action of some sort by way of a government bill that will do the same job as the motion would seek to do and increase in a reasonable way the amounts of business loans that are available to small businessmen.

If I may repeat, Mr. Speaker, the Industrial Development Bank is not doing its job. The Small Businesses Loans Act could be a tremendous support to small businessmen if they were allowed to borrow reasonable amounts of money. We suggest that the new maximum should be $75,000.

[*Translation*]

Mr. Herb Breau (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Mr. Speaker, I should first like to congratulate the hon. member for Hastings on his bringing before the House this important motion which, I can assure you, is of concern to several members on this side of the House.

The hon. member mentioned that he wondered whether Liberal members were concerned with the problems of small businessmen. I can assure him of the government's continued concern with this matter and, looking at statistics, we recognize that the present government has undertaken many projects which have been very helpful to small businesses.

He also spoke of the Industrial Development Bank, saying that it did not do a good job. It must nevertheless be recognized that the Industrial Development Bank does achieve something. It is estimated that by 1975 the Industrial Development Bank will have granted total loans in excess of $1 billion. The bank also has branches throughout the country, which are continually expanding.

[*English*]

The government is interested in small businesses, Mr. Speaker. There are such programs of help. I might mention the Industrial Development Bank. There are other programs, as well, that help small businesses. Indeed, one of those coming under the Department of Industry, Trade and Commerce is the PAIT program. Over one third of grants under PAIT were given to companies with annual sales of less than $1 million. They can be characterized as small businesses. The Minister of Industry, Trade and Commerce (Mr. Gillespie) during his speech on the debate on the Address in Reply to the Speech from the Throne mentioned that the government would undertake a comprehensive study of all assistance to small businesses.

• (1710)

One thing to be studied will be a revision of the Small Businesses Loans Act which is being asked for by the hon. member for Hastings (Mr. Ellis). He mentioned other programs, specifically the CASE program, Counselling Assistance to Small Enterprises. A very successful pilot project was initiated by the department. Former businessmen and retired businessmen who want to help other small businessmen by counselling them are being employed. The pilot project was initiated in Montreal and has now been extended to Winnipeg. It is the plan of the department to extend the program across the country to other regional offices.

I also wish to mention the Industrial Development Bank. The outstanding loans by 1975 are expected to be in the vicinity of $1 billion. The Industrial Development Bank has 46 branches across the country. In the past few years, it initiated a financial advice program whereby applicants and people who received loans were visited.

Mr. Woolliams: You are bankrupt by the time you receive a loan.

Mr. Breau: I did not hear the hon. member's interjection. If I had, I would respond to it.

Mr. Lefebvre: He said he does not need a loan.

Mr. Breau: That is good. Most of the business conducted by the Industrial Development Bank is small business. It has been increasing by 20 per cent yearly. This indicates that it must be doing some good.

Mr. Alexander: I heard about your speech.

Mr. Breau: I am glad the hon. member read that very good speech.

Mr. Alexander: I said I heard about it.

Mr. Breau: I wish he would advise his colleagues to read it.

Mr. Alexander: I heard about it, but I did not believe it.

Mr. Breau: That is too bad. When the business of a bank or organization increases by 20 per cent yearly, it indicates that businessmen across this country are using it. In the case of the IDB, it is mainly used by small businessmen. I have been involved in small business. There is no way I would be satisfied with any government program to help businessmen, regardless of whether the hon. member's party were in power or any other party.

Mr. Paproski: How do you know? Try us.

Mr. Breau: The people tried your party a few years back. It did not take them long to change their mind. When dealing with small businessmen, you do not necessarily satisfy them by only increasing the ceilings on loans or by making more money available to them. While government programs can improve a situation, many small businessmen may need counselling. They might not be able to afford proper marketing advice. They may not be able to afford proper counselling. This is one area being looked into by the government through the CASE program. The Department of Industry, Trade and Commerce wants to extend this program across the country because it might be very helpful to small businessmen.

Mr. Alexander: Why is it—

The Acting Speaker (Mr. Boulanger): Order, please. I must remind hon. members that private members hour

should not become an instrument for debate across the floor of the House. The hon. member who has the floor should be given an opportunity to complete his speech.

Mr. Alexander: I certainly accept Your Honour's ruling. I hope Your Honour and hon. members listening to this very interesting and sometimes believable speech, will forgive my interjections.

The Acting Speaker (Mr. Boulanger): I thank the hon. member, but I was not referring only to him.

Mr. Alexander: I was the only one talking, Sir.

Mr. Turner (Ottawa-Carleton): You just want to show that you are here this week.

Mr. Breau: The hon. member felt Your Honour was speaking about him. I will conclude my speech in order to give other members an opportunity to speak.

Another way in which the Department of Industry, Trade and Commerce is trying to help small businessmen is by further expanding the service offered in regional offices by trying to co-ordinate all government information that can be of assistance to small businessmen, whether it be under DREE, PAIT, the IDB or any other program. When a small businessman goes to the regional office of the Department of Industry, Trade and Commerce, he will not be frustrated by being sent to another office. All information with regard to the IDB, including government and other financing, might be integrated.

These are some areas which the government is now considering. I sincerely hope that it will not take too long to complete these studies. The Department of Industry, Trade and Commerce is also studying ways to amend the GAAP program to make it applicable to manufacturing industries or services that are involved in increased costs of goods manufactured for export. This measure will also help small businessmen because many of these manufacturing firms are small businesses.

Mr. Barnett J. Danson (York North): Mr. Speaker, I welcome this opportunity to speak on the subject of small business because I believe it is an area of substantial strength in our economy and it offers perhaps the greatest potential for growth. I, therefore, thank the hon. member for Hastings (Mr. Ellis) for bringing this matter to our attention. This is also an area in which I have had some experience, going through the incubation stage of a business, struggling through growth and seeing it mature. All of these are difficult stages, as only one who has been through them can really understand.

First, as the Minister of Industry, Trade and Commerce (Mr. Gillespie) said in the throne speech debate, some 60 per cent of all employed Canadians work for enterprises which can be categorized as small businesses. They account for some 30 per cent of our gross national product or $31 billion in some 350,000 enterprises.

Second, and quite important, all large businesses were once small. It is too bad the hon. member who raised this motion said that this side of the House is not interested in this subject. His few words represented a peanut type approach that did not amount to anything more than the other two suggestions. I heard from the oppostion about small-thinking programs. The hon. member has left the chamber. I question whether he is really interested in small business.

[The Acting Speaker (Mr. Boulanger).]

Third, most small businesses are Canadian owned. Their growth offers real hope of Canadian ownership of our economy in the future in a non-restrictive, non-punitive and very positive way. In addition, small businesses offer opportunity and challenge for Canadian entrepreneurs, and help sustain bigger business both as a customer and supplier. This type of business helps small communities and contributes to the alleviation of regional economic disparities, as well as assuring competition in both products and prices. Such businesses are generally labour intensive and usually quite efficient. Very importantly, they are highly innovative, flexible and rapidly responsive to change or market conditions. Because they are less capital intensive, they can respond quickly to the stimulus of invested capital.

• (1720)

The question is, how can government help small business? I have had several thoughts based on my own experience, but in order to get a broader approach I have been meeting and working with a diverse group from the private sector over the past several months. In this process we met with the present and former ministers of industry, trade and commerce as well as their senior officials, and we also went to Washington to discuss the approach of the small businesses administration in the United States where we were warmly received by its chief, Mr. Tom Kleppe, and his advisers.

There is no one simple solution. It requires a multifaceted approach to respond to a variety of situations. In developing such a response I am indebted to a group that includes management consultants, venture capitalists, bankers, men who operate their own small and medium-sized businesses, and men such as John Bullock and John Earle of the Canadian Federation of Independent Business. While I do not suggest that all of my views are theirs, their input has been invaluable, as has been the work of OECD and experience in other developed nations. In most cases, the cost to government is minimal. Indeed, when one considers the return to the economy and treasury, the gains are substantial.

The Small Business Administration in the United States operates on the principle of no giveaways. There are loans and guarantees, but they calculate that through proper programs they have created one new job for each $1,500, not in costs but in loans or guarantees. The direct losses are minimal, and if we are really to move in this direction, we should be prepared for an acceptable loss ratio. In the United States, the programs with the greatest losses have losses under 5 per cent, and most are well under this.

To really be of help, we have to make a commitment to be seriously and energetically interested in small business, as the hon. member for Hastings urges. The Minister of Industry, Trade and Commerce (Mr. Gillespie) has taken a very significant step in announcing one stop service when dealing with government and, very importantly, decentralizing this service across the country, as the parliamentary secretary has just said. There is nothing more frustrating to the small businessman, usually wearing a

number of management hats, than to come to Ottawa trying to find the right man in the right department and leaving with a sheaf of applications in his hand. If he has time to fill them out, he does not have time to wait until they filter through the bureaucracy. When any legislation is passed, the interests of the small businessman and the impact of that legislation upon him must be considered.

Government itself must back up its commitment by directing an appropriate percentage of all government purchases to qualified small business. In addition, it must insist that all government business given to major contractors or vendors carries the stipulation that a given percentage of subcontracts or purchases come from small business. The Americans call this their "set aside program" and it has resulted in surprising new sources and savings as a consequence of shopping around for small suppliers, rather than taking the path of least resistance and going only to the other "big boys" they know so well. The impetus that this has given to smaller enterprises and the economy as a whole is incalculable.

There should also be national and regional advisory groups to government, largely comprised of small business representatives. They can offer valuable guidance to government, help tailor programs more closely to their needs, co-ordinate government efforts in the private sector, and generally work in partnership rather than in frustration or with a lesser impact than the potential of many excellent government programs.

The Canadian Federation of Independent Business proposes an entrepreneurial council to carry out many of these roles and to actively seek out Canadian manufacturers to match many imports of products or components to existing or potential Canadian manufacturing facilities, establishing continuing mechanisms to maintain this co-ordination. Of vital importance—I am sorry that the Minister of Finance (Mr. Turner) has left the chamber—is revising our sales tax regulations so they work to the benefit of the Canadian manufacturers as opposed to imported goods, as is often the case today.

The management programs already functioning and being expanded substantially are of considerable value, as proper management techniques are critical, often more critical than capital, to many small businessmen whose drive, expertise and experience can often be dissipated by inadequate management procedures.

But capital is also vitally important. The IDB has been eminently successful in responding to much of this need and I welcome the minister's announcement that this highly successful, and increasingly aggressive agency is reviewing its role so that its experience and expertise can be put to even greater use. I share the hon. member's frustrations regarding the IDB, though I thought he was a little unfair in his remarks in the throne speech debate. I felt that way when I came here and, after going into the matter further, I am certainly satisfied that it deserves a better look. Perhaps things will improve as a result of my speech.

The Small Businesses Loans Act that this motion is specifically directed to should also be amended substantially to make it more relevant to today's realities. This must mean considerably higher limits. The hon. member suggested $75,000; I prepared these remarks for the throne speech debate and was unable to get on, but I suggest a minimum of $100,000 and interest rates that will be competitive in attracting the necessary capital. The banks just will not go along with low rates, simply because they are unrealistic.

However—and this goes to the essence of the point contained in the hon. member's motion—this may not be necessary in view of the announcement of the Minister of Industry, Trade and Commerce of a greatly expanded role for the general adjustment assistance plan, called GAAP. This, when available to all or to most businesses, may be even more effective, particularly when it already has its own administration and board. A similar program under the small businesses administration in the United States is its major program with $1¼ billion guaranteed last year, which amount is to be increased to $1.5 billion this year, and with a loss ratio of some 3.5 per cent. I think in crowing about high risk areas with a satisfactory profit picture we should also be prepared to accept a satisfactory loss ratio.

Another very interesting program of the small businesses administration of the United States is the small business investment company program. This program borrows money from conventional money markets, taking advantage of vast capital pools from insurance companies, mutual funds, foundation and pension funds, the latter a particularly fast growing source in Canada due to the requirement of our tax reform that 90 per cent of the assets of such bodies be invested in Canada. This is a good investment at a low but attractive rate due to the government guarantee. This money, then, is loaned to the SBIC, the Small Business Investment Corporation, at a rate of 1 per cent to 1.5 per cent additional, the current rate running at approximately 6.9 per cent. So it is not actually government money; it is merely the use of government guarantees.

The SBIC is a licensed venture capital company with good management experience and a good track record. For every dollar the SBIC invests of its own, the small businesses administration will lend up to $3. This is longer term money, lent over 15 to 20 years.

Since the term "venture capital" implies risk taking, this company usually gets involved in high potential and relatively high risk ventures, the kind which, when they do pay off, really add to the economy significantly. The losers generally show up early and the winners often take a long time coming. You have to hang tough with this sort of thing and be prepared for some losses in the early days. This fact has scared off the conventional money lenders, but there is a commitment to the program from good venture capital investors. I do not say that all of them are good, but many are.

In its initial stages, this program in the United States got off to a bad start as it was too loosely structured and monitored, if it was monitored at all. The number of licensed SBIC's in the United States has been reduced from 800 to some 300 effective organizations, and more consistently positive results are emerging. The speculator, the inefficient, the inexperienced have all been weeded out, and some of the vultures, too. They have tended to get in on the act and some very undesirable things happened, but as I say they have now been monitored out, largely as

a result of the action of Tom Kleppe, the administrator over the last 18 months or so who has done a magnificent job. The whole thing has been a stimulating experience.

We are in a position to benefit from this experience and to adapt it to our own needs and know-how. Regionally established SBIC's in Canada could have an invigorating effect particularly on the economies of our disadvantaged regions and provide very real opportunities.

• (1730)

I suspect that in many parts of the country where their economies are based on fishing, forestry and other resource industries there is much talent but limited opportunity. Who could better see the opportunities, know the people and the markets than the businessmen in those areas, men who have a feel for the region and its potential who with adequate resources plus their skill and instinct can help the local people in new enterprises, with their attendant jobs, to get off the ground much faster and more economically than government agencies at all levels no matter how skilled and dedicated are our public servants. After all, local businessmen have their own money at stake too.

Without delaying action in the area of small business, I believe we should try to learn a great deal more about small business. It is surprising how little really reliable information on small businesses is available in this country. I would think that in more tranquil political times we could have the Standing Committee on Finance, Trade and Economic Affairs conduct a study in this area. In addition to this, however, an organization such as the conference board in Canada, under the direction of one of Canada's most distinguised economists, Dr. Arthur Smith, could and should undertake such a task. This could be done by a similar group with the professional expertise and research facilities necessary.

May I say that in thinking of business we have been inclined to place emphasis on manufacturing and exporting, both vital, but I believe we should give parallel attention to the rapidly growing and labour-intensive service sector. Some 40 per cent of our gross national product comes from that sector today, without counting government at all levels which would bring it up to about 70 per cent. With growing automation and sophistication and increasing leisure time, it will afford our greatest areas of opportunity, most of which cannot be replaced by imports. It can however, be foreign-owned. Indeed, the chances are that it will be if we do not nurture and encourage it in a Canadian context.

In this respect, I am pleased with the announcement by the Minister of Industry, Trade and Commerce (Mr. Gillespie) of increased assistance to the tourist industry; but that is only part of it. This is only highlighting a subject which deserves the very high priority it now appears to be getting from this government and I look forward to greater elaboration of the policies already announced and those yet to come in the budget. This priority attention must be sustained. In this respect I am happy to note the administrative changes in the Department of Industry, Trade and Commerce, with two assistant deputy ministers so that one can concentrate on domestic industry and one on exports. This might bring a closer identity in each of these areas which existed before the department of industry and the department of trade and commerce were merged.

Frankly, I believe that the merger was a mistake because it reduced the political contact between the business community and the cabinet. Though the former minister and the present minister are men of outstanding ability and capacity, their concerns are about exports and trade agreements and it is very difficult for them to spread themselves so thinly. I think there are other able ministers in the cabinet today who are perhaps underutilized and who could go into the departments in an associate capacity and serve in the area of liaison with the private sector. This is something that would give added assistance to the small business area. The important thing is the recognition of small business, its importance to the economy and its potential for future development in a Canadian context. We must commit ourselves to its success and give Canadian businessmen and women of imagination and enterprise a fighting chance of survival over what are frequently overwhelming odds.

Having been through this, Mr. Speaker, there are three stages in starting a business. The first is that you must have the guts to leave your job and start. Nobody really thinks you can make it except you. You go to the bank for a little help but the banker thinks you are crazy and should have stayed at your own job. You are too involved and confused to worry about reports, returns on investment, deliveries and so forth.

Next is the adolescent stage when you are determined you can be successful. You may have a couple of people helping you, such as a girl in the office and a shipper in the shipping room, or another salesman. But you need extra capital, perhaps in the range of $50,000. The banks are not interested in talking to you; they are interested in sales projections, cash flows and such things. If you are fortunate enough to obtain the money, not that you really need it to stay in business, then you have the confidence that it gives you to invest in new people, new projects and new schemes.

Then we come to the third stage, not the final stage, which I have always called the menopause stage in business when you really develop and become a success. You may have reached the limits of your own managerial capacity although you may have had a great deal of difficulty. You are balancing your receivables against your payables and deliveries, and you have the bank manager on your back and your wife on your back because she wonders why you are working 60 or 80 hours a week. This gets pretty trying.

Then somebody in a similar business comes along, perhaps from Milwaukee or somewhere else and says, "Barney, how is business?" You say it is great, but you haven't the necessary cash flow and nobody is interested in giving you the money. He then says, "You don't have to worry any more; I can give you the $250,000", $500,000 or whatever it is. "We will give you a salary of $25,000," $35,000 or $50,000 "a year under a ten-year contract and 10 per cent of the profits". You haven't drawn a nickel in profit from your business in all this time and you think you are nuts not to accept the man's offer. As a result, the business is lost to Canada. The entrepreneur has made a good capital

gain—although that is taxable now, and that is fair enough. He is on easy street. He is relatively independent and in most cases he establishes his estate, a high standard of living and never really has to worry. But the business is lost to Canada.

I suggest that we give this matter the attention it requires and really get involved by giving the small businessman a fighting chance. I think we can do this by making a firm commitment and taking a proper approach. If we help maintain small business as Canadian business, it will not only be good for the total economy of this country but we will find our economy more and more Canadian owned.

Mr. Ellis: Mr. Speaker, may I ask the hon. member for North York a question?

Mr. Danson: On a question of privilege, Mr. Speaker, the constituency is York North.

Mr. Ellis: I apologize, Mr. Speaker. May I ask the hon. member a question?

Some hon. Members: Agreed.

Mr. Ellis: May I say that the hon. member across the way has made a delightful speech. If I understand correctly that he is in favour of this suggestion, will he impose his will on his colleagues to see if we can stop them from talking and bring this matter to a vote before six o'clock?

Mr. Danson: Mr. Speaker, I feel quite strongly about this matter and might like to see the amount increased to $100,000. I am pretty satisfied, and this is why I have reservations, with the extension of GAAP as mentioned in the throne speech and by the Minister of Industry, Trade and Commerce, but my suggestion is that we could do much better. I am not enthusiastic about the small businesses loans program. If we were to have it in isolation and there was nothing else coming along, I would be agreeable. But I think we have much more flexibility with the extension of GAAP which was set up initially to take advantage of the Kennedy round agreement and is available to a broad sector of Canadian industry including the service sector. Without imposing limits I think it would be good, but I believe we could get something much better.

The Acting Speaker (Mr. Boulanger): Order, please. Hon. members look forward with a great deal of enthusiasm to private members' hour. I suggest this is a perfect example of how hon. members can waste this limited time for private members by rising on points of order which require replies.

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, being a new member this is the first time I have spoken in this House. I have listened with admiration to the remarks made to you and your deputies by hon. members. The courtesy you have shown to new members of all parties is proof to me that you are deserving of the numerous tributes paid to you by hon. members and I am pleased to join them in those tributes.

Some hon. Members: Hear, hear!

Small Business Loans

Mr. Kempling: It is an honour for me to speak in support of the motion presented by the hon. member for Hastings (Mr. Ellis). The motion asks that the government consider increasing the maximum loan available under the Small Businesses Loans Act from $25,000 to $75,000.

I am an operator of a small business and I know all the frustrations that face small businessmen. I also know what this increase will mean to thousands of people classed as small businessmen in Canada today. When you examine the sources of funds available to the small businessman you see the dilemma he faces. The chartered banks are in the retail credit business, automobile financing, residential mortgages and numerous other fields heretofore occupied by others. Each time the chartered banks enter a new field, the amount of money available to the small businessman diminishes. They will tell you this is not the case, but when one applies for a loan that is what one learns really is the situation.

• (1740)

For a moment let us consider the small businessman. He is a merchant, a small manufacturer, an agent or one of the thousands engaged in that broad category called the service industry. We have heard from previous speakers that these people are the largest employers in Canada. Collectively they have the capacity to significantly aid in the reduction of unemployment in Canada. Small businesses rarely lay off their staff during economic slowdowns. They are flexible and can expand rapidly when required. They are the stabilizing force in most communities and collectively import tremendous stability to the economy of Canada.

The single most pressing need is for funds to update or expand their businesses. To remain healthy they must keep abreast of the market in which they compete. Today's small businesses are the large businesses of tomorrow. They are almost 100 per cent Canadian-owned and operated. We should keep that in mind. We are discussing at some levels in this House foreign ownership policy and a screening board. Here we have Canadian-owned and operated businesses in need of assistance in the form of repayable loans at reasonable rates of interest. They do not seek grants or subsidies or floor prices. They only seek adequate funds to operate their businesses as only they know best.

Various other federal and provincial agencies do not normally have programs for businesses of the type I have mentioned. Probably the most significant move we can make is to help them by increasing the ceiling on loans available under the Small Businesses Loans Act from $25,000 to $75,000. I urge hon. members to adopt this motion.

I do not wish to speak very much about the IDB. I have done business with that agency and I know the situation. I understand the frustration in this area and the situation in respect of the interest rate at 11 per cent or 12 per cent, which is 3 per cent above that of the commercial banks whose rate was 9 per cent. I know what the IDB is all about. I can tell hon. members that the average small businessman does not want to deal with any government agency because of the red tape involved.

The businessmen with whom I am associated are probably the last persons who would go to a government agency for advice in respect of their businesses. When I hear about the offices which are to be opened for the purpose of advising businessmen, I shudder. I shall not say much about the CASE program because I am not very well informed in respect of it. However, as a practising businessman the last thing I would do would be to go to a government agency and ask for advice on how to run my business.

I think the most useful thing we can do to help the small businessman is to increase the ceiling on loans under this program from $25,000 to $75,000. I therefore urge hon. members to adopt this motion.

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

The Acting Speaker (Mr. Boulanger): Has the hon. member the permission of the House to ask a question?

Some hon. Members: Agreed.

Mr. Danson: Mr. Speaker, I wonder whether the hon. member for Halton-Wentworth (Mr. Kempling) understands that the program suggested by the parliamentary secretary, and previously by the Minister of Industry, Trade and Commerce, is not in respect of people seeking advice from the government. I am sure the hon. member realizes that there is a myriad of government programs and that one can come to Ottawa and spend considerable time looking for the right people. This is an effort to co-ordinate the channels here so that someone will help them tiptoe through the tulips. I should like to ask the hon. member if that is an acceptable role for these regional offices in helping with programs such as PAIT, IRDIA and GAAP, as well as numerous other quite good programs of the government.

Mr. Kempling: Mr. Speaker, in reply to the hon. member let me say that most of the businessmen I speak with wish to have as few dealings as possible with the government. They do not want to be bothered with it; they do not want the involvement, they do not want the forms, they do not want the IDB or any of the red tape. They just want to run their businesses and build on what they have. If the government would keep off their backs it would be doing them a great favour. If the government would just let them have the money and let the banks administer it under this program, it would be doing them a great favour. But it should not become involved in the ins and outs of tiptoeing through the tulips because, quite frankly, they are businessmen and not horticulturists.

Mr. Danson: Should programs such as PAIT, IRDIA and GAAP, as well as various other programs that assist small and large business, be scrapped?

The Acting Speaker (Mr. Boulanger): Order, please. I think perhaps we are entering into a debate.

[*Translation*]

Mr. J.-Roland Comtois (Parliamentary Secretary to Minister of Finance): Mr. Speaker, tonight it is with great pleasure that I take the floor for the first time since the opening of this 29th Parliament. I should like to congratulate the Speaker, the Deputy Speaker, the Deputy Chairman and the Assistant Deputy Chairman of Committees of the Whole House (Messrs. McCleave, Laniel; and Boulanger); I think that they perform exceptionally well in the House, granting to all hon. members the consideration they deserve, reflecting the confidence they have obtained from the electorate in their own constituencies.

Tonight, we are debating a notice of motion for raising to $75,000 the ceiling on loans available to small businesses. Mr. Speaker, I think that we should consider the problem in a much more comprehensive and general manner. At present, there are two ways of obtaining credit from the federal government for the small and medium businesses. First, there are the small business loans granted through the Industrial Development Bank. In my opinion, the hon. member for Hasting (Mr. Ellis) has well covered the matter of increasing the maximum amount of such loans, but I believe he ignored very important factors.

As concerns the hon. member for Gloucester (Mr. Breau), he insisted mainly on the important role being assumed by the Department of Industry, Trade and Commerce concerning assistance bo businesses in general, and I believe that he too has discussed that role quite well, though very briefly.

The hon. member for York North (Mr. Danson) no doubt had worked somewhat harder on the speech he was to deliver in the debate on the address in reply to the Speech from the Throne, but I believe that he dealt here with almost all the important points to be considered.

The hon. member for Halton-Wentworth (Mr. Kempling) has underlined some weaknesses to be found in the current administration of such legislation.

Although I have been parliamentary secretary to the Minister of Finance for a few weeks only perhaps I might put forward some ideas on the subject.

• (1750)

In my opinion, the most important thing that we should consider is a complete revision of both programs. If we could find some means of combining and integrating those two programs into a single one perhaps we might partly solve our problem in view of the fact that in our modern world of 1973 it is very difficult to distinguish small businesses from medium-size businesses. I think that a turnover of $500,000 does not mean anything today nor does a maximum loan of $75,000.

The Speech from the Throne stated that great importance should be given to the medium-size businesses and the people who operate them. And what makes me rather optimistic in this connection is that the medium-size or small business is the most important source of employment for people 45 or over and most often not unskilled.

Having worked for a business firm I know from experience that the facts mentioned by the hon. member for Halton-Wentworth are true to a certain extent. It is quite difficult for a medium-size business to have dealings with a government agency. In my opinion, this is not a flaw in the legislation but rather a gap in administration and personnel which in some cases should be filled.

Each week I receive a number of people 45 years old or over looking for a job. Big businesses and even government services find it very difficult to employ those people. And when they succeed in finding a job it is most often with a small or medium-size business.

While reviewing those pieces of legislation, I believe we should keep in mind the part played by average enterprises in the Canadian economy by providing work for these people who could not find work otherwise.

It was emphasized a while ago that small enterprises always managed to keep their employees twelve months a year because of their flexibility and ability to adjust to all circumstances.

I believe we should find some way of assisting, through grants, enterprises specializing to a certain extent in the employment of people who would otherwise be at grips with great financial difficulties and would probably have to rely one day or another on welfare benefits.

I believe it would be much more profitable for all governments at the federal or provincial level to subsidize employment rather than unemployment.

Mr. Speaker, the object of the notice of motion moved tonight is merely to increase the maximum of a loan from $25,000 to $75,000, which is entirely inadequate since it does not meet with current problems. The hon. member for York North dared mention the amount of $100,000: I for one cannot see why limits would be set when an application is justified.

If we make a quick review of the aims—

Mr. Matte: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Boulanger): Order. The hon. member for Champlain on a point of order.

Mr. Matte: Mr. Speaker, in my opinion, if the hon. member who has the floor now is in favour of this notice of motion, he could perhaps shorten his statement so that we can vote on the motion.

Mr. Speaker: Order, please. The hon. member, in view of his long experience in this House, knows very well that he cannot rise on a point of order in that case.

Mr. Comtois: Mr. Speaker, I am not so much in favour of this notice of motion; I say so because it is not comprehensive and it covers only one very limited side of the problem.

This time, the Speech of the Throne seems to be approved by all opposition parties. Some people say it draws inspiration from the programs of different parties. However, one can find in the Speech of the Throne this importance given to the middle businessman, importance that will be granted to him in a more practical way within the weeks to come.

I know perfectly well that the Department of Finance is carrying out a study of the reform of these programs. Indeed I suggest that all governments continuously review programs of assistance to business as a whole.

As to the Small Businesses Loans Act, I am quite confident that in the coming weeks the committee will hand its report to the department and that before long the minister will announce new policies in that regard.

I should like to come back to the point raised by the hon. member for Hastings regarding the Small Businesses Loans Act and remind him that those loans are only complementary to all other sources of credit available from various private institutions. A small business will call on the government to obtain a loan under that act only when it cannot obtain loans at satisfactory terms.

Such loans are generally made for periods of up to ten years, but I think that all this—

[*English*]

Mr. Ellis: Mr. Speaker, I rise on a point of order. The hon. member is saying that the only time one can turn to the Small Businesses Loans Act is when you cannot obtain funds anywhere else. That is not the case. It is the case with the Industrial Development Bank, but not with the Small Businesses Loans Act.

The Acting Speaker (Mr. Boulanger): Order, please. This is a point of debate.

[*Translation*]

Mr. Comtois: Mr. Speaker, what I wanted to say is that as a rule small businesses go to banks to obtain a loan under the Small Businesses Loans Act only when they are experiencing difficulties, and I am talking from experience. Indeed, as the hon. member for Halton-Wentworth said a while ago, people are generally somewhat hesitant to go to provincial or federal agencies to obtain a loan.

Mr. Speaker, judging from the Speech from the Throne, I think the hon. minister of Finance will be introducing concrete measures in his budget speech and the minister of Industry, Trade and Commerce (Mr. Gillespie) will be announcing new legislation to help those various businesses across Canada—

[*English*]

The Acting Speaker (Mr. Boulanger): Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until 8 p.m.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL COMMITTEE OF THE HOUSE

The House resumed consideration of the motion of Mr. Gray:

That a special committee of this House be appointed to enquire into and make recommendations upon the trends in food prices in

Canada and factors domestic and foreign which account for these trends;

That 20 members of the House of Commons to be designated by the House at a later date be the members of the special committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary.

And the amendment of Mr. McGrath (p. 477), and the amendment to the amendment of Mr. Harney (p. 478).

Mr. Reid: Mr. Speaker, I understand that there have been negotiations—

Mr. Speaker: Order, please. Is the hon. member rising on a point of order?

Mr. Reid: Yes, Mr. Speaker. I understand that there has been negotiation and agreement among the various parties to defer the vote on the amendment today, and if there is to be a vote of the House it should be tomorrow after the oral question period. I believe there is agreement to do that, and also that the votes be taken on any other amendments at that time.

Mr. Baldwin: I think that is correct, Mr. Speaker. There are a very large number of hon. members who because of the inclement weather have been unable to arrive here, and we certainly do not want to deprive them of their votes. Sometimes undue prominence is given to the fact that the number of those who vote is not as large as it might be, if the reason is not made plain. We are quite agreeable to this plan.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, our position is substantially the same. We are not happy about postponing votes on amendments that are before the House, because we feel that generally the rule is correct that one issue should be cleared up before we deal with another one. But for the reasons stated by the hon. member for Peace River (Mr. Baldwin) we think it would be appropriate not to have any votes this evening but, rather, to have the House order that there be recorded votes at the beginning of government business tomorrow on the amendment and the subamendment now before the House and on any other amendments that might be moved between now and the end of this debate at ten o'clock this evening.

I might say that my friend, the hon. member for Saskatoon-Biggar (Mr. Gleave), has the floor on the subamendment that is before the House, but once this discussion is over I think you will find that his remarks, as usual, will be brief and to the point.

Mr. Baldwin: That will be a change.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[The Acting Speaker (Mr. Boulanger).]

Mr. Gleave: Mr. Speaker, I am surprised that the hon. member for Peace River (Mr. Baldwin) does not appreciate the very kind words which the hon. member for Winnipeg North Centre (Mr. Knowles) said about me. I thought everyone in the House appreciated my brilliance.

Mr. Baldwin: I was talking about your brevity; that is a different thing.

Mr. Gleave: Before the debate was interrupted at five o'clock I was answering a few of the points that had been made by the party to my right, and now I would like to make one or two further points. Some opposition was expressed to the point of view put forward by the Minister of Agriculture (Mr. Whelan) that food in this country was a bargain for Canadians. It certainly is so far as the farmer-producer is concerned. Someone said there would be long, cold months ahead for those on fixed incomes. This will depend upon how high or how low the incomes are fixed. For those who are comparatively well-to-do it is not a great problem. For those who are not in that position it creates an almost insurmountable problem. I hope that as a result of this proposed investigation we will arrive at some procedures or proposals to make food more readily available to those who are on limited incomes.

As has been pointed out by other hon. members, previous investigations and studies of food prices have been conducted in Canada. I would point out that in a relatively short time in terms of history, practically in one person's lifetime, there has been great change in farm practice and in the distribution and marketing of food. We have moved from subsistence to commercial farming.

There was a time when the consumer and the farmer met face to face over the sale of practically all farm products. Indeed, that can still happen here in Ottawa; consumers can still go to the Bytown market and buy flowers and vegetables directly from the growers. But that is the exception to the general rule. Over the years we have moved progressively to separate the consumer from the producer. This has proven to be a very expensive operation. It has cost both parties a great deal, and it is a continuing cost.

Recently the Manitoba department of agriculture began to publish the differences in retail and farm prices. A good example is eggs. A recent release states:

Traditionally, Winnipeg and Montreal have shared the dubious honour of having the largest spread between farm and retail prices for eggs, namely, 22 cents per dozen. By comparison, the average spread between farm and retail in Toronto has been 15 cents per dozen and in Regina 18 cents per dozen.

Nobody can really do very much about packaging an egg once the hen has laid it. About all that people in the chain from the producer to the consumer can do is wash it, put it in a carton and see that it gets on a shelf. For this the charge has been 22 cents a dozen in some Canadian cities. We should ask ourselves why this situation has taken place and why there is this wide difference in price. We often hear the story, "The consumer wants this kind of package. The consumer wants this done and that done." That really is not the whole story by a long shot. I have watched much of it unfold. Departments of agriculture

have played a role in it. University extension departments have played an important role; they have said, "There has to be better quality. We have to look after the quality of eggs, pork, broilers and turkeys."

• (2010)

Mr. Speaker, upon examination it will be found that at least 50 per cent of the changes that have taken place to ensure quality and conformity of the product were not to please the purchaser or producer but, rather, were an effort to develop a product that would move uniformly through the processes of packaging, evisceration or counter display in the stores. The changes were designed to facilitate these steps and make it easier for the processor or retailer to reap a larger profit with less trouble.

Some hon. Members: Hear, hear!

Mr. Gleave: That was the reason for a good many of the changes. In many cases the benefit to the consumer was incidental, and in other cases it was the farmer who paid the price of the new regulations or controls. The dairy industry is a glaring example of this; it was so nearly run into the ground that the Canadian Dairy Commission had to be established in order to regulate it. If it were not for the commission, milk production would not have met the needs of the people of Canada. Indeed, even now cream producers have not been able to meet our needs because of these harsh regulations and for the last three years we have had to import butter, as we will again this year.

The other day the Minister of Agriculture said in the House that he faced this situation with equanimity, that our position is quite good. This country is one of the richest in agricultural resources of any western nation, yet the Minister of Agriculture is happy because we are not producing enough butter to look after our own people! This situation has developed at the expense of the farmer and the consumer and, in the process, control of some sectors of our agricultural industry has been turned over to multinational corporations whose concern for the consumer or producer is non-existent.

Some hon. Members: Hear, hear!

Mr. Gleave: As we know, the Kraft Company has moved from thirty-second place to twenty-eighth place in the list of the largest corporations in North America. Last year its profits amounted to over $82 million. It operates in many countries of the world. Last summer the Standing Committee on Agriculture was trying to find out why at least one cheese factory, and perhaps more, could not get enough milk to manufacture cheese, and to this end had the dairy council appear before it. That factory had to close down, but at the same time the price of cheese to the consumer skyrocketed. This is part of the control process in our society with relation to the distribution of food.

A few years ago we had a surplus of grain, but not now. Some things should be realized when we tackle this question of food prices. The first is that the days of cheap land in Canada for agricultural purposes have just about come to an end, and the days of cheap labour are also coming to an end. This House can calculate what this will mean in relation to the question of cheap food. This year there is a world shortage of grain, especially rice. In some cases this has been the result of drought or flood in the rice producing regions, so we cannot continue to count on this bounty. Mr. Speaker, we will have to conserve our land and protect the people who farm it, otherwise the price of careless exploitation of the people or the land will be much higher than this society can afford.

If the standing committee which we are proposing can bring this one fact of life home to the Canadian people, then it will have accomplished something. If at the same time it can inform the consumers of Canada where the excess costs of food lie, that will be another very important contribution. Perhaps we can also cut down some of the barriers between consumer and producer both in terms of price and content. If we can do this, Mr. Speaker, we will have accomplished something.

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

Some hon. Members: Question.

Mr. Speaker: The question is on the amendment to the amendment. All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to special order made this day, the recorded division on the subamendment is deferred, to be taken tomorrow immediately after government orders are entered upon.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, this is the first opportunity I have had in this parliament to speak in any debate. I should like to make my opening remarks quite brief and incorporate all the nice things that have been said about you, just adding one of my own. Not only are you most fair, Sir, but I think what makes you an able Speaker is your ability to read human behaviour and your sense of humour which can keep the House on an even keel at times—even when the person speaking happens to be the member for Calgary North.

We are again debating the motion to set up a special committee dealing with food prices. The first paragraph of the motion asks:

• (2020)

That a special committee of this House be appointed to inquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends—

Pursuant to another amendment passed, the other place has been deleted from membership on the committee. I intend to begin my remarks by saying that I propose at the end of my speech to move a further amendment which will reduce the number on this committee from 20 to 19. I intend to move that the figure "20" in the first line of the second paragraph be deleted and that the figure "19" be substituted therefor. My reason for moving the amendment is that in accordance with established prece-

dent in this parliament there ought to be on all standing committees of the House eight government supporters, eight members from my party, two from the New Democratic Party and one from the other party, making a total of 19. I do not see why more than 19 should serve on this committee—this is the case with the supplementary estimate committee—and I think other hon. members will agree with me.

I shall now direct my remarks to the question of the price of food and other costs. Before doing so, I endorse fully the remarks made by the hon. member for Northumberland-Durham (Mr. Lawrence) regarding this committee. Certainly, I am prepared to see a committee of the House investigate high food prices. These prices have been going up and up. Between 1968 and 1972 they ran wild. We discussed this question during the election; it was one of the main election issues and I am happy to see that it has come before the House. But I am shocked, as a Member of this Parliament, that at this time, in view of the terrible shape the economy of this country is in, we should now be debating the setting up of a committee which at some time in the future will come up with some suggestions.

This reminds me of what the leader of the Creditiste party said; the government spent many millions of dollars on the B and B Commission to come to the conclusion that one part of the country speaks French and the other English. That commission cost $16 million. I say, when speaking about this committee, let us get down to brass tacks otherwise this committee is a sham. It is a farce, and shocks me. I was on the hustings, Mr. Speaker, and heard what many members of the NDP said about the government. They said it was doing nothing to cure inflation. According to some to them—and I agree—we are in worse shape now with regard to inflation than any other western nation. We have done nothing in the past four years to control it. Yet members of the NDP are now carrying this farce too far and behaving as if they were part of the government. That I find most shocking.

I should like the committee to look not only at food costs but at other costs, including shelter. The costs of shelter have risen by 60 per cent in the last short while. This affects drastically the wage earner, the pensioner, the man on fixed income, even the small businessman, because all need shelter. I do not think we need be concerned about food costs so much as about what our dollar will purchase. Money has become so inflated that people are not able to purchase as much food and shelter with their money as they could four years ago. That is the question we must study. What has happened to reduce the purchasing power of the dollar? In that regard we ought to discuss the government's position on taxation.

In the previous parliament—it is opportune to bring this to the attention of the House at this time because the committee should consider food costs and costs of shelter—a white paper on taxation was introduced. It was considered by a committee of this House for a considerable time. Then when the whole business was over, what was the result? The average, middle-income Canadian paid the highest amount he has ever paid in personal income tax. I do not have the figures before me relating to United States taxpayers; however, they pay less than the taxpayers of this country. As I said, we pay higher taxes than ever. The government is taxing the farmer, the processor, the wholesaler, the retailer and, finally, the consumer. The few dollars left in his pay envelope will not stretch far enough so that he can afford the necessary groceries and shelter that his family needs.

Some hon. Members: Hear, hear!

Mr. Woolliams: There is the problem. This government, by introducing its policy of high taxation in the last four years, has brought about the erosion of the dollar. It has aggravated the situation by permitting inflation which has been brought about through its taxation policies and its spending policies. I wish we could bring the estimates back before this House. This government has squandered millions of dollars. That, together with its policy of high taxation, has brought about inflation in the country. That is why we are debating the setting up of this committee, which I do not think will bring about any solution. By the time it reports, as hon. members know, inflation will have reached a new plateau and our people will be even shorter of cash. That is the situation.

I now want to talk about shelter costs and discuss what this government has done. Not long ago the then deputy prime minister of this country resigned. I am referring to the hon. member for Trinity (Mr. Hellyer). He left the treasury benches because he could no longer go along with the economic policies of the government. That is why he resigned, Mr. Speaker. Today he is sitting on my side of the House. As I say, he resigned because he could no longer endorse economic policies which brought to this nation the highest rate of inflation among western nations.

Some hon. Members: Oh, oh!

Mr. Woolliams: That was the main issue in the election. An article I hold in my hand is headlined, "Housing in Toronto is 'major social tragedy' ". The article reads.

> Less than 4 per cent of Toronto wage earners can afford a new home, says a study by the Urban Development Institute which calls the city's housing situation a major social tragedy.
>
> The study, released Wednesday, warns that 'unless drastic action is taken immediately, this situation will become more desperate.'
>
> The institute's figures are based on a comparison of 1961 and 1971 incomes.

I am about to illustrate the magnitude of our inflationary problem. In 1961 when my party was in office an annual wage of $5,284 was enough to buy a house. Central Mortgage and Housing Corporation would lend a man earning such a salary enough money to obtain a mortgage, or would back a mortgage. So a man could buy a house if he earned a little over $5,000. In 1973, in Toronto, Vancouver, Calgary, Edmonton, Winnipeg, Montreal or any other major centre, a person needs an income of $16,623 before he can qualify for a mortgage through CMHC. These are facts. This is inflation.

How did we reach this situation? In other words, why did the hon. member for Trinity resign from the government party? It will be remembered that the government had set up a task force on housing and then, when the hon. member brought in recommendations, refused to act

on them. At present the minister responsible for urban affairs is attending a conference. He said in a recent speech that the government will set aside $500 million for setting up a land bank. The acquisition will be spread over five years, which boils down to $100 million per year.

C. D. Howe once asked, "What's a million?". Perhaps I should ask this government, what is $100 million today in considering its land bank policy? If you took 640 acres in the north of Toronto and divided it up at ten lots to the acre, how much would you accomplish? Add another half section of land, making a total of 960 acres, divided that up, and how much would you accomplish? How much land do you think you can buy for $100 million surrounding one city, Toronto? Why, that amount would not be enough to buy the land for a Toronto development. So the whole thing is a sham.

• (2030)

Mr. Benjamin: Mr. Speaker, I rise on a point of order. I am under the impression that we are discussing food prices. The hon. member has not yet mentioned food prices. Is it permissible to speak about housing and everything else, or should the hon. member be speaking about food prices?

Mr. Woolliams: I will answer that question, Mr. Speaker. I am talking about the cost of living. If the hon. member for Regina-Lake Centre (Mr. Benjamin) thinks the only problem in his constituency is the cost of food, and he is not concerned about shelter, he had better go back to Lake Centre and not to Regina, because I do not think those people will agree with him.

Some hon. Members: Hear, hear!

Mr. Woolliams: I want to continue with my thoughts about the cost of living. The problem today is that 60 per cent of the income earned by the average wage earner is needed to buy any form of shelter—and to give those people and their families any kind of dignity. That is the purpose of raising this question. I emphasize that a person must earn about $17,000 before he can qualify for a CMHC mortgage. That is three times greater than the salary required in 1961. Therefore with regard to how inflation is affecting the cost of houses, in the past ten years the situation has become three times worse because of this government's policies as far as inflation is concerned.

Let us look at another area. Let us go further west to Vancouver. I quote from the United Housing Foundation:

> The cost of a housing lot in the greater Vancouver area has jumped $2,000 and in some cases $3,000 in one year—an 18 per cent increase. The average industrial wage earner is already hard put to it to find suitable housing for his family. Anyone on a limited income is in trouble now—the situation will get worse. Non-profit and co-operatively owned housing are an effective way of putting a lid on the spiralling costs of at least some of our housing stock—

At least this article makes certain recommendations. The housing situation is now tragic. People are unable to buy decent homes. They cannot buy a decent place for themselves and their families. Therefore I wish to make a recommendation. The motion should have been broad enough to cover the whole cost of living. If this committee is going to be of any help to Canadians, it should not only cover the price of food but the whole cost of living as far as Canadians are concerned.

Some hon. Members: Hear, hear!

Mr. Woolliams: Those on fixed pensions and incomes, with the exception of a few senior citizens who live in subsidized homes, are unable to purchase even the lowest priced house at the present time. Misery has been fanned everywhere by this government since 1968. A committee is now being established to look into the matter. Nothing whatsoever has been done since the last election in October, 1972. Perhaps the Minister of Finance (Mr. Turner) was correct: we see the same government, but the men are in different cabinet positions.

When the Minister of Finance told us what he thought of the new cabinet he gave a splendid answer, even though he was quoting somebody else. As far as this government is concerned, it is like somebody moving from one death chair to another on the *Titanic*. That is how bankrupt the government is. The Canadian people know that the government is bankrupt and has nothing to offer, and the quicker it goes to the people of Canada or gives up its job on the treasury benches, the better it will be for Canada.

Some hon. Members: Hear, hear!

An hon. Member: Are you hungry, Eldon?

Mr. Woolliams: I say to the hon. member for St. Boniface (Mr. Guay) that I am not hungry but the people of Canada are hungry tonight. That is who is hungry.

The Acting Speaker (Mr. Laniel): Order, please.

Mr. Guay (St. Boniface): Mr. Speaker, I want to know why the hon. member for Calgary North (Mr. Woolliams) mentioned my name instead of going to the person who made that particular comment. The only comment I would make is that he is anticipating a promotion. He did not mention anything about the cost of food. I think I know more about it than he has told us so far.

Some hon. Members: Hear, hear!

Mr. Woolliams: I always like to flush out my good friend. If he was not talking at that time it must have been exceptional, because he is always talking from his seat. When I heard a remark from that direction, I naturally thought it was from him. If he denies it, I accept that.

Mr. Guay (St. Boniface): It makes sense when I speak.

Mr. Woolliams: You make a lot of sense.

Mr. Guay (St. Boniface): Thank you.

Mr. Woolliams: What should we do immediately with regard to housing? We should legislate together with an agreement with the provinces in order to get land prices in major areas down to a reasonable amount. We should have a serious conference with the leaders of municipalities and urban centres—

The Acting Speaker (Mr. Laniel): Order, please. I do not want to limit the hon. member, but points of order have

been raised asking the hon. member to come to the subject matter of the motion before the House at this time.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Laniel): I know the subjects of inflation and the cost of living are interesting to all members, but any remarks outside the ambit of food prices should be directed toward the motion before the House.

Mr. Woolliams: I respect Your Honour, but I might speak to the point of order without taking up my time.

Some hon. Members: Oh, oh!

Mr. Woolliams: At page 479 of yesterday's *Hansard*, Mr. Deputy Speaker and the government House leader stated that this debate should take place in the broadest terms. That certainly encompasses the factors I have raised in so far as the cost of living and the cost of housing are concerned. That ruling made yesterday is recorded at page 479 of *Hansard*; I bring that to Your Honour's attention.

Mr. Baldwin: They looked at the NDP when they said "broad".

The Acting Speaker (Mr. Laniel): Order, please. I do not want to quarrel with the hon. member. I did not question the hon. member when he talked about the cost of housing and other factors of inflation, but when the hon. member goes as far as proposing solutions to specific problems such as housing and the cost of living, that is a little beyond the interpretation that might have been made by Mr. Speaker.

Mr. Woolliams: With the greatest respect, Sir, when talking about the price of housing surely it is relevant to discuss how to get it down to a fair price. There is another recommendation I wish to make. The sales tax on building equipment should now be abolished. If the government feels it cannot go that far, the very least it should do is refund to home owners when buying a new house the portion of the sales tax they paid.

Some hon. Members: Hear, hear!

Mr. Woolliams: Having said that, I now wish to turn to my amendment. As I said in my opening remarks, the proper number of members on this committee should be 19, the same as on the standing committee. Therefore, I move, seconded by the hon. member for Brandon-Souris (Mr. Dinsdale):

That the motion be amended by striking out the figure "20" in the first line of the second paragraph thereof and substituting therefor the figure "19".

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to take part in this debate very briefly. Indeed, I rise for only one purpose, to suggest a different figure for the number of members who should constitute this committee. As hon. members are aware, I raised this question in the House a few days ago in the hope that we could settle it by consultation among representatives of the various parties. However, since we did not achieve unanimous agreement on the point, the only way we can now resolve it is by putting the matter to the House.

• (2040)

The hon. member for Calgary North (Mr. Woolliams) has made the assertion that all the standing committees of the House now consist of 19 members and therefore that is the proper number for this committee. May I make a slight correction to this assertion. It is not true that all standing committees number 19, or even 20 as the book says. There are two that have over 30 members each, and there are at least two that have 12 members. There are also two or three committees with memberships of 21 and 23. So there really is not anything sacred about the number 20 or the figure 19. The only reason that 19 has been chosen for a large number of the standing committees in this session is so that there can be equal representation by the two larger parties in this House of Commons.

However, when it comes to this committee we happen to think it is an important one. We are aware of all the time that has been lost since my leader during the election campaign demanded an immediate inquiry into the price of food. Nevertheless, it is better that it get started now than not be started at all.

We feel that if this inquiry is going to be made, the representation on the committee should be as close as possible to the proportionate representation of the parties in the House of Commons. If hon. members will do some arithmetic, they will find that out of 19 members we would be entitled to about two and a half, but we get only two.

Mr. Alexander: I knew you had a point somewhere.

Mr. Knowles: (Winnipeg North Centre): Mind you, our two may well be worth two and a half. If there are 25 members, the fractions work out a little more fairly, and this is one reason for our suggestion that this committee consist of 25 members. These 25 members should be made up as follows: ten Liberals; ten Progressive Conservatives—you cannot tell the difference between them, so we might as well have the same number each—three New Democrats and two representatives from the Social Credit party.

I said the other day that we would be glad to make it 25 or 30 members but that we are now prepared to settle for 25 on the understanding that they be divided in the way I have suggested. Therefore, we hope that the House will accept a subamendment to that effect.

Originally the government proposed a committee consisting of 30 members. We kicked off ten who were not exactly useful to the committee, so we can new split the difference between 20 and 30 and have the committee consist of 25 members. I hope the House will accept this proposal which, as I say, we tried to reach by consultation among the parties. As it turned out, three representatives agreed to 25 but the fourth did not.

Mr. Baldwin: The most important one.

Mr. Knowles (Winnipeg North Centre): So, Mr. Speaker, we have no alternative but to move this subamendment. We hope that as a result of the additional representation on the committee from both the two older parties, from this party and from the Social Credit party the committee

will be able to do a better job. Therefore, without taking any further time I move, seconded by the hon. member for Assiniboia (Mr. Knight):

That the proposed amendment be amended by deleting therefrom the figure "19" and by substituting therefor the figure "25".

The Acting Speaker (Mr. Laniel): Order, please. I suppose procedurally the Chair cannot refuse the amendment, but it might not be the best way to find a solution. In any event, I hope hon. members will not come along with further amendments as to the number of members.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Baldwin: Mr. Speaker, we would ask that the question be put, since we think the subamendment is not a proper one. We did hope that this might have resulted in the elevation of the hon. member for Vancouver-Kingsway (Mrs. MacInnis) to the chair, but in the absence of that guarantee we have some doubts about it.

The Acting Speaker (Mr. Laniel): All those in favour of the amendment to the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

The Acting Speaker (Mr. Laniel): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Laniel): Is it the understanding of the House that all the votes on the amendment and on any subamendments be deferred until tomorrow?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): Then according to the special order made this day, this vote stands deferred until tomorrow after the question period.

Mr. Ron Atkey (St. Paul's): Mr. Speaker, I thought that when this committee was suggested with the number 20 as membership from the House of Commons, it was going to be a boondoggle participated in by members of this House, and at one point by members of the Senate. It is interesting that the hon. member for Winnipeg North Centre (Mr. Knowles) wants to increase the size of this boondoggle to 25. I would urge the members of the House, when the appropriate time comes, to restrict the number to 19 which seems more clearly to reflect the usefulness of the exercise.

At the outset of my remarks, Mr. Speaker, I want to give notice that I will be moving a further amendment to the government motion before the House. This motion, in effect, will be to insert after the first paragraph, next after the word "Canada", the words "since 1967". The intention of the motion is to restrict the committee in its study of price and food trends to the years from 1967 to the present time. The motion is not in any way intended to restrict the effectiveness of the committee. Indeed, it is intended to increase effectiveness.

History has shown that we have had in this House a considerable number of committees examining the question of food prices. As so many speakers in this debate have pointed out, the most noteworthy committee in recent times was during the years 1966 and 1967. It seems to me that what the main motion before the House is doing is merely continuing that exercise which was terminated temporarily in 1967. It would assist whoever is chairing the committee and, indeed, the members and staff of the committee to focus on only immediate problems, those from 1967 to 1973.

• (2050)

Reference has been made in this House to a number of policy studies both by parliamentary committees and royal commissions. As early as 1935 there was a Commons committee on price spreads in the food industry. In 1948 there was another Commons committee, and in 1958 there was a royal commission. In 1967 there was a Commons committee. You can see how the cycle goes. In the mid-1950s royal commissions came into fashion. It seems to me the boondoggle was then transferred from members of this House to members of the civil service or those outside who happened to be friends of the government at a particular time. Then the boondoggle came back to this House in 1966-67. The studies have become a periodic ritual. But nothing was ever done.

There are many of us who will remember the activities of the 1966 committee as it travelled around the country holding hearings and then came back and held hearings in the city of Ottawa. During that time there were exposés on the front pages of many newspapers. There may have been some good work on the part of that committee, although that is sometimes difficult to discern.

I would honestly submit that we are engaged in the same old exercise which will have the same old results. It is high time the people of Canada had some new approach to problems in respect of food prices. We have not seen a new approach and I think the public is honestly looking for one. After all, this government does have other sources of information available to it. This committee is not going to uncover brand new questions for the first time and unearth facts, figures, views and concepts which will provide a startling and instant solution.

It is my understanding that there is, after all, a Department of Consumer and Corporate Affairs. This department apparently has officials who receive information from industry and a variety of sectors of the economy. Indeed, it was that department which sponsored the famous Bill C-256, the Competition Act, which was supposed to deal with combines and the exercise of a monopoly power in all sectors of the economy. This was an ill-conceived bill the likes of which this House had never seen. No doubt the new bill, if it ever comes, will be a significant improvement and more carefully drawn than the old one.

Mr. Baldwin: It could not be worse.

Mr. Atkey: Undoubtedly the new bill will be based on a wealth of information that many of us know the Department of Consumer and Corporate Affairs has received during hearings and private meetings with the minister and members of his staff.

There has also been a prices and incomes commission in this country which apparently has done research on food prices. The members of this House and members of the public have not yet had the benefit of much of that research but it is hoped that it will be made available to members of the committee. Indeed, one would like to think there may be some wisdom emanating from that research on which the government might well have acted had it the will to act.

We also have in this country a Director of Investigation and Research under the Combines Investigation Act. I am sure members of this House are familiar with the powers of that gentleman and his staff, both his powers to investigate and the research carried on. One would hope that that sort of information could be available to the government and that it could act on it. One would hope the information will be available to members of the committee when they begin their investigation.

Finally, we have a body in this country called the Economic Council of Canada. It attempts to set economic goals and provide direction for the country on the frequent occasions when this government has not seen fit to do so. That council in its third annual report produced a document entitled "Prices, Productivity and Employment". That report and the background studies carried out pursuant to it provided useful documents for this government upon which it should have based a policy dealing with food prices. Again, these studies will be available to the committee. It represents part of the wealth of information available to this government upon which it should have acted.

With this wealth of information collected during the history of Commons committees, the shift to royal commissions and then back to Commons committees, and with the work of the Prices and Incomes Commission, the combines investigation branch, the officials of the Department of Consumer and Corporate Affairs and the Economic Council of Canada, we have almost exhausted the subject. It is very difficult to appreciate what useful purpose is to be served by yet another committee.

Lest we on this side of the House be understood as being completely negative in our approach, let me say that there are a few benefits which may result from this committee. I can think of the difficult position of the city dweller and his mystification about the very high and drastic increases in the price of food. I can understand his rather futile attempt to lay the blame at the doorstep of the most obvious and apparent person involved in the marketing of food, that is, the operator of the supermarket and the small, corner grocery store. One of the few useful purposes this committee might serve is to show the Canadian public that the problem is complex and that there is no single group to be blamed for the high price of food.

What the committee might do in its very detailed report, which we hope will eventually come out, is to set forth in skeleton form the structure of the food industry for the benefit of the Canadian people. In other words, the committee is an educational process. There are easier ways to educate the members of this House and the Canadian public, but if the committee has some value I suppose it should be viewed in this context.

Secondly, as the committee of 1966-67 pointed out, the very existence of a committee on food prices may have some short-term benefits in terms of a stabilization of food prices. It may be that with all the publicity given to the committee's hearings, housewives will attempt to shop more carefully and more selectively. This may be a short-term benefit.

Thirdly, there may be some benefit flowing from the committee in the sense it will encourage participants in the food industry to try harder to lower prices. One of the great revelations of the 1966-67 committee was the extent of monopoly power and control in the food industry. It may be that just the publicity given committee hearings will once again result in some voluntary price reductions by participants in the food industry, whether they be wholesalers, retailers or producers. They may choose to revise their particular structural organizations which will result in freer competition and lower prices for food.

All these are merely short-term, temporary solutions with marginal benefits at best. Certainly they are marginal when one compares them with the time to be invested by the committee members and the expense and the attention required of a large number of members of this House and others in what may prove to be a futile exercise.

As the hon. member for Northumberland-Durham (Mr. Lawrence) has indicated, we will co-operate in the conduct of the proceedings of this committee. I am not sure it will remedy the mystery which is still in the minds of a great many people throughout this country as to where the blame lies. But it will do one thing. It will prove more than ever that in recent years there is one party which could have done something about food prices but has not. That is the government. The government has not acted, and the Canadian people are going to realize that.

• (2100)

Therefore, to expedite the work of the committee I should like to formally move my amendment, seconded by the hon. member for Egmont (Mr. MacDonald). I move:

That the motion be amended by inserting in the first paragraph thereof, next after the word "Canada", the words "since 1967".

There is one additional matter I would raise in the context of this debate. It is the question of comparing food prices in the major cities in Canada with food prices in certain major cities of the country to the south of us. I raise this more as a question than as a matter of providing any definitive facts or answers. I am referring to a survey conducted by the Montreal *Star* which contains a comparison of the price of a typical grocery basket purchased by an average family in Canada in the month of June, 1972, and by an average family in the United States in the same period. Significantly, the Canadian cities proposed for this survey were Montreal, Toronto, Winnipeg and Vancouver. The comparison was with the United States cities of New York, Chicago, St. Louis and San Francisco. One might say that this selection of cities represents a fair sampling of cities in the case of each country.

In all four Canadian cities the price of the average basket of groceries was significantly higher than the price in the United States cities. In my city of Toronto the price was $32.03 for the grocery basket selected, while the price for a similar grocery basket in the so-called expensive city of New York was $28.67. I would hope that the significant variations in food prices for those living north of the border in comparison to those living south of the border might become one of the major subjects of investigation by members of the committee. The answer might possibly be in the broader context of the special controls which might be instituted pursuant to a foreign investment policy by this or other governments, but I believe it is a question which should be dealt with.

Mr. Norman A. Cafik (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I rise to indicate my intention to support the motion put forward by the Minister of Consumer and Corporate Affairs (Mr. Gray) in respect of the setting up of a committee to look into the causes and reasons for the rapid increases in the price of food in Canada. There is no question but that inflation in this particular area is a most important and serious matter. I think something must be done about it and therefore welcome the initiative on the part of the government in proposing the establishment of this committee. Furthermore, this is one way in which the government can show it in fact meant what it said in the Speech from the Throne when it indicated its intention to look into this problem and to do something positive about it.

I also intend to support the amendment put forward by the New Democratic Party which asks that this committee should make an interim report and bring forward recommendations for action within two months. I support that because I believe the problem is indeed urgent. I welcome that amendment and take great pleasure in stating I shall vote in favour of it when it is before the House.

In respect of the original amendment put forward by the Conservative party which in effect suggests that the final report of this committee and its recommendations should be made within three months of its first being convened, I must say that this is an amendment I cannot support because it implies a rather simplistic approach to the question of prices in Canada. I do not really think the problem of inflation will be licked for all time by the establishment of such a committee. I believe the committee ought to meet on a more continuing basis and look into these problems as they develop from time to time. I am sorry the amendment put forward by the Conservative party earlier, which was supported by the New Democrats and by the Creditistes, removed the Senate—

The Acting Speaker (Mr. Laniel): Order, please. I have to bring the hon. member to order because it is not permitted by the rules of this House to comment, pass judgment or reflect upon any vote taken earlier by this House.

Mr. Cafik: Perhaps I could say that I believe it would have been a good idea to have included on this committee people such as Senator Croll from the other place who could contribute a great deal to the work of the committee.

An hon. Member: You are out of order.

Mr. Cafik: In fact, I believe the addition of Senator Croll to the committee would have been of great benefit to the people of Canada. However, since I am not allowed to say that, Mr. Speaker, I shall not make any comment in that regard although I would have liked to indicate the immense contribution which they could have made in the work of this important committee.

I would hope this committee will in fact come forward with some specific recommendations to solve the problem of inflation in the food sector of our economy. I do not wish to prejudge what the recommendations might be but speaking for myself I would have no objection, and would certainly give careful consideration, to the possibility of introducing legislation affecting the cost of food. I hope the committee will look very carefully into the question of mark-ups by groceterias and supermarkets to see what effect this factor has on rising, inflationary costs. In conclusion, I take great pleasure in supporting this measure. I hope it will in fact do something significant and meaningful to stem the rising cost of food in Canada.

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, originally I had no intention of taking part in this debate, not because I did not recognize that the subject is one of great importance but because the case has been well presented for our party by other spokesmen who have carefully developed our position. Indeed, there have been some recent converts, in terms of the recognition of the importance of this issue, on the government side and some of their contributions have yielded something of substance.

• (2110)

However, if ever one wanted to find a set of speeches which manifestly displayed the most cynical kind of political opportunism in Canada in recent years, one only would have to go through *Hansard* for the past four or five days and look at speeches by members of the Conservative party. This party had the audacity to say that they had the right to govern the country. This was completely strange to hear from the Conservative party, rejecting hundreds of years of constitutional history when they did not have the largest number of seats. In addition, this was strange to hear from a party which during the election campaign spoke about the importance of increasing food prices, documenting how terrible was the plight of the consumer, the pensioner and the disabled veteran and saying that from one end of Canada to the other during the election campaign. One would have hoped that in this debate there would have been one Conservative spokesman who would have risen in the House and said, "This is what we would do; this is our proposal for dealing with rising food prices." I for one would have welcomed that.

As a second alternative, one might have hoped that they would at least approach the committee study proposal with some degree of seriousness. Instead of that, what have they done? The first amendment they brought before the chamber would have astounded poor John A. Macdonald who recognized the Senate for what it is. It is never mentioned in Canadian history books, but some Tories on my right may recall that John A. Macdonald, in defending the Senate, said that he needed an institution in Canada to protect the rights of the minority.

Mr. Alexander: I rise on a point of order, Mr. Speaker. I think in view of the fact that there is a motion for discussion before the House, a worthy motion, the hon. member who is now making his speech should not be referring to the first motion which was before the House and which dealt with the composition of the committee. I would respectfully suggest that the hon. member be brought to order and that he be reminded to deal with the motion now before the House.

Mr. Broadbent: That is precisely what I am doing.

The Acting Speaker (Mr. Laniel): The point is well taken. I think hon. members should refrain from reflecting on any debates at the conclusion of which a decision had been rendered, and I would invite the hon. member to try to stay away from making such comments.

Mr. Broadbent: I will do that, Mr. Speaker, with as much sense of decorum as I can. The point I am making is that the amendment presented by the Conservative party illustrates very well their total lack of desire to deal with serious political problems and their total desire to bring down this government and to discredit serious politics in this country.

Mr. Korchinski: You must be kidding.

Mr. Broadbent: Let me conclude my comment on the observation of the great leader of the Conservative party at the time of confederation. He said that we needed a Senate because the Senate would protect the interests of the minority. And, Sir John A. Macdonald said, the rich are always a minority. Of course, that has been the history of the Senate in Canada. I found it a little surprising that members of the party to my right, for the first time in that party's history—and I noted that the hon. member for Prince Albert (Mr. Diefenbaker) was away that day; perhaps it was accidental, perhaps it was not—should have come before the House and proposed the removal of the Senate from this committee. Cynicism?

The second amendment they brought before us was that the serious study made of the increase in food prices be completed after a mere three months. Anyone with an ounce of brains and two ounces of political commitment to this important issue should know that such an amendment is completely idiotic.

Finally, a new member of the House—I do not criticize him particularly since he is acting for that dishevelled crowd on my right—presented an amendment which provides that we cannot look at what causes rising food prices for a period antedating 1967. Is that not coincidental? Of course, we had a Liberal government elected in 1968.

Quite apart from that—perhaps a relevant political point of a cheap nature which they are trying to make—there is also the important intellectual and academic fact that you cannot talk about trends in food pricing, you cannot talk about the price-making policies of the large food chains, you cannot talk about anything of a serious nature in pricing in the economy if you look only at a three or four-year trend. What I am saying on this point is that every amendment brought by the Conservative party shows that they do not take the increase in food prices seriously. They show also that that party has no interest right now in making this parliament work.

Some hon. Members: Hear, hear!

Mr. Broadbent: In my concluding comments I want to suggest as precisely as I can some important issues that this committee might consider and deal with in a concrete way, issues that could have an effect, not in six months perhaps but within a year in terms of a permanent, long-range pricing policy on food in Canada. That is what this kind of committee should deal with in part. In part, also, it should be making early recommendations to deal with the immediate crisis. That is why we have an amendment calling for an interim report to be presented to the House in two months. But the main thrust of the committee's work should be concerned with a recommendation to keep food prices in Canada down in the long run so that Canadians with an average income, and in particular those who are poor, can afford to eat well.

What can this committee do in a serious way that the Conservative party would not call boondoggling? First of all, it can find out who is getting the food dollar, the farmer or the middleman. We know some facts on this already. We know that in 1949, for example, the farmer was getting 57 cents of every dollar spent on food. In 1972, last year, his share had dropped to 38 cents. I have another statistic on the share that the farmer is getting and I think it should be brought before the House since I come from an urban constituency and think it is very important indeed to make it quite clear that farmers in Canada are by no means getting their share of the food dollar, at least on the basis of the preliminary evidence.

The net income of farmers from their farm operations declined in the last three-year period, when the average income of other Canadians was going up, from 1968 to 1971 by 8 per cent. In addition, those of us who will be working in the committee in a serious way might find out what real impact the packaging industry has on food prices, what real impact advertising has on the share of the dollar spent, and how it contributes to the rising cost of food. These are serious questions that have to be looked at in a serious way and, if I may say so, must be examined by our party also. We do not pretend to have all the answers.

• (2120)

Mr. Korchinski: Read the NDP advertising in the last campaign.

Mr. Broadbent: I make no comment on that. That is like the hon. member for Calgary North (Mr. Woolliams) who got up to make a speech on food prices and talked about housing. That a housing conference is going on in Ottawa is simply a curious, incidental fact.

The other matter the committee can look into and seriously consider is the feasibility of financing more direct charge co-ops. I know that in Halifax, Hamilton and in my own constituency, Oshawa, direct charge co-ops began operating in recent years and have been operating with some degree of success. Where they have not turned out well has been in a number of communities where the most important factor was the absence of significant financial

resources. In Oshawa and Hamilton the organized trade union movement played an important part in their initial financing. I would like the committee to consider what role federal financing might play in the spread of direct charge co-ops across the country, as one means of keeping down food prices.

The third item the committee might consider is why there are significant disparities in food costs between one region of Canada and another. Just the other day one of the ministers of the British Columbia government was in town and some of us had a discussion with him. Just because we were debating this subject he mentioned that there was a small town north of the city of Vancouver where food prices were 30 per cent higher than in Vancouver. What are the reasons for this? Are there just two or three stores in that town that effectively eliminate competition? I do not immediately know the answer, but it is an important question.

This is also a problem within big cities. Studies have been conducted in Canada, and more particularly in the United States, which show that the large supermarkets charge poor people the most for their products. In the ghetto areas of large cities the costs of basic commodities such as meat, milk and bread are frequently higher than they are in upper-income suburbs. One of the reasons for this is that the mobility of lower-income citizens is substantially less than the more affluent, and thus stores in those areas have a captive market and, if you like, can gouge poor people. If that is the case, I for one think it should be stopped.

Some hon. Members: Hear, hear!

Mr. Broadbent: The fourth item the committee should examine is how different incomes result in very different kinds of diets for young children. Studies have been conducted among old age pensioners on this subject. Are they indicative of a trend across the country? If they are, this means that old age pensioners are eating a very substandard diet, a low protein diet, low in essential vitamins. A study that seriously looks at food prices must examine that question. The committee might come up with a particular solution—in this case it might be an increase in pensions—or it might be selective price control over certain essential commodities to ensure that all Canadians, regardless of income, are assured of a sound nutritional diet.

Fifthly, I suggest that the committee ought to summon before it the heads of large supermarkets. In this respect I give full credit to the government of the United States of which, on other grounds, I am frequently quite critical. The congressional system, in terms of public hearings, is simply light years ahead of the parliament of Canada. In the United States, when they look at such matters as automobile prices or food prices committees are given effective powers to call witnesses before them and those witnesses must provide the information requested.

I for one would like to get the heads of Loblaws, IGA, Steinberg's, Canadian Safeway and Dominion Stores before the committee to explain their profits. For example, Loblaws, after taxes, recently showed a profit of 6.5 per cent, IGA 6.7 per cent, Steinberg's 9.1 per cent, Canadian Safeway 10.2 per cent and Dominion Stores 11.2 per cent. In the case of the latter three it seems to me that exorbitant, unwarranted profits are being made. It may be that the heads of those companies could present testimony that would show they warrant these profit figures. I doubt it. However, I for one would like them to appear before the committee and present their evidence so that we can seriously consider it.

An hon. Member: What about co-ops?

Mr. Broadbent: A direct charge co-op sells products for cost plus 10 per cent. That means compared with the profit margins of these companies, in terms of their total assets they are operating at a profit of perhaps 1 per cent. That is why the direct charge co-ops are quite important.

Among the kinds of questions that we might ask the heads of supermarket chains are: do they think it is advantageous for the Canadian consumer to have 75 per cent of the grocery business in urban Canada transacted by five companies? Do they think that there is some effective manipulation of prices in Canada to bring this about? In effect, do they think that there is any competition in the food industry? Then the committee could call upon some economists with expertise on food pricing policies and ask them whether they think the Canadian consumer is getting what he ought to get from these five large companies which dominate the grocery business in Canada.

Finally, Mr. Speaker, the committee can appraise the significance of a point made by government spokesmen in recent months, particularly during the election campaign. Government spokesmen throughout Canada have said that the only country where a consumer spends less on food as a share of his total spending dollar is the United States. It is true that on a comparison basis we are well off.

The Acting Speaker (Mr. Laniel): Order, please. I regret having to interrupt the hon. member, but the time allotted to him has expired.

Mr. Alexander: May I ask the hon. member an important question?

The Acting Speaker (Mr. Laniel): Order. The hon. member may not be asked a question unless he is allowed extended time. Is there consent to allow the hon. member to complete his remarks?

Some hon. Members: Agreed.

Mr. Alexander: Mr. Speaker, I was listening with a great deal of interest to the hon. member's speech. If he thinks things are so great for the supermarkets—here I have particular reference to the city of Hamilton—can he tell me why so many Loblaws stores are closing down? With his experience and knowledge, could he explain why Loblaws are closing down en masse across the country?

• (2130)

Mr. Broadbent: Mr. Speaker, I would not attempt to give a definitive answer and that is why I support the motion for a committee to look at the question. Perhaps one of the reasons is that if they are rationalizing the number of

their outlets in the city so that they may get a better profit per store, in that way their overheads are going down; their rents, and so on.

The committee should consider the claim that our food costs are lower than those of many other countries, particularly those in the western world. The government takes the position that this has no critical meaning, that there is no problem, but we in this party say that is a fallacious conclusion, Mr. Speaker. Compared with the rest of the world, this country has one of the finest agricultural sectors that any nation could desire. It may well be that with a more efficient organization for the production of food and effective control of pricing and even the selective control, if need be, of certain key commodities our production could be even better and all the people in this country could get food at a reasonable price.

Mr. Korchinski: May I ask the hon. member a question? In view of the fact that his party has been amongst the strongest advocates of co-operatives in my province, could the hon. member tell us why they are struggling and why some have closed down?

Mr. Broadbent: First of all, Mr. Speaker, I am informed that co-operatives in Saskatchewan have only about 10 per cent of the food business. I do not pretend to have any expert knowledge of the function of co-operatives in Saskatchewan, but I think the committee should look into that matter.

[*Translation*]

The Acting Speaker (Mr. Laniel): Order. I would be ready to recognize the hon. member for Bellechasse (Mr. Lambert), but according to my information the hon. member was going to put an amendment. If I allow him to speak now and if he really intends to put an amendment, it would be difficult for him to do so, as we have not yet disposed of the amendment now under consideration. I therefore recognize the hon. member for Bellechasse.

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I would like to make a few comments on the motion now under consideration. I think that the special committee of the House which will be established to investigate the constant rise of food prices will have a very heavy task to perform. Its members will have to be very courageous if they truly want to go to the bottom of things, because the committee will surely face some big financial interests which will try to drive it off its course, since we know that there is in that field as in many others, a very powerful trust sponging on producers and consumers.

Obviously, if the committee looks into the matter in depth, it will discover many factors which contribute to the cost increase of food products, factors of which the public are unaware but which work against the consumer as well as the producer.

The people should not be led to believe that the increase in the cost of living depends only on the higher cost of food. Many other products have gone up too, and considerably, although we hear much less about them; they add to the rise in the cost of living, but consumers do not complain about them.

Let us take, for instance, the case of alcoholic beverages. Their price has gone up considerably, yet their consumption has also increased. Let us have a look at the statistics: beer consumption goes up every year. What about soft drinks: in 1968, some sold for 60 cents a quart or $24 per cwt. while industrial milk was paid 12 cents a quart or $4.80 per cwt. to the producer. Today, the same soft drink sells for $30 per cwt. while industrial milk with a 3.5 per cent fat content really costs the consumer only $5.50 per cwt. The cost of soft drinks has gone up considerably, in fact twice as much as that of milk.

We therefore cannot say that in the industrial sector the higher cost of milk products has contributed the most to the increase in the cost of living. Let us be logical: the farmer-producer is entitled to a bigger share of the national income, because it is in this area of our economy that the highest increase in production has been achieved, which has been more beneficial to the consumer since there has not been any price inflation in this area, none at least that could be attributed to the farmer-producer himself.

I am convinced that the consumer has been exploited by trusts which spend huge sums of money for often misleading publicity and which should be the object of very close scrutiny from the special committee.

To get back to the subject that I was talking about a short while ago, I dare suggest that some 20 years ago, the producers of raw agricultural materials were getting 28 cents out of every dollar spent on food by the consumer. According to a brief submitted to the Quebec cabinet in 1971, producers received 12 cents on every dollar spent in 1970. In 1972, that part of the consumer dollar going directly to the farmer was 10 cents only.

When retailers such as Steinberg, Dominion and others increase their retail prices in a prohibitive way claiming that crops have been hurt by bad weather, the committee should examine whether it is a pretext for increasing profits by fooling people through misrepresentation. The whole thing should be clarified. The farmer is allowed subsidies by the federal government as an income while the big operators of chain stores increase their profits on food prices.

I think, Mr. Speaker, that the committee should have even broader terms of reference to enable it to examine to what extent direct and indirect taxes, high interest rates and the burden of the public debt contribute to the rise of food costs and to recommend in its report to this House the action that should be taken to correct the situation. In other words, if the committee only produces findings that were arrived at by other agencies such as the Economic Council of Canada and the Senate Committee on Poverty, and if the government does not use the means required to improve the situation, we shall simply be wasting time and the taxpayers' money without improving the lot of all consumers.

Consequently, for the committee to be really taken seriously and accomplish a very meaningful job, we should have given it somewhat broader terms of reference.

It would have been profitable for the people of Canada for the committee to scrutinize seriously the abuses of

financing plans of all kinds that affect prices considerably, in order that once more a committee of this House should expose financing procedures that reduce the purchasing power of working people, the unemployed, older people, disabled people, widows, etc., while permitting exploiters to get richer.

However, Mr. Speaker, I hope that the committee will work seriously and quickly and that it will prepare a report which will include informative recommendations to the House so that steps can be taken to end the state of disorder before the year 2000.

But if the government is to ignore the report, we shall simply once more be wasting the time of hon. members and raising false hopes in the minds of consumers.

Has the government acted on the report of the Senate Committee on Poverty? Let the facts answer this question. The report was published and the government simply put it aside on the ground that the recommendations did not coincide with its views. This is precisely the reason why we are creating a committee; to inform the people whose responsibility it is to legislate so that legislation meets the needs of the people.

For instance, has the government taken any action about farm machinery following the Barber Commission report?

Mr. Speaker, I am unaware of any action taken after the pulication of that report to bring about some improvement in that area, to reduce the cost of producing foodstuffs, which would certainly have improved the lot of the farmer.

Finally, Mr. Speaker, let us hope, in our century of speed, that parliament will act with a little more speed, that the committee will be able to carry out its task efficiently, wasting no time hearing witnesses who have already submitted briefs to other committees, will do a good job and demonstrate once more to the people that the proceedings of the House are not futile and that when a special House committee is set up it is because there is a specific problem to be considered and we do not want to legislate in a haphazard way.

I therefore hope that the sub-amendment brought forward by the New Democratic Party, specifying a deadline for the committee's report to the House, will be adopted and that the committee will carry out the wishes of the House and, in short, produce an adequate report which will prompt us to take the required steps to relieve the consumers who are hardest hit and increase their purchasing power in keeping with their requirements.

Mr. Speaker, those are the few thoughts I wanted to contribute to the debate and I feel sure that all of us together can find valid solutions to the problem we face.

• (2140)

[*English*]

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in rising to speak to the main motion, amendments and subamendments thereto, I feel rather fortunate in having heard this evening those who spoke before me. I feel the hon. member who spoke immediately before me raised many good points which members of this House could well endorse.

One thing was revealed to me tonight which I admit had puzzled me. I wondered what was the true reason behind this government's proposal for setting up this committee. I think that reason was given by the hon. member for Winnipeg North Centre (Mr. Knowles) who pointed out that his leader, during the past election campaign, asked that this committee be established. I had not known until now that that proposal was part of his platform. Presumably part of the deal is that the committee shall be established and the NDP group is willing to support the action of the Prime Minister (Mr. Trudeau) in that respect.

I have listened to various government spokesmen, including the Minister of Consumer and Corporate Affairs (Mr. Gray), attempting to justify the establishment of this committee. I must admit I am greatly disappointed by the lack of factual information they have given to support their proposal. For example, a neighbour of mine, the hon. member for York North (Mr. Danson), said in his speech last Thursday evening that he had done intensive research into the subject and felt that the establishment of the committee was justified. Among his observations he said that just about 50 per cent of the married people in the country are women. I think that shows how seriously Liberal spokesmen are attempting to justify the establishment of the committee. They think such comments justify the need for this committee.

Prior to my speaking, the hon. member for Ontario (Mr. Cafik) and the hon. member for Oshawa-Whitby (Mr. Broadbent) indicated why they propose to support the main motion and certain amendments. I found it interesting to note that those two members, who come from adjoining ridings, gave almost similar reasons for supporting the proposal to establish this committee. The hon. member for Oshawa-Whitby made what he feels are five suggestions which the committee might adopt when it is formed. What the hon. member forgot is that a similar committee of this House was established several years ago. Its final conclusion was that the Department of Consumer and Corporate Affairs should be established. I note that in the current estimates the budget for that department is over $32 million. I suggest to the hon. member for Oshawa-Whitby that surely a department that has at its disposal a budget of $32 million could have undertaken a few of the studies it is now expecting from this committee.

Some hon. Members: Hear, hear!

Mr. Stevens: As has been mentioned earlier, with the establishment of the committee we shall see the seventh of such committees set up by this House. One was established back in 1935 by the Hon. H. H. Stevens—who is not related to me, I might remind the House—after that five more committees were established and the one presently being considered will be the seventh.

I point out that the Prices and Incomes Commission has carried out an extensive review of inflation in this country, at a total cost of $6 million. If I were a member of the government I would feel embarrassed to come to this House and suggest that another committee be established, a committee which will cost about $20,000 a week and will report, basically, on something that has already been reported on by the commission that was disbanded just last August.

I would also emphasize that in disbanding that commission the Prime Minister made it clear that he intended to establish a contingency working group, which is now operating I believe; that working group would be responsible for continuing research on the role of prices and incomes policy in dealing with inflation. In other words, there is a group that presumably is being paid to look into inflation and prices generally including, presumably, food prices.

I have supported our amendments to the main motion, Mr. Speaker, as I feel they have been an attempt to limit the time and cost that this special committee may entail; at the same time, they have not detracted from the committee's effectiveness. In fact, I believe that an early decision, as is contemplated in the 90-day amendment, will make the committee much more effective than if it is allowed to have a protracted life. As I have already mentioned, the Prices and Incomes Commission finished their study only last August. They made ten points, including suggestions to the government. After paying $600,000 for each one of those points, it is time the government took them into consideration before asking this House to form another committee to make further recommendations.

• (2150)

Some hon. Members: Hear, hear!

Mr. Stevens: I wish to point out, contrary to what was suggested by the hon. member for Oshawa-Whitby, that we do take this committee seriously. Certainly I take it seriously. I only wish the committee had more effective terms of reference than have been suggested. I wish to elaborate. While it is true that food prices have been caught in our inflationary spiral, I wish to emphasize that the food industry and the agricultural industry generally have not been the main culprits contributing to this country's inflationary position.

In singling out the food industry and the farming community for this study, I suggest that the government has done so to create a scapegoat to distract public attention from matters which they feel would be much more embarrassing to them. That is why I feel that a three-month limitation is long enough for any scapegoat, even if the government has made some deal with the hon. member for York South (Mr. Lewis).

Let it be known in this House and in this land that it is the Trudeau government that has sown the seeds of inflation throughout our economy. It is unworthy of any government to now attempt to mislead the public and the voters by an unfair attack on the food and agricultural industry.

Some hon. Members: Hear, hear!

Mr. Stevens: I do not want to defend the food industry nor the farmer particularly, but I suggest that the government in singling out this particular field has done so most unfairly.

In their motion the government asks the special committee to make recommendations. Isn't that a funny twist, Mr. Speaker? Here we have people who say they can lead this country, yet they come to parliament and say, "please form a committee so that the committee can make recommendations and tell us what we should be doing." Does this House need further evidence and, indeed, does the country need any more evidence to indicate that this government should not have the confidence of the House and, I sincerely hope, the public at large?

In various speeches made during this debate, including that of the Minister of Consumer and Corporate Affairs, it has been stressed that the government is looking for suggestions and recommendations. We must bear in mind that this government, that claims it can lead, is asking parliament for help. Have they forgotten completely that it is the government that proposes and this parliament simply disposes? If this government is looking for suggestions, let me make a few to help them out. I hope the hon. member for Oshawa-Whitby is listening.

First, if the government truly wants to stop inflation in this country, they should start in their own back yard. Wasteful spending programs of government, and resulting governmental increases in our money supply have been the two largest contributors to inflation in Canada. If we want to appoint committees and if the government wants worthwhile recommendations, I suggest that parliament set up a special committee to inquire into and make recommendations upon the trends in government spending.

Let us not forget that this government spent many weeks and months drafting, studying and then proposing legislation, which they forced parliament to accept with the use of the guillotine, to empower them to extract taxes from the taxpayers of this country through perhaps the most extensive and complicated tax gathering process known in the world today. One wonders why they were so anxious to pass tax legislation before examining and studying government expenditures, including their own.

If some in this House feel a 90-day limitation on the committee is too short, let us expand the committee's terms of reference, including the government's spending spree, galloping taxation and monetary policies. Before the Prime Minister gained power in Ottawa, concern over the growth of public sector spending was expressed not only by the taxpayers but government officials. In an address to the annual conference of the Canadian Tax Foundation in April 1967, Hon. Mitchell Sharp, then minister of finance, invited assistance from outside government in the study of public expenditures which he described, as "the chief issue in our political life."

In the year ending March 31, 1967, Ottawa spent $8.8 billion. Today the government is spending at double that rate. It took 100 years to reach $8 billion in federal spending. The Trudeau government has doubled the figure in less than six years. On a per capita, real dollar basis this government is extracting 50 per cent more from every man, woman and child in this country than was taken in the last year of the Pearson government. I notice that Mr. Sharp, now the deputy prime minister—

Mr. Speaker: Order, please. I think I owe it to the hon. member and to all hon. members to remind them that when they make speeches in this House they should refer to hon. members by either their constituency or the title which they hold in the ministry. The hon. member has twice, inadvertently I am sure, made a mistake; he referred to the Prime Minister (Mr. Trudeau) and the

Secretary of State for External Affairs (Mr. Sharp) by name. It is wrong for a member to refer to another member by his family name.

Mr. Stevens: Thank you, Mr. Speaker. If I may continue, I notice the Secretary of State for External Affairs—

Mr. Speaker: I apologize to the hon. member, but we have reached the hour of ten o'clock. Before calling it ten o'clock I must inquire of hon. members whether it is the desire of the House that the question be put on the amendment now before the House. My understanding of the order made earlier today is that all motions should be submitted to the House at this time and that the divisions will take place tomorrow at the time of calling government business, except, of course, on the main motion. Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: The question is on the amendment. Moved by Mr. Atkey, seconded by Mr. MacDonald (Egmont):

That the motion be amended by inserting in the first paragraph thereof, next after the word "Canada", the words "since 1967".

All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Speaker: Those opposed to the amendment will please say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: The recorded division will be deferred until tomorrow after the other amendments and subamendments have been dealt with, pursuant to order of the House agreed to earlier today.

PROCEEDINGS ON ADJOURNMENT MOTION

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

MANPOWER—LOCAL INITIATIVE PROGRAMS—REQUEST FOR STATEMENT ON PROGRESS IN APPROVING PROJECTS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, on January 8 I asked the Minister of Manpower and Immigration (Mr. Andras) for some explanation of the situation with regard to the concern of organizations and communities, particularly in high unemployment areas, over delays in having their projects approved. I also requested the minister to make a statement on motions outlining the reasons for the difficulties, the state of progress to this date, and the expected date of final approval.

• (2200)

I realize that many questions of a similar nature have been asked since and also that the minister has answered many of them piecemeal. However, I feel that if he would make a statement on motions as requested it would help clear up a number of ambiguities which exist. I am besieged daily with phone calls from organizations in my district seeking answers to these questions which could easily be cleared up by a statement giving all the details. Members could then help their constituents who are becoming more and more frustrated each day by the lack of answers.

The special co-ordinating group which will be delegated by the minister to look after these applications is just as frustrated because of its difficulty in coping with the situation. I might say, in reply to a suggestion made by the minister last week in the House to the effect that not enough use is being made of the on-the-job training program, that he might apply to his own department for such a program so that he can provide additional staff which would then be available to process applications, especially those over $75,000 which require much more detailed information. Many organizations and communities are unable to cope with the provision of this detailed information and are frustrated in their attempts to get their applications approved.

The other problem that exists is the disappointment being experienced by organizations that have already been notified that their projects have been turned down. This is destroying the initiative of citizens who are trying to carry out and achieve the objects of the program. Particularly disappointing is the fact that many projects approved last year could not be completed for lack of sufficient funds, and if they are not approved this year many will be left half done and will result in the waste of many dollars.

The common sense solution to the whole problem of "not enough money chasing too many projects" would be to make the program an on-going one, or at least a five-year program, so that communities can plan to provide the public services required to make them more self-sufficient, at the same time creating continuing employment over a longer period. Under a five-year program communities could plan their needs, such as water and sewage systems which are basic to every community in Canada, recreational facilities, roads to resources, farming and fishing facilities and other public service needs for which municipalities are not able to get money from the provinces or the federal government without much difficulty. I brought this idea to the attention of the former minister of manpower, who agreed with it and has since mentioned that the LIP program should be an on-going one. I hope the present minister will consider this idea carefully.

I might say, Mr. Speaker, that in many government departments funds are allocated to provinces to fulfil the needs of many of the projects that are being turned down for lack of funds. I think it is time that consideration was given by each department to the allocation of funds for projects under LIP, thus making the Local Initiatives Program meangingful.

The minister also confirmed the fact in the House last week that a new supplemental program called LEAP—

Local Employment Assistance Program—was ready to be announced. As leaked to the press, this program is designed to offer funding of projects to disadvantaged Canadians and unemployables. The minister indicated that he would be making an announcement on this shortly and I hope that he will. I hope it will afford the opportunity for those organizations that had their projects turned down to resubmit them for consideration under this new program.

I agree with the concept of the Local Initiatives Program. My only objection is the lack of projected planning, the lack of co-ordinated effort to look at all aspects of its objectives and come up with a meaningful program to fit the needs of those to whom it is directed. I look to the minister to give me the answers I am seeking in a spirit of co-operation.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, approvals of LIP applications have been made as quickly as possible this year. Due to the large number of excellent applications received, the task of selecting the best projects has been a very difficult one indeed.

Perhaps a comparison with the program up to this date last year will be helpful. At this time last year some 2,045 projects, valued at $58 million, had been approved. This year, as of today we have approved about 5,000 projects for a total of $148 million. In fact, as the minister promised, applications for the bulk of LIP funds have been processed by today. Just to review the figures, the number of applications received this year amounts to 15,053 and the dollar value of those submissions is $480,500,000. The number of applications approved was 5,000, with a dollar value of $148 million, and the man-months of employment created were 304,000. As for training on the job, the figures as of January 18 are: applications received, 10,575; dollar value, $57,951,584; applications approved 5,001; dollar value, $50,270,257; and man-months of employment created, 58,925.

Perhaps part of the problem to which the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall) referred is due to the fact that in the case of many applications no decision has yet been made. I am sure that hon. members will appreciate that the minister does not wish to turn down applications when subsequently it may be possible to approve them. It is necessary to consider all the applications made, and some are made earlier than others. There is a desire to cast the net as widely as possible and this has led to delay in the making of some decisions.

In respect of the continuation of the program, of course those who received assistance from this program in the past and again this year are normally expected to complete their programs within a certain period. This is usually one of the terms. I will certainly take the suggestion of the hon. member to the minister and the department. A continuing program might indeed be something which we will have to look into in the future.

The LEAP is primarily for hardcore unemployed. It may apply to some of the cases my hon. friend has cited. If he wishes to have any of the applications in his area transferred to that program, I am sure this would be sympathetically considered by the department.

[Mr. Marshall.]

CANADIAN NATIONAL RAILWAYS—TERMS OF LOAN FROM PENSION FUND TO FIDINAM (ONTARIO) LIMITED—INQUIRY AS TO LEASING BY RAILWAY OF PART OF UPPER CANADA PLACE

Mr. John Harney (Scarborough West): Mr. Speaker, on January 10 I asked a question of the Minister of Transport (Mr. Marchand) in respect of the loan made by the CNR pension fund to Fidinam (Ontario) Limited, allegedly amounting to some $33 million. My question had to do with the terms under which this loan was made. The minister at that time informed the House that he would take the question under notice and look into it.

Since then, with my meagre resource for research I have been able to dig up this information. Negotiations between Fidinam (Ontario) Limited and the CNR pension fund began in February, 1970. Then a letter of intent was signed between Fidinam and the Canadian National investment division on January 24, 1971, which provided for a first mortgage loan of $25 million and a second mortgage loan of $6 million, for a total of $31 million. This sum was raised subsequently to a total of $33 million.

Under the total agreement to build Upper Canada Place, a project in which Fidinam was involved, there was another $15 million to be loaned by the Workmen's Compensation Board of Ontario and Fidinam Corporation, which is the parent corporation, was to put up a total of $7 million of which $5.1 million was to be raised at the time of the commencement of the project.

My question at that time was simply, under what terms was this loan made? There are more questions raised under this same rubric. First of all there is the question of policy, or lack thereof, in respect of Canadian control, as to whether direct loans of debt capital can be made in this country. That is to say, to what kind of corporations can they be made, and whether they are Canadian or foreign-owned.

• (2210)

I raise the question because in this particular case we were not only dealing with trustee money held by a Canadian investment group, in this case the Canadian National investment division, but money which is held by it in trust which belongs to its workers, in this case Canadian workers in the parapublic service. It is rather strange that the savings of our workers in this country are being put to the service of foreign corporations in Canada, especially a foreign corporation such as Fidinam which has brought in very little capital from the outside and uses its leverage to borrow $48 million to build a building which is rents back in large part to public institutions in this country at a time when there is an enormous need for what could be called socially useful projects. A point was made, in an article today which appeared in the Toronto *Star*, by Ed Finn regarding the CNR pension fund. The article reads:

Almost one-third of the fund is now invested in mortgages, mostly for office buildings, hotels and luxury apartments. Ironically, many thousands of the CN employees whose money is being

funnelled into high-priced real estate don't earn enough to qualify for NHA mortgages to buy homes of their own.

The other question raised is the matter of worker representation in respect of the investment policies of these funds. I have directed the question to the Minister of Transport because in this case we have a public institution the funds of which are being funnelled into the hands of foreign corporations. This fund is a rather large one; it is one of the largest trustee pension funds in this country.

I think it is important to note that these funds are beginning to form an enormous part of the capital savings of this country. Back in 1960 they amounted to some $3.5 billion, while the figure for 1970 is twice that amount, $11 billion. What is particularly striking is that a decreasing proportion of these funds is going into Canadian investment and that investment of these funds in stocks controlled by foreign companies increased seven and a half times between 1960 and 1970. I would very much like the Minister of Transport, through his parliamentary secretary, to table for the perusal of members of this House the letter of intent which I cited above.

I should like to ask the minister, further, if it would be possible to start developing a policy which first of all would prohibit the investment of Canadian workers' funds in foreign-controlled companies, so that they would be directed into Canadian-controlled projects and, secondly, to direct the investment of these funds into projects such as housing which would be a useful development and not simply just another corporate enterprise of this country.

Mr. Joseph-Phillipe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I shall be specific because the question of the hon. member for Scarborough West (Mr. Harney) referred to financing for the construction of office and commercial space at the corner of Bloor and Yonge Streets in Toronto. In this regard, I am informed by the CNR that the Canadian National pension trust fund, in keeping with its investment policy, has made a commitment to advance mortgage funds for the project. The relationship between the pension trust and the developer is solely that of mortgagee and mortgagor. It is not the practice to disclose terms and conditions of transactions with other parties.

In reply to the second part of the question, the answer is no.

AIR TRANSPORT—NORTHERN CANADA—INQUIRY AS TO PROGRAM FOR INSTALLATION OF IMPROVED NAVIGATIONAL AIDS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, tonight I welcome the opportunity to raise a very serious question of improved air navigational aids in respect of northern navigation as it relates to low altitude aircraft flying in the northern regions of Canada. I have had discussion with the Minister of Transport (Mr. Marchand) on this question and I have put questions to him in the House. I believe it is a subject which has evinced a great deal of interest in the last few months, particularly arising out of the recent accident involving Martin Hartwell.

I do not believe that we as members of this House should ever underestimate the amount of suffering and anxiety that is associated with the loss of an aircraft in the northern region, and above all I believe it behoves us all to consider the great expense of search and rescue operations every time an aircraft goes down in the north. I understand that the last search cost in excess of $1 million. Surely by now, with the equipment and the amount of money that has been spent on search and rescue, we should have enough to establish a navigational aids system in the north, at least to cover the main airline corridors.

I note that, for example, the CBC is asking for $30 million to extend television service to communities of 500 people or more. I also note that the Export Development Corporation agreed to lend Spain $16 million for the purpose of buying eight Canadian CL-215 water-bomber aircraft. I also note that Canada agreed to provide Turkey with $9.85 million in a long-term loan to help expand that country's telephone system. I have no objection to expenditures of this kind, but surely if we have that kind of money to spend it is time we seriously considered the importance of improving air navigational aids in the northern parts of our country.

Furthermore, I believe that with the kind of activity that is currently going on with respect to resource development, we can only expect that there will be more air traffic in that region and if that is the case, naturally we will be subject potentially to more losses. I believe it is important that this government and the Department of Transport in particular embark immediately upon a crash program of installation of suitable air navigational aids to ensure the safety of our planes, our pilots and our passengers. Surely pilots and passengers flying north of the sixtieth parallel deserve the same degree of safety as those flying in the south.

I ask the parliamentary secretary if the Department of Transport has a program on the drawing-board. I know that our present air navigational aids are far from adequate when compared with the United States northern air routes. I call on the parliamentary secretary to tell us what his department's priorities are in the field of air navigational aids.

He might also make reference to the $2 million network proposal which was cancelled approximately one year ago. I understand that it was rejected by the minister of transport at that time. I would also suggest to him that if an accelerated plan is not on the drawing-board at this time, he should discuss the matter thoroughly with his minister and with the officials of the Department of Transport in an effort to develop an air navigational system consisting of very high frequency omnirange and distance measuring equipment, at least along the two main airline corridors to the north extending from Edmonton which would connect Edmonton to Inuvik, and another which would connect with the Arctic islands, specifically Resolute Bay. This would be a very important first step in the development of an air navigational aids system and of a route along which other ancillary devices and necessary equipment may be installed as required.

Adjournment Debate

• (2220)

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I too share the concern of the hon. member for Vegreville (Mr. Mazankowski) pertaining to flights in the north. The ministry of transport has a program for expanding and upgrading air navigational facilities in the Arctic which includes the provision of facilities to meet both current and anticipated requirements. Part of this program calls for the installation of a number of very high frequency omnirange and distance measuring equipment facilities. Installations are now under way at Yellowknife, Resolute Bay, Whitehorse, Frobisher Bay and Cambridge Bay. Additional installations are planned for subsequent years.

The Cambridge Bay installation is of special interest as this will be the site of the environmental testing of a development, the "VOR/DME package", newly designed to meet the special requirements of the Arctic. Testing of this package will proceed after winter installation which is planned for completion next month. Aside from that portion of the plan that is included in the ministry's estimates, the implementation of improved or additional facilities is adjusted annually to meet high priority requirements as they develop.

Motion agreed to and the House adjourned at 10.24 p.m.

HOUSE OF COMMONS

Tuesday, January 23, 1973

The House met at 2 p.m.

THE LATE LYNDON BAINES JOHNSON

TRIBUTES TO FORMER PRESIDENT OF THE UNITED STATES

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, little more than two weeks ago we performed in this House the sad task of paying tribute to a former president of the United States. Now we do so again, this time in memory of President Lyndon Johnson, a contemporary in public life of many hon. members.

Lyndon Johnson assumed the presidency from the office of vice-president, as did Harry Truman. And as President Truman had done before him, President Johnson was successful in seeking re-election in his own right. During his term in office, some of America's most progressive social legislation took form in response to his desire to eliminate disparities of all kinds from American life. Abroad, however, the tragedy of Viet Nam became increasingly intractable, and escaped attempts at resolution.

President Johnson visited Canada on three occasions. During one such trip he opened the impressive United States pavilion at Expo '67.

Mr. Johnson was, in many respects, larger than life; a man who mirrored faithfully the colour and character of a vast region in his country, reminding us in Canada of the variety and size of our vigorous neighbour. President Johnson's role both in the United States and the world is too recent to measure with adequate perspective. No one can doubt, however, the intense passion and dedication to his countrymen which he brought to the presidency.

To President Johnson's family and to the people of the United States, I offer sympathy and condolences.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, as the Prime Minister reminded us, this is the second time in a few short weeks that it has been our sad duty to pay tribute to a former president of the United States who has passed away. I did not know President Lyndon Johnson, but with my fellow citizens I followed his career with absorbing interest. Even though he was not working within the parliamentary system as we know it in Canada, I think it is fair to say—if it is not presumptuous of me to say this—that he was a great parliamentarian within the Congress of the United States. Probably no American of his generation was such a master of the legislative process in that country, and it seems to have been generally due to his skill in that area as a member of Congress that he was able to achieve such an enviable legislative record, first as leader in the Senate, then as vice-president of the United States, and finally as president of his great country.

He was a man of great courage who suffered a severe heart attack years ago but overcame it to seek and achieve the highest and most responsible office in his land. As president of his country he had, certainly, some agonizing decisions to make in the realm of foreign policy, and it is no secret that some of these caused division in his own country and in the world. It was surely to his great credit, both as a man and as a patriot, that under circumstances that are generally familiar to all of us he put the interest of his country before any desire he may have felt to continue to serve as president by seeking a further term in office.

I join the Prime Minister this afternoon in paying tribute to a man who for five years served as a powerful president of the United States and whose actions were certainly dictated by the good of his country as he saw it.

Mr. David Lewis (York South): Mr. Speaker, after a long and successful career in the House of Representatives and in the Senate, Mr. Johnson was catapulted to the presidency of the United States on the assassination of President Kennedy. On that day the world saw him on a plane being sworn in as president and sympathized with the concern etched on his face as he committed himself to his awesome duties. The five years during which he held office as president were difficult and to some extent unhappy ones for the United States, both internally and externally. His death at a relatively early age may well have been the consequence of his heavy and sometimes frustrating burdens.

On behalf of my colleagues and myself I join in the expression of sympathy and condolences to Mrs. Johnson and the family.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the death of a man whose far-reaching importance put him in a position to determine the fate of the whole world comes as a shock to us particularly in view of its unexpectedness.

The former president of the United States took over the leadership of the most powerful western country under tragic circumstances that we all remember. The task that was his was only equalled by the enormous responsibilities attached to it. History will assess the work of Mr. Johnson.

We grieve over the death of this prominent statesman. However, we also think about the thousands of human lives sacrificed in Viet Nam. May these days of mourning afflicting our southern neighbours coincide with peace in Viet Nam.

The Late President Johnson

• (1410)

[*English*]

ROUTINE PROCEEDINGS

COMMUNICATIONS

VANCOUVER MARINE AERADIO STATION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to propose a motion of urgent and pressing necessity. In November, 1972, the Minister of Transport undertook an austerity program. One result was to cut back the staff of professional radio operators at the Vancouver Marine Aeradio station. This has reduced the staff to the point where adequate service cannot be provided—

Mr. Speaker: Order, please. The hon. member cannot make a speech in support of a motion under Standing Order 43. I have had occasion in the past to remind hon. members of the very special circumstances which attach to a proposed motion under Standing Order 43. Because there is no opportunity for reply or debate, such a motion should be accompanied only by a brief statement indicating the urgency. There should not be argument in support of the proposed motion.

Mr. Reynolds: Thank you, Mr. Speaker. I will now make the motion. I therefore move, seconded by the hon. member for Okanagan Boundary (Mr. Whittaker):

That the Minister of Transport take action to ensure that Vancouver Marine Aeradio station be allocated sufficient job categories of appropriate classification so that the station is adequately and efficiently manned at all times to provide effective air-sea search and rescue service.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Burnaby-Richmond-Delta. This motion, proposed under the terms of Standing Order 43, requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity; the hon. member's motion cannot be put.

* * *

REGIONAL DEVELOPMENT

ATLANTIC CANADA—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. J. Robert Howie (York-Sunbury): Mr. Speaker, I rise pursuant to Standing Order 43 on a matter of urgent and pressing necessity. In view of the following serious matters relating to the economic well-being of Atlantic Canada, namely, the reported phasing out of Nova Scotia's joint federal-provincial planning board, the impending decision involving federal aid to the vitally needed $32 million Pock-Wock water development for the city of Halifax, and the withdrawal of Volkswagen Limited from Saint John, New Brunswick, because of lack of port facilities and infrastructure, I move, seconded by the hon. member for Central Nova (Mr. MacKay):

That these matters be immediately referred to the Standing Committee on Regional Development for serious and detailed consideration.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

COMMUNICATIONS

BELL CANADA RATE INCREASE APPLICATION—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, in view of the continuing rise in Bell Canada profits and earnings per share I move, pursuant to Standing Order 43, seconded by the hon. member for Scarborough West (Mr. Harney):

That the federal government do now formally appear before the Canadian Transport Commission to state its opposition to Bell Canada's application for further rate increases.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

ORAL QUESTION PERIOD

AIRPORTS

PICKERING TOWNSHIP SITE—DECISION ON PROCEEDING WITH CONSTRUCTION—AVAILABILITY OF DOCUMENTS AND REPORTS TO INTERESTED PARTIES

Mr. Ron Atkey (St. Paul's): Mr. Speaker, my question is directed to the Minister of Transport. Has the minister made up his mind on whether to proceed with a second Toronto airport at Pickering? Both he and the Minister of Public Works have had the report from the public hearings since January 5, and I wonder whether we can have a decision today?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, this decision is not to be taken by the Minister of Transport alone but by the cabinet; it will probably be made in a few days.

Mr. Atkey: Is the Minister of Transport prepared to honour the undertaking of his predecessor, the hon. member for Burin-Burgeo, made in the House on April 18 of last year, that all documentation and reports relevant to expropriations in the Pickering area have been made public, and that those persons objecting to the expropriations will not in the future be caught by surprise through new material previously unavailable? I might add that this undertaking—

Mr. Speaker: Order, please. The hon. member is now making a speech. He should ask his question as briefly as possible. Perhaps the minister might reply to the hon. member's question now.

Mr. Marchand (Langelier): Mr. Speaker, if my predecessor made an undertaking of course it will be respected, but I want to have an opportunity to check the undertaking.

Mr. Nowlan: Oh, he is checking on you, Don!

Mr. Jamieson: Wouldn't you?

Some hon. Members: Oh, oh!

Mr. Atkey: Are the minister and the cabinet, in reaching a decision on the need for a second airport and the half billion dollars required to build it, considering alternative social needs in metropolitan Toronto such as increased federal assistance for housing, public transit and the preservation of a green belt and prime agricultural land?

PICKERING TOWNSHIP SITE—OPPORTUNITY FOR MEMBERS OF PARLIAMENT FROM TORONTO AREA TO MAKE REPRESENTATIONS REGARDING DECISION

Mr. John Gilbert (Broadview): A supplementary question, Mr. Speaker. May I ask the Minister of Transport whether it is his intention to invite Members of Parliament from the Toronto area to make representations with regard to the decision on the proposed airport?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think it was made clear by the former minister of transport and by the Prime Minister that the government intends to give not only Members of Parliament but the general public in the Toronto region the opportunity to make representations on the new airport, the new facilities, and the way in which transportation development should take place in the area.

MOUNT HOPE, ONTARIO—INQUIRY WHETHER EXPANSION WILL PROCEED

Mr. Bill Kempling (Halton-Wentworth): In view of the continuing uncertainty concerning the expansion of airport facilities at Hamilton, Ontario, will the minister advise the House in the clearest possible terms whether this project will proceed in the spring of 1973?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think I already stated that the Port Hope airport is going to be expanded. If this is what the hon. member has in mind, I think we have decided to go ahead.

STEPS TO REDUCE AIRCRAFT NOISE

Mr. Don Blenkarn (Peel South): A supplementary question, Mr. Speaker. Regardless of what happens at Pickering, are the Minister of Transport and the government prepared to take immediate steps to reduce aircraft noise by requiring airlines to replace noisy engines with quieter models now being developed?

Mr. Speaker: Order, please. I have some doubts whether this is a supplementary question but, having been asked, the minister might reply. The Chair will then recognize the hon. member for York South.

* * *

POST OFFICE

DISPUTE WITH WORKERS—ACCEPTANCE BY GOVERNMENT OF CONCILIATION BOARD PROPOSAL RESPECTING CLASSIFICATION GRIEVANCES

Mr. David Lewis (York South): Mr. Speaker, my question is for the Postmaster General or the President of the Treasury Board. In view of reports that the conciliation board which dealt with the dispute between the Council of Postal Unions and the Post Office has now unanimously made a new proposal with respect to grievance on classifications, may I ask whether the recommendation or proposal of the conciliation board has been received by the government and whether, since the proposal would seem to lay a basis for settlement of the dispute, the government can announce its acceptance of the present proposal?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, I understand that Mr. Shime actually transmitted explanatory notes to Mr. Finkelman. This document has not been made public yet but whether it was or not there has already been a first meeting between the two parties. I understand that there is to be today new meetings between the parties at the negotiation table and the hon. member will realize that under the circumstances it is preferable to let the parties come to an agreement without making any further public statement.

[*English*]

Mr. Lewis: I knew that the document was in the hands of the Public Service Staff Relations Board, but the minister did not say whether he has seen it. I am going to pose my question on the assumption that he has seen it. I appreciate that this is a matter for negotiation. May I ask the minister whether the government's stated acceptance of the report of the board of conciliation necessarily includes acceptance of this additional clarification or proposal of the same board of conciliation?

[*Translation*]

Mr. Ouellet: I understand, Mr. Speaker, that remarks to clarify the situation were made to both parties, that both

parties accepted those points of clarification and that they have since gone back to the negotiation table.

Therefore, I do not wish to add anything at this stage which might cause embarassment to those who are now negotiating a contract.

[*English*]

Mr. Lewis: Mr. Speaker, in view of the fact the issue was a very simple one, namely, whether or not the amendment to section 903 is to be introduced into section 904 of the collective bargaining agreement so that the words "except classification matters" are deleted from both clauses, and in view of the fact that Mr. Shime—

Mr. Speaker: Order, please. Would the hon. member kindly ask the question. It seems to me that his supplementary is somewhat involved.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, with great respect, I do not think it is involved, at least not for the minister, nor is it involved for those who know anything about it. There may be a few gentlemen on my right who know something about it.

Some hon. Members: Question!

Mr. Lewis: May I proceed, Mr. Speaker, and ask the minister my question. In view of the fact the dispute is a simple one, namely, whether or not the same amendment should be made to section 904 as was made to section 903 in the collective agreement—

Some hon. Members: Question!

An hon. Member: Whereas, whereas, whereas!

An hon. Member: Hold your tongue!

Mr. Lewis: That pleases me, Mr. Speaker—

Mr. Speaker: Order, please.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Perhaps the hon. member might ask his question. He will recognize that he has had the floor for some time now. Perhaps he should ask the question and give us a chance to proceed further on this subject.

Mr. Lewis: Mr. Speaker, I will ask the question. You might ask the gentlemen on my right and on your left—

Some hon. Members: Question!

Mr. Lewis: —not to keep on interrupting me.

Some hon. Members: Oh, oh!

Mr. Lewis: Mr. Speaker, may I ask the minister whether he cannot now inform the House whether the government will accept this additional amendment to the contract so that the dispute may finally be settled?

[Mr. Ouellet.]

[*Translation*]

Mr. Ouellet: Mr. Speaker, I cannot comment as long as that clarification report has not been made public.

DISPUTE WITH WORKERS—INTERVENTION OF MINISTER

Mr. Jean-Marie Boisvert (Drummond): Mr. Speaker, I wish to ask a supplementary question.

Has the minister himself contributed to clarify the situation?

Hon. André Ouellet (Postmaster General): Mr. Speaker, if I must account for all my hours of work, I can tell the hon. member that I worked very hard during the weekend.

[*English*]

DISPUTE WITH WORKERS—INQUIRY AS TO AMENDMENTS TO PUBLIC SERVICE STAFF RELATIONS ACT

Mr. Peter Reilly (Ottawa West): Mr. Speaker, may I direct a supplementary question to the President of the Treasury Board. In view of the fact that this and other disputes involving the public service and adjacent areas have been complicated by certain sections of the Public Service Staff Relations Act which circumscribe the free collective bargaining process, and in view of the fact the government has had before it a report dealing with this matter since the middle of June, 1971, will the minister now say when he proposes to bring forward the proposed changes to that act?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think this question was asked and answered a few days ago.

Mr. Speaker: The hon. member for Burnaby-Richmond-Delta on a supplementary.

Mr. Reynolds: Mr. Speaker, my question is for the Minister of Transport. This is an airport question, Mr. Speaker. A few days ago he informed me that the contracts for the Hudson Street bridge—

Mr. Speaker: Order, please. Will the hon. member kindly resume his seat. I was under the impression that the hon. member wanted to ask a supplementary question. He will be recognized in a moment. I believe the hon. member for St. John's East has a supplementary on the matter being discussed.

DISPUTE WITH WORKERS—ACCEPTANCE BY GOVERNMENT OF CONCILIATION BOARD PROPOSAL RESPECTING CLASSIFICATION GRIEVANCES

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I ask the Postmaster General whether a representative of the government yesterday signed an agreement whereby the government would accept Mr. Shime's interpretation of the report of the conciliation board dealing with sections 903 and 904?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, the government representatives at the bargaining table have received a very precise mandate to sign a collective agreement. We hope that the meeting scheduled for today will lead to a positive conclusion, that is the signature of the agreement.

[*English*]

Mr. McGrath: Mr. Speaker, may I ask the minister whether a statement of intent was signed yesterday on behalf of the government by a government representative, together with the chairman of the conciliation board and a union representative?

[*Translation*]

Mr. Ouellet: Mr. Speaker, we shall certainly honour the commitments of the government representative who signed a document.

* * *

CANADIAN NATIONAL RAILWAYS

ALLEGED PREFERENCE GIVEN IMMIGRANTS FOR WORK AT CHÂTEAU LAURIER HOTEL

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, my question is for the Minister of Transport.

Is the minister aware that the Château Laurier is giving preference to immigrants newly arrived from Europe by hiring them instead of qualified Canadians. Can the hon. minister inform us of the Canadian National policy in this respect?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I am totally unaware of the facts just reported. If the hon. member can specify concrete grievances, I shall gladly discuss them with Canadian National authorities.

* * *

[*English*]

TRADE

IMPOSITION BY UNITED STATES OF COUNTERVAILING DUTIES ON MICHELIN TIRES IMPORTED FROM CANADA—REPRESENTATIONS BY GOVERNMENT APART FROM NOTE

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I wish to direct a question to either the Minister of Regional Economic Expansion or the Minister of Industry, Trade and Commerce. Following the trip of the premier of Nova Scotia to Washington after consultation with the Prime Minister over the United States countervailing duties on Michelin tires, what new efforts, apart from handing notes of protest to the United States Department of State as was done last week, is the government making in this matter? Also, is the matter now of sufficiently high priority to join the list of so-called economic irritants which need solving at the highest level of discussion between Canada and the United States?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, the note to the United States government was tabled yesterday, I believe. We made our representations in that note and we are awaiting the reply of the United States government before taking further action.

Mr. MacKay: As a supplementary question—

Mr. Reilly: A point of order, Mr. Speaker—

Mr. Speaker: The hon. member for Ottawa West rises on a point of order.

Mr. Reilly: Mr. Speaker, my point of order concerns the answer given me a few minutes ago by the President of the Treasury Board. He said that my question had been answered a couple of days ago. According to my best information, that is not the case. I would like an answer to the question.

Mr. Speaker: The hon. member for Central Nova on a supplementary.

PREPARATION OF POLICY ON DREE GRANTS AND TRADE PRACTICES FOR PRESENTATION TO GATT MEETINGS—EEC POSITION ON COUNTERVAILING DUTIES

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I wish to direct a further question to the Minister of Industry, Trade and Commerce or to his colleague, the Minister of Regional Economic Expansion. Is the government now preparing a comprehensive policy as far as DREE grants are concerned and trade practices generally to be presented at the next round of GATT? Also, have they been in touch with the European Economic Community to understand precisely what the position of the community is with regard to countervailing duties?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, we have not yet discussed the question of countervailing duties, as it applies in principle to the Michelin case, with the officials of the EEC. Undoubtedly, this question will be included with other questions of non-tariff barriers when the GATT hearings get under way later this year.

POSSIBILITY OF PRIOR CONSULTATION WITH UNITED STATES BEFORE LAUNCHING REGIONAL DEVELOPMENT PROGRAMS IN FUTURE

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my supplementary question to either the Minister of Trade and Commerce or the Minister of Regional Economic Expansion. In view of the 6.6 per cent countervailing duty imposed by the United States on Michelin tires, will it be the minister's policy to consult the United States in future before launching development programs dependent on export markets in order to prevent this type of economic conflict?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): No, Mr. Speaker, I think it would be quite improper to ask another country whether we should go

ahead with plans that we think are legitimate and in the interests of our own country.

PROTEST TO GATT RESPECTING UNITED STATES' IMPOSITION OF COUNTERVAILING DUTY ON MICHELIN TIRES IMPORTED FROM CANADA

Mr. J. P. Nowlan (Annapolis Valley): I have a supplementary question for the Minister of Industry, Trade and Commerce. Regardless of the discussion in principle with the GATT officials at the next meeting, has there been a formal protest to GATT about the imposition of a countervailing duty by the American government? If not, why not?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): No, Mr. Speaker.

Mr. Nowlan: Why not?

POSSIBILITY OF COUNTERVAILING DUTIES BEING IMPOSED ON IMPORTS FROM UNITED STATES OF PRODUCTS MANUFACTURED UNDER DISC PROGRAM

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I also have a supplementary question for the Minister of Industry, Trade and Commerce. In view of the fact that the appeal procedures in the United States with regard to the countervailing duty make it possible for Michelin to actually launch an appeal until the end of 1973, which might be a little late in terms of preserving jobs, and in view of the fact the memo sent by the government of Canada to the United States makes no reference to the granddaddy of all protective measures, namely, the United States DISC program, can the minister inform the House whether the Canadian government is considering levying countervailing duties on the products of all firms in the United States which are exporting to Canada under DISC?

• (1430)

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, the answer to the last part of the question is no; we are not considering that action at this time.

* * *

CANADIAN BROADCASTING CORPORATION

RECOVERY OF INCOME TAX FROM EMPLOYEES STATIONED IN UNITED STATES

Mr. A. D. Hales (Wellington): Mr. Speaker, my question is directed to the Secretary of State and is a follow-up to a question I asked a while ago concerning a report made to the House by the Standing Committee on Public Accounts. Has the minister consulted with the CBC, and have steps been taken to collect these income taxes?

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. Speaker, I have consulted with members and the president of the corporation and I should have an answer to the specific question in the next day or two.

[Mr. Jamieson.]

Mr. Hales: Mr. Speaker, in view of the fact I asked this question two weeks ago, I would ask the minister to give an answer as soon as possible.

* * *

COMMUNICATIONS

BELL CANADA—REQUEST FOR INVESTIGATION OF PROMOTION BY COMPANY OF INSTALLATION OF EXTENSION TELEPHONES

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, last week the Minister of Consumer and Corporate Affairs was kind enough to indicate that he would ask his departmental officials to investigate the possibility of misleading advertising by Bell Canada. I wonder whether such an investigation has now taken place and is the minister now in a position to report to the House?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am advised that certain advertisements in this connection have been considered in light of the misleading advertising provisions of the Combines Investigation Act. I am further advised that the investigation did not disclose any grounds of violation. However, I would be pleased to transmit to the officials of the combines branch any further information the hon. member might have so it could be looked into further.

* * *

CANADIAN CULTURE

POLICY ON ESTABLISHMENT OF ADVISORY COUNCIL ON MULTICULTURALISM—METHOD OF APPOINTING MEMBERS—TERMS OF REFERENCE

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the right hon. Prime Minister. Can he tell the House whether it is now official government policy that an advisory council to deal with questions of multiculturalism be established?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, that is the policy of the government.

Mr. Yewchuk: Mr. Speaker, I have a supplementary question for the minister responsible for multiculturalism. Can he indicate what method will be used in appointing members to this council? Will this simply be done by appointment by the government or will the various cultural groups be asked to put forward names?

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, I want to thank the hon. member for his interest in the federal government's multicultural policy and the advisory council. I wish to inform him that the leaders of ethnic cultural organizations have been asked for suggestions and recommendations. I am reviewing the suggestions, which were very positive and numerous, and I hope to submit a report to the Prime Minister as soon as possible.

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to direct a supplementary question to the minister responsible for multiculturalism. Can he indicate what the terms

of reference of the advisory council will be and when the council is expected to hold its first meeting?

Mr. Haidasz: Mr. Speaker, I would rather make a statement on motions later in respect of this question.

An hon. Member: When?

MULTICULTURALISM POLICY—RESPONSIBILITY FOR ADMINISTRATION

Mr. Charles E. Haliburton (South Western Nova): Mr. Speaker, my question is directed to the Prime Minister and it relates to the same matter. Can he indicate what portion, if any, of the Department of the Secretary of State is answerable directly to the minister responsible for multiculturalism?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the minister is responsible for this area of policy and questions should be addressed to him.

Mr. Haliburton: Can the minister responsible advise the House whether in fact there are plans to transfer the administrative duties of that section of the Department of the Secretary of State to him?

Mr. Trudeau: Mr. Speaker, this is a matter of administration for the government and I do not wish to discuss it in the House.

Mr. Speaker: The hon. member for Yorkton-Melville.

Mr. Paproski: Mr. Speaker, my question is for the Minister of State—

Mr. Nystrom: Mr. Speaker—

Mr. Speaker: Order, please. The Chair recognizes the hon. member for Yorkton-Melville on a supplementary question. I will then recognize the hon. member for Edmonton Centre.

Mr. Nystrom: Mr. Speaker, my question is not a supplementary. I should like to direct it—

Mr. Speaker: Order, please. I will recognize the hon. member for Yorkton-Melville and then recognize the hon. member for Edmonton Centre.

* * *

PORTS

CHURCHILL—ACTION TO ACHIEVE GREATER UTILIZATION

Mr. Lorne Nystrom (Yorkton-Melville): Thank you very much, Mr. Speaker. I direct my question to the congenial Minister of Transport. On January 11 he said he would consider the greater utilization of the port of Churchill and would make a decision in a few weeks. Can he tell us now whether he has made a decision in respect of the greater utilization of this port which is so important to the Prairies?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, that is something our department is concerned with. We are now completing studies on costs and profits. As soon as these are ready, we shall be able to inform the House of the government's decisions.

[*English*]

Mr. Nystrom: Mr. Speaker, in view of the fact we have been getting answers like this for years—

Some hon. Members: Order!

Mr. Nystrom: —can the minister tell us by what date we can expect a final decision on the greater utilization of that port?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I am not in a position to give the exact date.

* * *

[*English*]

CANADIAN CULTURE

MULTICULTURALISM—RESEARCH STUDY

Mr. Speaker: The hon. member for Edmonton Centre.

Mr. Steven E. Paproski (Edmonton Centre): Thank you, Mr. Speaker.

Some hon. Members: Hear, hear!

Mr. Paproski: This is a very simple question for the minister.

An hon. Member: It always is.

Mr. Paproski: I should like to ask the Minister of State in charge of multiculturalism to advise the House to what extent research programs are being undertaken in his department to produce information on language maintenance and cultural development?

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, this study is now being undertaken by a special research team and I hope to have a report within the next few months.

Mr. Paproski: Mr. Speaker, we have been waiting for two years now for at least one concrete proposal. When are we going to have it?

Some hon. Members: Hear, hear!

Mr. Haidasz: Mr. Speaker, I assure the hon. member that a report will be made as soon as I receive my report.

Mr. Paproski: You are beginning to sound like the Prime Minister.

Oral Questions

[*Translation*]

TRANSPORT

RECALL OF DEFECTIVE AUTOMOBILES—MEASURES TO ASSURE EFFICIENCY

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to put a question to the Minister of Consumer and Corporate Affairs.

Has the minister been in touch in the last 48 hours with representatives of the automobile industry with regard to the automobiles that have been recalled in Canada, and can he give the House the assurance that the federal government intends to take steps to make sure those recalls are made efficiently?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I believe we should allow the Minister of Transport to answer that question.

Mr. Grafftey: Mr. Speaker, this time I should like to put my question to the Minister of Transport.

Has he been in touch within the last 48 hours with representatives of the automobile industry concerning the automobiles that have been recalled in Canada, and can he give the house the assurance that the federal government intends to take steps to ensure that those recalls are made efficiently?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I doubt that this falls within my jurisdiction. In any event, I will take the question as notice and answer it later on.

[*English*]

Some hon. Members: Oh, oh!

Mr. Hees: It was never like this in the old days.

Mr. Grafftey: Mr. Speaker, I will then ask the minister responsible, and I am surprised that it is not the Minister of Consumer and Corporate Affairs.

An hon. Member: There is no responsible minister.

An hon. Member: Get a better executive assistant.

Mr. Grafftey: Mr. Speaker, I would ask the minister responsible for automobile safety standards whether he has communicated with the automobile industry in the last 48 hours in relation to the mass recall of unsafe automobiles and, if so, can the minister responsible assure the House that he will verify immediately the effectiveness of these recalls?

An hon. Member: Will the real minister stand up?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, on a point of order, I simply wish to say that whenever I do not know the answer to a question, instead of talking through my hat, I shall take the question as notice. Members of the opposition enjoy a laugh, but they will laugh until their dying day.

[Mr. Paproski.]

[*English*]

ENVIRONMENTAL AFFAIRS

DISPOSAL OF OLD BARGES IN LAKE OKANAGAN—POSSIBILITY OF HAZARD TO ENVIRONMENT OR RECREATION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is directed to the Minister of the Environment. In view of the answer given yesterday by the Minister of Public Works that the three derelict barges disposed of by the department by sinking them in Okanagan Lake are not a hazard to navigation, will the minister assure the House that these barges do not constitute a hazard to either the environment or the recreational use of Okanagan Lake?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, we are checking into the matter and if the barges are a hazard either in respect of navigation or to the environment we will take appropriate action.

Mr. Fraser: Mr. Speaker, I would like to ask the minister whether he can assure the House that the government has established procedures to ensure that acts of this nature will not be repeated until they have first received consideration by the Department of the Environment as to whether such acts are a contravention of Section 33 of the Fisheries Act of Canada?

• (1440)

Mr. Davis: Mr. Speaker, I think each department, like each developer, has a responsibility to look after matters of this kind. My department meanwhile will do its best to work with these developers or departments to make sure that the environment is protected.

Mr. Fraser: In view of my previous question, may I ask whether the minister is aware that prosecutions have taken place in the province of British Columbia against logging companies for dumping sinker logs in lakes, which is practically the same sort of act?

Mr. Davis: Yes, and they have been taken principally by my department.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of the Environment whether his colleague the Minister of Public Works consulted him in his capacity as Minister of the Environment before these barges were sunk in this beautiful lake?

Mr. Davis: Yes, Mr. Speaker, and also the Minister of Transport.

Mr. Speaker: The hon. member for St. John's West.

VETERANS AFFAIRS

SUGGESTED AMENDMENT OF LAND ACT TO ASSIST VETERANS NOW SEEKING TO ACQUIRE LAND

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, it is so long since you have recognized me that you have me over at the other end of the island.

Some hon. Members: Oh, oh!

Mr. Marshall: I have built up a good friendship with the Minister of Veterans Affairs because we have had lots of time. In view of the difficulties being experienced by many war veterans in acquiring land for homes because of the restrictions under the Veterans Land Act, and particularly because of the October 16 deadline, would the minister indicate whether he intends to bring in amendments to the act to satisfy the needs of these veterans?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in answer to the hon. member's question may I inform the House that in 1965 legislation was proposed and enacted, with applications for qualification to be submitted by the deadline date of October 31, 1968. This gave veterans an opportunity to make a loan application. The closing date for loan applications is 1974, and there was also a provision for additional loans to be made up to 1977. In further reply to the question may I say we have not received many requests in this respect, and unless further interest is shown at this time my department does not intend to enact any further legislation.

Mr. Marshall: In view of the fact that many veterans now retiring as well as many servicemen now retiring wish to make application under the act but are restricted by it as to the location of their homes, would the minister reconsider, because many more applications are coming in, amending the Veterans Land Act?

Mr. MacDonald (Cardigan): Yes, Mr. Speaker, we are always ready and willing to reconsider, and we will take a look at the number of applications coming in.

* * *

ADMINISTRATION OF JUSTICE

BAIL REFORM LAW—REQUEST FOR RECONSIDERATION IN LIGHT OF CERTAIN EVENTS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Minister of Justice. Would the minister reconsider the answer he gave me a couple of weeks ago and take another look at the bail reform legislation in view of a grand jury recommendation made recently in Toronto, and also in view of the arrest today of a suspect alleged to be involved in over a dozen offences, including twice failing to respond to bench warrants while at large by virtue of this legislation?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, we have indicated on many occasions that we would be willing to look at the bail act again as it began to be lived with and would make changes if they seemed to be required. However, I should like to confirm to the hon. member that I have followed up on the point I made to him on the previous occasion and have written to the Attorneys General across the country, drawing to their attention the need for appropriate action by both police and Crown prosecutors as well as the appropriateness of taking action against those who do not respond to summonses, so that in fact the bail law will work effectively.

ALLEGED IMPEDING OF INVESTIGATION OF NARCOTICS OFFENCES BY BAIL REFORM LAW

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary for the Minister of Justice in connection with a story carried on the front page of this morning's *Globe and Mail.* Is the minister's department inquiring into the suggestion that the bail reform legislation as it now stands is impeding investigation of narcotics offences in the country? If so, is he or the government considering altering the instructions that went out to the provincial Attorneys General earlier last year respecting the treatment of accused persons appearing before the courts on possession charges?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, those are two completely separate questions and I certainly would not relate them in any way. We will be looking at any report having to do with the operation of the bail law. I have had and will continue to have discussions with my provincial counterparts about this question.

* * *

CRIMINAL CODE

INQUIRY AS TO AMENDMENT RESPECTING DECISION TO UNDERGO ABORTION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Justice. In view of the decision of the United States Supreme Court which will result in broadly liberalized abortion laws in 46 states, and in view of the Canadian Gallup poll published on January 4 of this year which showed that 61 per cent of Canadian adults agree that the decision on abortion should be made solely by the woman and her doctor, is the government planning to introduce legislation this session to amend the Criminal Code to this effect?

Hon. Otto E. Lang (Minister of Justice): No, Mr. Speaker.

Mrs. MacInnis (Vancouver-Kingsway): Is the government prepared to arrange for a debate on this matter, such as was promised but not had before, during the present session?

Mr. Lang: Mr. Speaker, there has certainly been no decision to have one at the present time. We would have to consider the time of the House and the other pressing business before us.

Oral Questions

ABORTION—REQUEST THAT CALGARY BIRTH CONTROL ASSOCIATION BE PROHIBITED FROM REOPENING CLINIC

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, I have a supplementary question which I will direct to the Minister of Manpower and Immigration. In view of the fact that the Calgary Birth Control Association has just received a second year grant from LIP for $45,200, and this association last year opened abortion clinics which promoted easy abortion and set a precedent in the use of government money for abortion, will the minister prohibit the Calgary Birth Control Association from reopening its abortion clinic?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, with respect to the hon. member's allegations, my understanding is that they may not be correct. In checking into this we found that an unfortunate error was made in a newspaper report about this project some months ago which stimulated a great deal of criticism of this project. We doublechecked it and found that most local citizens considered it a very worthy one. My understanding is that this association does not operate an abortion clinic.

* * *

AIRPORTS

MOUNT HOPE, ONTARIO—PUBLIC HEARINGS ON EXPANSION PLANS

Mr. Sean O'Sullivan (Hamilton-Wentworth): Mr. Speaker, I should like to return to the question of airports and direct my question to my good friend the Minister of Transport. Just when we had gained some confidence that the minister was aware of the difference between Mount Hope and Pickering, the minister advised us today that his department does intend to go ahead with the expansion at Port Hope. This must come as some surprise—

Mr. Speaker: Order, please. The hon. member has to take into account that other hon. members want to ask questions. It is very easy to preface a question with a speech but I do not think that is proper. The hon. member should ask his question.

Mr. O'Sullivan: I appreciate your guidance, Mr. Speaker, but I was trying to make sure that the Minister of Transport knew of that of which I speak. I now ask the Minister of Transport, who gave us the assurance that he would live up to the commitments of his predecessor, whether there will be public hearings into the proposed expansion of Mount Hope airport?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I realize the hon. member wants to make his colleague laugh and I know this is easy to do. The public has been consulted widely enough in Hamilton, but if further consultations are needed, we shall not only gladly hold them but we shall also hear any person wishing to be heard.

[Mr. Lang.]

[*Later:*]

[*English*]

Mr. Frank Howard (Skeena): Mr. Speaker, my question is supplemental and is addressed to the Minister of Transport concerning airport matters. I should like to ask the minister when he will make some statement and provide some assistance to the airports at Fort St. James, Vanderhoof, Burns Lake, Smithers and Terrace?

Mr. Speaker: Order, please.

* * *

ENERGY

OIL AND GAS—INQUIRY AS TO DISCUSSIONS BETWEEN CANADIAN AND UNITED STATES DEFENCE OFFICIALS

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is for the Minister of National Defence. In view of the optimistic evidence given yesterday by the assistant deputy minister of the United States Department of Defence before a Senate committee on oil and gas, may I ask whether there have been discussions or negotiations between the Canadian Department of National Defence and United States Pentagon officials in regard to an oil and gas deal between Canada and the United States?

Hon. James Richardson (Minister of National Defence): No, Mr. Speaker.

* * *

• (1450)

MANPOWER

LOCAL INITIATIVES PROGRAM—SUGGESTED EXPANSION TO PROVIDE FOR BUILDING OF DIKES AND EARTHWORKS ON LONG POINT ISLAND, LAKE ERIE

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. Would the minister immediately expand his LIP program so as to provide for a desperately urgent works program to build dikes, earthworks or the taking of other appropriate measures to prevent imminent disaster to hundreds of homes and cottages on Long Point Island in Lake Erie?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I do not know whether there has been an application for a local initiatives project for that purpose but I shall take note of the hon. member's representation, with sympathy.

Mr. Nesbitt: Mr. Speaker, I have a supplementary which I should like to direct to the Minister of the Environment and also the Minister of Transport. Has the Minister of the Environment discussed with his colleague the Minister of Transport measures that may be taken on Lake Erie? I raise this matter because of the terms of the Navigable Waters Protection Act over which the Minister of Transport and the Minister of the Environment seem to have jurisdiction.

Hon. Jack Davis (Minister of the Environment): Yes, Mr. Speaker.

Mr. Nesbitt: I am sorry, Your Honour, but if they have discussed this matter what do they intend to do about it?

* * *

CAPITAL PUNISHMENT

ADEQUACY OF INFORMATION SUPPLIED BY STATISTICS CANADA

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to direct a question to the minister responsible for Statistics Canada with reference to information they have provided concerning the question of capital punishment to Members of Parliament and the national press. From the point of view of categorizing and breaking down the information and in view of the increase of 100 per cent in murders and violent crimes, why was that information not sent with the other information? Was there any reason?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am informed that these statistics were prepared for publication in Murder Statistics, 1971 and Murders Reported, 1961-1970. Due to the time requirements of the printing process, these publications will not become available for approximately two months. It is Statistics Canada's normal policy, especially if there is prior evidence of public interest or concern, to provide advance information regarding forthcoming publications just as soon as the relevant data are available.

Mr. Woolliams: Mr. Speaker, I have a supplementary question. I might divide it into two parts. First of all, has the minister taken note of the fact that the national newspapers say they could not obtain this information and will it now be supplied to all Members of Parliament and the national press at their request?

Mr. Gillespie: Mr. Speaker, the Murder Statistics tabulations are complete and the data are available upon request. I can inform the hon. member of the telephone number if he would like it.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—APPROVAL OF PROJECTS

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Manpower and Immigration.

In view of the fact that many people who submitted local initiatives projects have not received an answer yet, may I ask the minister when these requests will be approved or turned down?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, this was dealt with on the late show last night to a degree, as I believe the hon. member opposite mentioned. At the moment $148 million of the $165 million allocated has been approved, including some 5,000 projects. This is 5,000 out of 15,053 projects for a total of $480 million in applications received. We are holding about $10 million to look after the special section for entrepreneurial, co-operative and business projects, which we will hold for a little while longer to deal with such special applications. The rest will go generally to administration. So we are very close to the end of the allocation this year, and all project sponsors will be advised shortly as to whether or not their projects have been approved.

[*Translation*]

LOCAL INITIATIVES PROGRAM—ANNOUNCEMENT OF PROJECTS BY MEMBERS OF PROVINCIAL LEGISLATURE

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Minister of Manpower and Immigration responsible for the Local Initiatives Program.

Could he tell us whether it is the policy of his department to allow municipal LIP projects to be announced by members or ministers of provincial legislative assemblies before these projects are approved by the federal government?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): No, Mr. Speaker. That is not the policy of the department. If the hon. member can give me some examples I would be glad to look into how it might have happened.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—PROPOSED RUNWAY—DATE OF COMPLETION OF EXPROPRIATION HEARINGS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is for the Minister of Transport regarding the Hudson Street bridge contract. In the minister's telegram to me on January 16 he assured me that any contracts which are directly affected by the outcome of the Burkeville area expropriation hearings will not be awarded until after the results of the hearings are known. When does the minister expect these expropriation hearings to be over?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I will have to ask those who are conducting the hearings when they think the hearings will be over. I do not know now.

Mr. Reynolds: Will the minister now tell the House when these expropriation hearings will start? They have not yet started.

[*Translation*]

HEALTH

INDEMNIFICATION OF VICTIMS OF THALIDOMIDE—GOVERNMENT POSITION

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

Owing to the recent decision rendered in Great Britain which has compelled the company responsible for the distribution of thalidomide to assume the financial responsibility for afflicted children, can the minister assure the House and the country that the government is seriously considering the matter, in order to find the means to help the 82 victims of that drug who are still alive in Canada?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, as early as 1962, the Canadian government, in co-operation with the provinces, was one of the first governments in the world, I think, to develop a joint program of full services for thalidomide victims. This program is available to all thalidomide victims, and all parents of a child who has been affected by this drug may benefit from this program.

Furthermore, officials have recently held a meeting with representatives of the firm responsible for the production of this drug, and I understand that the representatives of this firm are negotiating with the parents of all these children in order to come to a settlement in this matter.

[*English*]

Mr. Speaker: Order, please. Is the hon. member rising on a question of privilege?

Mr. Nielsen: Yes, I am, Sir. It is understandable that the backbenchers on the other side might not have full opportunity to obtain information but it is carrying things a little to the extreme for parliamentary secretaries to set up questions and answers like this. The next thing that will happen is that we will have ministers asking ministers questions.

Some hon. Members: Oh, oh!

• (1500)

[*Translation*]

Mr. Prud'homme: On a point of order, Mr. Speaker.

[*English*]

Mr. Turner (Ottawa-Carleton): On the question of privilege—

Mr. Speaker: Order, please. This is perhaps more a point of order than a question of privilege. If the minister wishes to address himself to the point of order he may do so.

Mr. Turner (Ottawa-Carleton): I think Your Honour decided some time ago that parliamentary secretaries are entitled to put questions to ministers as long as the questions are put to ministers other than their own. The hon. gentleman has been here long enough to know that this is perfectly legitimate.

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

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Saint-Denis on the point of order.

[*Translation*]

Is the hon. member for Saint-Denis (Mr. Prud'homme) rising on a point of order?

Mr. Prud'homme: Yes, Mr. Speaker.

Last week I said that unless the Chair advises us otherwise I intended to discharge my duties as well as any other member. Unless the Chair advises us otherwise, I would like to assure the hon. member for Yukon (Mr. Nielsen) that I fully intend to continue discharging my duties, and taking as much interest as he is taking in current problems.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I would not want to get into any controversy with the Minister of Finance, but it is not the practice for parliamentary secretaries to ask questions in the House. I realize that they need information, but if they do not get better and more complete answers than we do from ministers they are welcome to the opportunity.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I would point out that discussion of this point of order could continue for a long time. We have gone beyond the question period. I tried to recognize the hon. member for Lethbridge at the same time that I recognized the hon. member for St. Denis. Perhaps before we call orders of the day we might give an opportunity to the hon. member for Lethbridge to ask his question.

* * *

GRAIN

RAPESEED AND FLAX—INQUIRY AS TO PLEBISCITE ON INCLUSION UNDER WHEAT BOARD FOR MARKETING PURPOSES

Mr. Ken Hurlburt (Lethbridge): Thank you, Mr. Speaker. I was becoming a little concerned as I took my red jacket back to the rental outfit. My question is for the minister responsible for the Canadian Wheat Board. Is the government going to initiate a plebiscite on whether rapeseed and flax should be included in Wheat Board marketing?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, as has been stated many times in the past number of months, we intend to consult producers concerning this matter. Some of the producer organizations are still quite concerned that adequate information is not available on the subject in a way which will expedite a good decision. We

are discussing this further, and I hope to be able to have a decision from the prairie producers in the near future.

Mr. Speaker: Order, please. A number of hon. members want to ask supplementary questions but we have gone ten minutes beyond the question period. I think we should call orders of the day.

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL COMMITTEE OF THE HOUSE

The House resumed, from Monday, January 22, consideration of the motion of Mr. Gray:

That a Special Committee of this House be appointed to inquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends:

That 20 Members of the House of Commons to be designated by the House at a later date be the members of the Special Committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said Committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to sub-committees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary.

And the amendment thereto of Mr. McGrath (p. 477), and the amendment to the amendment of Mr. Harney (p. 478); the amendment, Mr. Woolliams (p. 536), and the amendment to the amendment, Mr. Knowles (p. 537); the amendment, Mr. Atkey (p. 538).

Mr. Speaker: In accordance with the special order made at yesterday's sitting, the House will now proceed to the taking of deferred divisions and to the putting of any other question necessary to dispose of the amendments now before the House in relation to the motion to appoint a special committee to inquire into the trends in food prices.

The first question will be on the sub-amendment proposed by the hon. member for Scarborough West (Mr. Harney), seconded by the hon. member for Sault Ste. Marie (Mr. Symes).

The House divided on the amendment (Mr. Harney) which was agreed to on the following division:

(Division No. 5)

YEAS

Messrs.

Allard	Beaudoin	Blais
Allmand	Béchard	Blaker
Andras	Bégin (Miss)	Blouin
Barnett	Benjamin	Boisvert
Basford	Blackburn	Boulanger
Breau	Herbert	Nelson
Brewin	Hopkins	Nesdoly
Broadbent	Howard	Nystrom
Buchanan	Hymmen	Olaussen
Caccia	Isabelle	Olivier
Cafik	Jamieson	Orlikow
Campbell	Jerome	Ouellet
Caouette (Charlevoix)	Knight	Pelletier (Hochelaga)
Caron	Knowles (Winnipeg North Centre)	Pelletier (Sherbrooke)
Clermont	Lachance	Penner
Comtois	Laflamme	Portelance
Corbin	Lajoie	Poulin
Corriveau	Lalonde	Prud'homme
Côté	Lambert (Bellechasse)	Railton
Cullen	Lang	Reid
Cyr	Langlois	Richardson
Danson	Laniel	Rodriguez
Davis	La Salle	Rompkey
De Bané	Latulippe	Rondeau
Demers	Leblanc (Laurier)	Rooney
Dionne	Leblanc (Westmorland-Kent)	Rose
Douglas	Lefebvre	Rowland
Drury	Leggatt	Roy (Timmins)
Dubé	Lessard	Roy (Laval)
Dupont	Lewis	Saltsman
Dupras	L'Heureux	Sauvé (Mrs.)
Duquet	Loiselle	Sharp
Éthier	MacDonald (Cardigan)	Smith (Northumberland-Miramichi)
Faulkner	Macdonald (Rosedale)	Smith (Saint-Jean)
Firth	MacEachen	Stanbury
Fleming	MacGuigan	Stewart (Okanagan-Kootenay)
Fortin	MacInnis (Mrs.)	Stewart (Cochrane)
Foster	Mackasey	Stollery
Fox	Marceau	Symes
Gauthier (Roberval)	Marchand (Langelier)	Tétrault
Gauthier (Ottawa East)	Marchand (Kamloops-Cariboo)	Thomas (Maisonneuve-Rosemont)
Gendron	Mather	Trudeau
Gilbert	Matte	Trudel
Gillespie	McRae	Turner (London East)
Gleave	Morin (Mrs.)	Turner (Ottawa-Carleton)
Godin	Munro (Hamilton East)	Walker
Goyer	Neale (Vancouver East)	Watson
Gray		Whelan
Grier		Whicher
Guay (St. Boniface)		Yanakis—152.
Guay (Lévis)		
Guilbault		
Haidasz		
Harding		
Harney		

Food Prices Committee

NAYS

Messrs.

Alexander	Carter	Forrestall
Alkenbrack	Clark (Rocky Mountain)	Frank
Andre	Clarke (Vancouver Quadra)	Fraser
Arrol	Coates	Gillies
Atkey	Cossitt	Grafftey
Baker	Crouse	Hales
Baldwin	Danforth	Haliburton
Balfour	Darling	Hamilton
Bawden	Dick	(Qu'Appelle-Moose Mountain)
Beattie (Hamilton Mountain)	Diefenbaker	Hamilton (Swift Current-Maple Creek)
Beatty (Wellington-Grey-Dufferin-Waterloo)	Dinsdale	Hargrave
Bell	Ellis	Hees
Blenkarn	Epp	Hellyer
	Fairweather	Higson

Food Prices Committee

Messrs:

Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Howie
Hueglin
Hurlburt
Jarvis
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Kuntz
Lambert (Edmonton West)
Lawrence
Lundrigan
MacDonald (Egmont)
MacDonald (Kingston and The Islands)
MacInnis (Cape Breton-East Richmond)
MacKay
MacLean
Macquarrie
Madill
Marshall
Masniuk
Mazankowski
McCain
McGrath
McKenzie
McKinley
McKinnon
Mitges
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Nowlan
Oberle
O'Connor
O'Sullivan
Paproski
Reilly
Reynolds
Ritchie
Roche
Rynard
Schellenberger
Schumacher
Scott
Stackhouse
Stanfield
Stevens
Stewart (Marquette)
Taylor
Thomas (Moncton)
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—102.

• (1530)

Mr. Speaker: I declare the subamendment carried.

The amendment as amended will now be put to the House.

Mr. Baldwin: Mr. Speaker, for the purpose of saving time, now that we have heard the sweet mating call of the NDP and the Liberals, we see no reason to put the motion as amended. It is obvious that the Liberals and the NDP will agree to it and, as far as we are concerned, there is no reason to put it.

Mr. McGrath: Mr. Speaker, we would not want to break up that happy marriage.

Mr. Speaker: Does the House wish to withdraw the motion?

An hon. Member: On division.

Mr. Speaker: Is it carried on division?

An hon. Member: Carried on division.

Amendment as amended (Mr. McGrath) agreed to.

Mr. Speaker: The question is now on the subamendment proposed by the hon. member for Winnipeg North Centre (Mr. Knowles). All those in favour will please say, yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Is it the wish of the House to proceed without ringing the bells? Is this agreed?

Some hon. Members: Agreed.

The House divided on the subamendment (Mr. Knowles) which was agreed to on the following division.

[Mr. Speaker.]

(Division No. 6)

YEAS

Messrs.

Allard
Allmand
Andras
Barnett
Basford
Beaudoin
Béchard
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boisvert
Boulanger
Breau
Brewin
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caouette (Charlevoix)
Caron
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
De Bané
Demers
Dionne
Douglas
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Faulkner
Firth
Fleming
Fortin
Foster
Fox
Gauthier (Roberval)
Gauthier (Ottawa East)
Gendron
Gilbert
Gillespie
Gleave
Godin
Goyer
Gray
Grier
Guay (St. Boniface)
Guay (Lévis)
Guibault
Haidasz
Harding
Harney
Herbert
Hopkins
Howard
Hymmen
Isabelle
Jamieson
Jerome
Knight
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Lajoie
Lalonde
Lambert (Bellechasse)
Lang
Langlois
Laniel
La Salle
Latulippe
Leblanc (Laurier)
Leblanc (Westmorland-Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Matte
McRae
Morin (Mrs.)
Munro (Hamilton East)
Neale (Vancouver East)
Nelson
Nesdoly
Nystrom
Olaussen
Olivier
Orlikow
Ouellet
Pelletier (Hochelaga)
Pelletier (Sherbrooke)
Penner
Portelance
Poulin
Prud'homme
Railton
Reid
Richardson
Rodriguez
Rompkey
Rondeau
Rooney
Rose
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stewart (Cochrane)
Stollery
Symes
Tétrault
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—152.

NAYS

Messrs.

Alexander
Alkenbrack
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Blenkarn
Carter
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates

Messrs:

Cossitt	Howie	McKinnon
Crouse	Hueglin	Mitges
Danforth	Hurlburt	Muir
Darling	Jarvis	Munro (Esquimalt-Saanich)
Dick	Kempling	Murta
Diefenbaker	Knowles (Norfolk-Haldimand)	Neil (Moose Jaw)
Dinsdale	Korchinski	Nesbitt
Ellis	Kuntz	Nielsen
Epp	Lambert (Edmonton West)	Nowlan
Fairweather	Lawrence	Oberle
Forrestall	Lundrigan	O'Connor
Frank	MacDonald (Egmont)	O'Sullivan
Fraser	MacDonald (Kingston and The Islands)	Paproski
Gillies	MacInnis (Cape Breton-East Richmond)	Reynolds
Grafftey	MacKay	Ritchie
Hales	MacLean	Roche
Haliburton	Macquarrie	Rynard
Hamilton (Qu'Appelle-Moose Mountain)	Madill	Schellenberger
Hamilton (Swift Current-Maple Creek)	Marshall	Schumacher
Hargrave	Masniuk	Scott
Hees	Mazankowski	Stackhouse
Hellyer	McCain	Stanfield
Higson	McCleave	Stevens
Hollands	McGrath	Stewart (Marquette)
Holmes	McKenzie	Taylor
Horner (Crowfoot)	McKinley	Thomas (Moncton)
Horner (Battleford-Kindersley)		Towers
		Wagner
		Whittaker
		Wise
		Woolliams
		Yewchuk—101.

• (1540)

Mr. Speaker: I declare the subamendment carried. The question is now on the amendment, moved by Mr. Woolliams, seconded by Mr. Dinsdale. I am not sure whether—

Mr. Baldwin: Possibly Your Honour could carry out the same procedure as on the last amendment.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, is it not the situation that we now have an amendment as amended?

Mr. Speaker: Of course, this is the amendment as amended which will have to be put before the House. I am seeking the guidance of hon. members whether they want the question put and either carried or lost on division. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: On division.

Mr. Speaker: I declare the said motion carried on division.

Amendment (Mr. Woolliams) as amended agreed to.

Mr. Speaker: The House will now proceed to the amendment proposed by the hon. member for St. Paul's (Mr. Atkey), seconded by the hon. member for Egmont (Mr. MacDonald). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: Those in favour of the amendment will please say yea.

Some hon. Members: Yea.

Mr. Speaker: Those opposed to the amendment will please say nay.

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Is it the wish of the House that we have the division without ringing the bells?

Some hon. Members: Agreed.

The House divided on the amendment (Mr. Atkey) which was negatived on the following division:

(Division No. 7)

YEAS

Messrs.

Alexander	Godin	Macquarrie
Alkenbrack	Grafftey	Madill
Allard	Hales	Marshall
Andre	Haliburton	Masniuk
Arrol	Hamilton (Qu'Appelle-Moose Mountain)	Matte
Atkey	Hamilton (Swift Current-Maple Creek)	Mazankowski
Baker	Hargrave	McCain
Baldwin	Hees	McGrath
Balfour	Hellyer	McKenzie
Bawden	Higson	McKinley
Beattie (Hamilton Mountain)	Hollands	McKinnon
Beatty (Wellington-Grey-Dufferin-Waterloo)	Holmes	Mitges
Beaudoin	Horner (Crowfoot)	Muir
Bell	Horner (Battleford-Kindersley)	Munro (Esquimalt-Saanich)
Blenkarn	Howie	Murta
Boisvert	Hueglin	Neil (Moose Jaw)
Caouette (Charlevoix)	Hurlburt	Nesbitt
Carter	Jarvis	Nielsen
Clark (Rocky Mountain)	Kempling	Nowlan
Clarke (Vancouver Quadra)	Knowles (Norfolk-Haldimand)	Oberle
Coates	Korchinski	O'Connor
Cossitt	Kuntz	O'Sullivan
Crouse	Lambert (Bellechasse)	Paproski
Danforth	Lambert (Edmonton West	Reilly
Darling	Latulippe	Reynolds
Dick	Lawrence	Ritchie
Diefenbaker	Lundrigan	Roche
Dinsdale	MacDonald (Egmont)	Rondeau
Dionne	MacDonald (Miss) (Kingston and The Islands)	Rynard
Ellis	MacInnis (Cape Breton-East Richmond)	Schellenberger
Epp	MacKay	Schumacher
Fairweather	MacLean	Scott
Forrestall	Macquarrie	Stackhouse
Fortin	Madill	Stanfield
Frank	Marshall	Stevens
Fraser	Masniuk	Stewart (Marquette)
Gauthier (Roberval)	Matte	Taylor
Gillies	Mazankowski	Tétrault
	McCain	Thomas (Moncton)
	McGrath	Towers
	McKenzie	Wagner
	McKinley	Whittaker
	McKinnon	Wise
	Mitges	Woolliams
	Muir	Yewchuk—115.
	Munro (Esquimalt-Saanich)	
	Murta	
	Neil (Moose Jaw)	
	Nesbitt	
	Nielsen	
	Nowlan	
	Oberle	
	O'Connor	
	O'Sullivan	
	Paproski	
	Reilly	
	Reynolds	
	Ritchie	
	Roche	
	Rondeau	
	Rynard	
	Schellenberger	
	Schumacher	
	Scott	
	Stackhouse	
	Stanfield	
	Stevens	
	Stewart (Marquette)	
	Taylor	
	Tétrault	
	Thomas (Moncton)	
	Towers	
	Wagner	
	Whittaker	
	Wise	
	Woolliams	
	Yewchuk—115.	

Food Prices Committee

NAYS

Messrs.

Allmand	Guay (Lévis)	Neale (Vancouver East)
Andras	Guilbault	Nelson
Barnett	Haidasz	Nesdoly
Basford	Harding	Nystrom
Béchard	Harney	Olaussen
Bégin (Miss)	Herbert	Olivier
Benjamin	Hopkins	Orlikow
Blackburn	Howard	Ouellet
Blais	Hymmen	Pelletier
Blaker	Isabelle	(Hochelaga)
Blouin	Jamieson	Pelletier
Boulanger	Jerome	(Sherbrooke)
Breau	Knight	Penner
Brewin	Knowles (Winnipeg	Portelance
Broadbent	North Centre)	Poulin
Buchanan	Lachance	Prud'homme
Caccia	Laflamme	Railton
Cafik	Lajoie	Reid
Campbell	Lalonde	Richardson
Caron	Lang	Rodriguez
Clermont	Langlois	Rompkey
Comtois	Laniel	Rooney
Corbin	La Salle	Rose
Corriveau	Leblanc (Laurier)	Rowland
Côté	Leblanc	Roy (Timmins)
Cullen	(Westmorland-Kent)	Roy (Laval)
Cyr	Lefebvre	Saltsman
Danson	Leggatt	Sauvé (Mrs.)
Davis	Lessard	Sharp
De Bané	Lewis	Smith
Demers	L'Heureux	(Northumberland-Miramichi)
Douglas	Loiselle	Smith (Saint-Jean)
Drury	MacDonald	Stanbury
Dubé	(Cardigan)	Stewart (Okanagan-Kootenay)
Dupont	Macdonald	Stewart (Cochrane)
Dupras	(Rosedale)	Stollery
Duquet	MacEachen	Symes
Éthier	MacGuigan	Thomas (Maisonneuve-Rosemont)
Faulkner	MacInnis (Mrs.)	Trudeau
Firth	Mackasey	Trudel
Fleming	Marceau	Turner (London East)
Foster	Marchand	Turner
Fox	(Langelier)	(Ottawa-Carleton)
Gauthier	Marchand	Walker
(Ottawa East)	(Kamloops-Cariboo)	Watson
Gendron	Mather	Whelan
Gilbert	McRae	Whicher
Gillespie	Morin (Mrs.)	Yanakis—139.
Gleave	Munro	
Goyer	(Hamilton East)	
Gray		
Grier		
Guay (St. Boniface)		

• (1550)

Mr. Speaker: The House will now return to consideration of the main motion as amended.

Mr. Bill Knight (Assiniboia): Mr. Speaker, I take this opportunity to rise to discuss some of the important matters and criteria that this committee should examine in respect of food prices. I was somewhat amazed by some of the amendments moved. We have now entered an era in which that great party of tradition and protection in this country has moved an amendment to eliminate the other place. This has been quite a change.

Mr. Speaker: Order, please. I simply want to remind the hon. member that he cannot reflect on a vote. There should not be any debate on a matter that has been decided by a vote in the House.

[Mr. Speaker.]

Mr. Knight: Mr. Speaker, in this nation we have had a series of committees examining the matter of food prices as they affect the consumer. Quite often those committees have not considered the problems that are faced by the producers. Certainly, there is ample evidence to indicate a need for a revision of the entire food industry from the primary producer to the consumer. The criteria outlined for the study could well be expanded to include a considerable number of items in addition to those in the terms of reference. This is certainly true when we consider that in 1949 farmers were receiving 57 per cent of the food dollar, while in 1972 they are receiving only 38 per cent of that food dollar. Surely, this is an area which ought to be examined as well.

I am not so much concerned about the kind of debate which has taken place, and some of it has been very good. What disturbs me is that before this motion to establish a committee was put forward the Minister of Finance (Mr. Turner) consulted with the food industry to determine whether there should be an examination of the food industry. He wanted to know if it would be all right to examine this whole area as well as the corporate interests involved. There was no minister of finance in the constituency of Assiniboia asking the farmers about a study of food prices as they related to them. There was no minister of finance asking the consumers of this nation what effect an examination of food prices would have on them. The minister went to the food industry for consultation, which indicates the relationship between the corporate interests and the present government. He wanted to know if it would be all right to have an investigation of the situation.

When the measure is adopted we will have a committee of 25 members with the old line parties having equal membership, and with three members from the NDP. I can see how the consumers and farmers of this country can be helped by that situation. There ought to be a clear examination of the structure of corporate power within this nation and how it relates to food prices.

Mr. Mazankowski: Who voted with the government?

Mr. Knight: I am sure that the hon. member for Vegreville (Mr. Mazankowski) can find some kind of agreement in his Tory heart. He knows the plight of the farmers. He knows that wheat is selling to the milling companies for $1.95 a bushel while domestic wheat is bringing, on the average, $2.63 a bushel.

Mr. Mazankowski: You supported the government.

Mr. Knight: The price is $1.95½ for milling wheat, but the actual market price is up to $2.63 a bushel. I suggest the Minister of Justice (Mr. Lang) should learn that farmers are not going to be fooled by the two-price system which allows the price of wheat to milling companies to stand at $1.95½ per bushel. There has been no sign from that group that there will be any change in this kind of situation, certainly not by the hon. member for Mackenzie (Mr. Korchinski). The Minister of Finance had an interview with the members of the food industry with regard to what could be done, and this parliament, through amend-

ments, has now strengthened the role that this committee should play; I think that is important.

• (1600)

What has brought this issue to a head? Some interesting facts were pointed out in the *Gazette*. For example, the bag of groceries that the housewife bought in December cost her 8.6 per cent more than it cost a year ago, thus squeezing the family budget and eroding the purchasing power of those on fixed incomes. The hon. member for Skeena (Mr. Howard) has referred to the situation faced by many people on fixed incomes when they buy food. Indeed, many of them have no incomes at all, and to them a steak is a slice of bologna. In this nation of so much wealth and possibility, these are questions that ought to be examined by the committee and some answers to them brought forward.

Then, we have the corporate side of the food industry. Supermarkets state that their profit range is less than 1.5 per cent of sales. However, they neglect to point out that profit on investment is closer to 11 per cent. We are used to hearing these kinds of figures from the old line parties, but we are not used to hearing these kinds of figures from the food industry—that is, unless you are a farmer, in which case you have been hearing them for years. A profit of 11 per cent is more the kind of tune they should be playing.

Let me give some further information about the corporate side of the food industry. In 1966, five corporate chains controlled more than 75 per cent of the grocery business in urban areas, and since then that control has been increasing all the time. During this debate reference was made to the termination of the investigation that was made in 1967. My family has been involved in the food industry, either as a producer or as a small retail operator, for quite a long time and could tell a lot about the corporate interests in this country, as well as what has happened to small businessmen as a result of the growth of large corporations. We have seen chain store after chain store built on every corner of every street, almost to the point where they are like garages. What a waste of capital expenditure.

In the city of Weyburn there is a co-operative which does offer some competition to the monopolies. There is also an OK Economy store and a Safeway, and there is not a block between the three of them. The co-op does very well and I believe that Safeway does very well, but the OK Economy store might as well have never been built. This is an illustration of waste and it is the sort of thing the committee should examine to determine the best use of capital by large chain stores.

In one part of the food processing industry one firm controlled 100 per cent of the market in the Maritimes and western Canada and 80 per cent of the market in Quebec and Ontario. What does this kind of control do to prices, Mr. Speaker? It allows monopolistic capitalism to set the price that the consumer pays and which the producer receives for his commodity. I assume that the two old line parties call this free enterprise, but to me it is the kind of free enterprise that is free only for those who can gouge.

I have already referred to the domestic price of wheat and how it is affecting producers in western Canada. We have had the Lift program and Lord knows what other kind of programs offered by this government which have been let-downs. I remember the hue and cry on the part of some members of the opposition in this House at the small farm development program, yet two Tory governments were the first to participate in that program.

In 1972 the farmer, particularly in the west, was simply getting to the position where he should have been in terms of income. This committee should examine with real seriousness farm income and how it relates to the price of food. How many realize that only one and three quarter cents of a 30 cent loaf of bread goes to the producer? I include the three quarters of a cent since the price of bread has risen on the world market, though the millers are still paying $1.95½ per bushel for wheat. Let me use as a further example the price of another product. A 48-ounce can of apple juice sells today for 40 cents. Do you assume, Mr. Speaker, that the producer gets 20 cents of that 40 cents? No, Sir, he does not. Would you assume that he gets 15 cents? All he gets, Mr. Speaker, is seven cents of that 40 cents.

The average return on an acre of land in western Canada during the last five years does not even amount to $1, which would produce a net income of $640 per section. The net return is not even 50 cents, it is a mere 44 cents an acre. This is an atrocious situation in terms of trying to keep farmers on the land and illustrates the problems faced by producers. In 1949 the net income of a farmer was $1,383. By 1971 it had climbed a little and had reached $1,570. If an individual can look at those figures and fail to recognize that there have to be some fundamental answers to the problems facing producers, then he cannot see beyond his own nose.

Cash receipts received by western farmers in the year 1951 amounted to $694 million. If I may go back to 1949, the total was $682 million. Instead of increasing in step with the rest of the economy, these cash receipts had dropped to $533 million by 1969. In 1970, they totalled $570 million and in 1971 $575 million. No producer can get fat off the land with a return like that. As I say, the committee ought to examine what is the farmer's share of the food dollar in relation to the price paid for his commodities by the consumer. The committee should examine the whole question of pricing in the large urban centres. In a certain end of the town when it is known that the workingman is buying hamburger, bologna or other cheaper cuts, the prices are increased. At the other end of the town where the more well-to-do people live—

• (1610)

An hon. Member: The Conservatives.

Mr. Knight: —the food prices remain the same. Another matter the committee should examine is the relationship between the price the farmer receives for his commodities and the cost of production. When people say that the price of food has increased, in terms of what the farmer is receiving,—and I am not talking about retail prices—they never examine the cost of the various items connected with production such as the price of farm machinery which is skyrocketing, the price of fertilizer which increased $10 a ton in one week or the gouging in respect of land in western Canada which is the greatest it has

been in five years. These things should be kept in mind by the committee when it examines the food industry.

Finally, the committee should look into the area of corporate expenditures related to the construction of fancy buildings, the use of fancy advertising and so on. Furthermore, the committee should take some initiative or show some imagination by examining the possibility of having a program to help those people in Canada who are in need of a proper diet and proper nutrition. For example, one might examine the idea of an internal food aid program. This would be the type of program that would ensure that Canadians on low incomes, and perhaps those in some isolated areas of this nation, would have a proper diet. If we were to examine the kind of program outlined by the United States government, perhaps we would find that such a program could be generated for the farmers of this nation, particularly the farmers of eastern Canada and the Maritimes rather than the wheat producers. Through an internal aid food program, we could generate something in the neighbourhood of $200 million for the benefit of the producers and at the same time solve the problems of the needy people in this country where one Canadian in every four still lives below the poverty line. That kind of redistribution in terms of food should be given serious consideration.

I asked in this House for a copy of a report by the United States Department of Agriculture under its internal food aid program, as did the hon. member for Vancouver-Kingsway (Mrs. MacInnis) previously. When one asks for information on such a program what is the result? We are told that the publication of this report is not in the public interest. It is not in the public interest because federal governments, either the Tweedledee's or the Tweedledum's, have not had the imagination to develop this kind of program which would be of assistance to the primary producers of this country. This is one area into which I hope the committee will look.

I have a letter, if I may call it a letter—perhaps it is more in the form of a petition—from the Federated Co-operatives Limited in Saskatchewan. It is addressed to the Prime Minister (Mr. Trudeau) who just stepped out. This organization is interested in the matter of the inflated costs. It reads:

WHEREAS the Prices and Incomes Commission in its final report—

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member but the time allotted to him under the order of last week has expired. He could continue, however, if there is unanimous consent of the House. Is this agreed.

Some hon. Members: Agreed.

Mr. Knight: Thank you, Mr. Speaker. I also thank my fellow members for their courtesy in giving me this extra time, including the hon. member for Peace River (Mr. Baldwin). I shall proceed to the part of this letter containing the resolution:

THEREFORE BE IT RESOLVED that we urge the Government of Canada to reconsider the report of the Prices and Incomes Commission and to initiate, with the least possible delay, a program of measures designed to control inflation and to stabilize prices in Canada;

AND BE IT FURTHER RESOLVED that such measures be contrived and applied in such a manner as to avoid placing the preponderance of its consequences upon wage earners or persons of fixed income, but in fair and just manner, apply to all forms of individual, corporate and institutional income and include prices, profits, interest, salaries and wages, and tax-derived revenues.

This is something we would never get from the Tory party. When this committee draws its report, I suggest it may come to the conclusion that there must be a program of income support or support prices for the producer's commodities, perhaps in the form of guaranteed minimum prices. On the other end, in terms of the consumers, the committee may conclude that there should be a program of income redistribution in this country so that people will have the money necessary to purchase those consumer goods, such as food, which everyone needs.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, as I rise to take part in this debate I wish to say that as a member of this House of Commons I am somewhat shocked by the blasphemies heaped upon the members of my party by my friends to the left, especially when we were so generous in permitting the hon. member a few moments of extra time.

Like everyone else who has preceded me in this debate, I am concerned about the price of food and how it keeps rising. I am concerned about the effect of these increases on pensioners and others on fixed incomes. Frankly, I do not understand how some people are able to raise a family of three or four children with all the necessities in respect of clothing, housing and so on, on the incomes they have. I am concerned about what is happening to these people in the communities. They are taxed at one end of the scale by the Department of National Revenue, by sales taxes, by municipal taxes, by education taxes, by the excise tax, and on the other end of the scale they are taxed by the fact that the value of the dollar they have dwindles and disappears. I agree with many hon. members who have spoken from both sides of this House that if this increase in food costs had in some way supported the farmers or producers of Canada in a realistic manner then maybe the public would not be so concerned. But that has not happened.

The hon. member for Crowfoot (Mr. Horner) spoke of the abandoned farms in the west. I want to tell you, Mr. Speaker, that we have them in eastern Ontario as well. The government has embarked on a marketing policy that is putting producers out of the market. As if that process needed any help, a capital gains tax has been placed on farmlands, even when they are passed within a family. The basic herd principle has been abandoned. All these factors not only drive producers off the land but ensure that very few new producers can come on the land to take their place. I remember this past spring and fall that the farmers of eastern Ontario, particularly in Dundas, Grenville and Carleton counties, were having difficulty in even getting onto the land to see whether they could harvest their stunted crops. When they could not get on the land to do that, when they needed cash to help them, when they needed a policy to help stabilize the price of feed, when they needed real help, this government came through with a pittance in comparison with the size of the problem. In fact, one farmer in my constituency said to me that what he got from the government in the form of aid in that

crisis would not pay the legal fees of a good lawyer in the foreclosure action that he faced.

• (1620)

The NDP, that party to the left, lash out at conglomerates, the big chains, the retailers, but they never mention the unions. They take us on a trip that starts at the corner store, continues to Loblaws and finally ends up in Sweden. We always seem to end up in Sweden.

What of this government? The minister says that the government is determined to contain inflation and to protect the dollar. I ask you: when did they develop this concern? I suggest that they started to develop it in the election of 1972. The problem has been with us for four years. They like to say that this is a lesson they learned from the election. I put it to you, Sir, that I would be forgiven if I called it a deathbed repentance. They called it a world-wide problem. They blame it on poor food crops. They compare Canada with countries with which there is no valid comparison and, when all else fails, they blame it on the weather. They never face up to the fact that they could have done something about it, but they did not even try. The best they have been able to do for a country that is waiting for answers has been to wring their hands and to form a committee.

I share the doubts of members of the House on both sides on the question of whether this committee will ever be effective. But as members of this House, we cannot throw up our hands in despair. Our duty is to make that committee work, if it will work, and to make that committee as effective as possible. That is why I supported the motion not to include the members of the other place, as well as the other motions. However, the House has voted on those motions.

There are some hon. members who have advocated the imposition of price and wage controls, and who have suggested that it be done immediately. I hope that the situation in this country can be such that we will never need this kind of control of our economy. But it is a matter which the committee must consider and upon which it must make a recommendation. Speaking for myself and judging from the calls I have had from the people in my constituency as well as the letters that I have received from my constituents and other people, I am satisfied that the mood of the country, if it can be measured on the basis of telephone calls, letters and conversations, is such that the people would now accept at least a temporary freeze on wages and prices. The committee has a duty to consider this remedy, but the government has a duty to the House and to the country in that regard. No one would expect the government to announce a system of wage and price controls unless it is debated in the House first, and after they have determined to impose such a remedy, if they ever do. But everyone expects this government to come clean with the committee and with the country. Everyone expects the government to lay its cards on the table.

The Trudeau government has said that they have contingency plans. They have a duty to this committee, this House and this country to produce plans. The country should know how far the government intends to go if it decides to impose wage and price controls. Would their plan include a prices and wages review board? What other machinery would be included in their contingency plan? Indeed, do these plans go beyond the mere control of food prices and do they venture into the field of rent, housing, and other incomes as well as all the other components in the total inflation picture?

The government has said that these contingency plans are in existence. They should not be hidden behind the words "in due course". The government should now take this country into its confidence. More important, they have said that they will impose these contingency plans "when the time comes". They have a duty to tell this committee, to tell the House and the country what criteria they will consider in determining when the time has come. I say this, and I say this with some sorrow, that I am satisfied that the indecisive and unresponsive attitude of this government in all matters, whether in postal disputes, industrial disputes or even on the matter of prices, has encouraged rather than discouraged changes and increases in prices. I am satisfied as well that the government has contributed to an attitude in Canada where large price increases are now considered inevitable by all those engaged in the market, and as a result those who now ask us for remedies find themselves in the midst of a crisis.

The government has a duty to make a full disclosure. If they do not, then the committee may well be a charade, and I hope it never becomes that. If they do make a disclosure, then I put it to you that it is reasonable to expect that the glimmer of optimism which some of us still hold may be justified. I do not think I shall take up any more of the time of the House in this debate. There are other hon. members who wish to speak on the question and instruct the committee.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, once more the members are forging ahead in a debate on inflation. Indeed, the problem of increasing cost of living and salaries continues to haunt the government and once again we realize that the government does not have ready solutions to solve it.

Faced with this situation, the government suggests as usual that a committee be created to study the trends in food prices across Canada as well as their causes.

Mr. Speaker, by asking the House to form a committee to study the higher food costs, the government recognizes the total failure of the studies made by the famous Young commission on inflation. I remember the bitter debates in this House when the Young commission was created, when the government thought it had found a miracle solution to check inflation. In fact it was decided that a special commission would be assigned the task, by Parliament, of looking into all the elements, domestic and foreign, which contribute to the rise in prices and salaries, and taking the necessary steps to check, inflation. As it happens, the work of that commission gave absolutely no results.

• (1630)

Inflation—to use a favorite expression of the Prime Minister (Mr. Trudeau)—keeps "galloping", prices and

salaries keep going up, and poverty exists among riches. Quite paradoxically, the price of commodities keeps rising, while the Canadian people are getting deeper and deeper into debt because they lack the purchasing power to buy them, and the government keeps taking that power away from them by picking their pockets and then, we are in a vicious circle.

Mr. Speaker, this committee the government proposes to appoint will have to report and make recommendations on the trends of food prices. There is no need to appoint a committee to do that. Every Canadian will agree with me that prices are going up. Therefore, there is no need to appoint a committee in order to determine the trend of prices because they are obviously going up. And I suppose that if the government is now making a further attempt by giving such responsibilities to that committee it is probably because the Young Commission, with all its studies that cost thousands of dollars, did not succeed in finding whether prices were going up or down.

It is indeed incredible that we should be satisfied with marking time and still ask ourselves whether prices are rising. Such studies will not give one cent more to any Canadian consumer, except to the officials travelling with the committee.

The second responsibility entrusted to that committee is to study the factors domestic and foreign which account for the trends of food prices.

Mr. Speaker, as concerns the factors likely to have a bearing on prices, no new information will crop up. If you consider the results of the Barber Commission on the prices of farming implements mentioned in his speech last night by the hon. member for Bellechasse (Mr. Lambert)—a report which has been shelved under a ten-inch thick layer of dust—you will find conclusions about the foreign and domestic factors that influence price increases.

If you go through the reports submitted by the Canadian Economic Council since its establishment, you will realize that the foreign and domestic factors of consumer price increases have been identified by that organization but here again these conclusions remain the bedside book of the Right hon. Prime Minister and of the Leader of the official Opposition (Mr. Stanfield). They do not go any further because the governments, Progressive Conservative or Liberal, of the last 100 years have been the main factors of price and salary increases through their policy which only results in depriving taxpayers of their purchasing power, thus creating an imbalance between consumption and production which only leads to more inflation.

Among the factors which influence consumer prices, one should consider indirect taxation instead of direct taxation, and particularly the sales tax on building materials which causes consumer prices to go up. One should also consider personal income tax which still reduces the purchasing power. What happens under such circumstances? The income of the Canadian citizen is subjected to all kinds of taxes and inevitably he is unable to buy the goods which he himself produced. Why? Because between production and consumption the governments always step in to reduce the purchasing power, but they never dare think one minute that perhaps they should do the opposite in order to solve this problem, that is increase the individual purchasing power.

[Mr. Fortin.]

It is rather paradoxical that in spite of an overproduction in Canada, not only the findings of studies but even some members say that underconsumption exists because prices are too high. It is strange to find that everyone is playing around the real problem, but nobody attacks it.

Social Crediters have been laughed at for a long time because some said they were advocating a silly doctrine and intended to operate a money machine. Today all serious-minded people know that this is false. In explaining their doctrine, Creditistes have often indicated that the individual is the cornerstone of the economic system and that, inasmuch as the individual really takes part in the economic life of his country, it is soundly administered and the government truly achieves its end which is to make financially possible what is physically desirable for the Canadian citizen.

Mr. Speaker, the various succeeding governments always went in for getting more money from the taxpayers' pockets in order to finance countless government programs in social security, regional economic expansion or any other fields, thus reducing the taxpayers' purchasing power.

Given this fact and spiraling prices and wages, Social Crediters suggest two solutions. First, as thd major problem is the lack of purchasing power it would be imperative to recommend the establishment of a guaranteed annual income for each citizen, whatever his situation, his language, his race or his religion so as to enable him to get his share of the national production and this without any rise in prices or in wages. Each and every one, according to his age and certain categories and taking into account the present economic situation, should be granted an income which will ensure not only that individual work is encouraged, but also that the individual has the financial means to take part in production and consumption by purchasing products on the market.

Mr. Speaker, ministers of finance gorge themselves with nice talk when they say that Canada has a very high national product. In his next budget speech, the Minister of Finance (Mr. Turner) will tell that due to the good administration of the government, gross national product has once again increased by so much per cent. In the meantime however, the purchasing power of the consumer will also have been eroded, poverty will have increased and the administration of social security schemes will cost more and more. The wage-earner is heavily taxed in order that those who do not work may be given something and finally the economic wheel of our country is not turning well.

We therefore propose granting each Canadian citizen a guaranteed annual income whose amount would be scientifically calculated to enable him to purchase the share of the national production which he either earns through his work or is fully entitled to as a Canadian citizen.

In the second place, Mr. Speaker, this legislation would certainly increase Canadian production without necessarily boosting prices, but of course prices might still go up.

Because of this, the Social Credit party has long been advocating legislation entirely in contradiction with the philosophy of the old parties which have been succeeding each other over the past 100 years, namely compensated discount to be granted to consumers through the dealer with reimbursement guaranteed by the government. This program is contrary to price and salary controls in that it leaves the consumer free to purchase where he will and the dealer free to participate or not to the program. Moreover, this compensated discount program would allow the government to take direct action relative to prices.

Mr. Speaker, that is a scientific economic project worthy of examination. To my great regret, once again the government is about to set up a task force to study studies carried out by other task forces, all of which will result in more reports which will sit on shelves, without any positive recommendation being brought forward.

• (1640)

Under the influence of the New Democratic Party, they will propose controls over prices and salaries.

Through the backward policy of the old political parties, the consumer today is caught in a vise and unable to participate in production. As for the merchant, he must in turn face price increases, wage increases, taxes on capital gains, so that the businessman, the industrialist and the private sector are also trapped in a vise. This is why we say that we are heading more and more toward a socialist system.

But, Mr. Speaker, I shall oppose with all my strength any control over prices and salaries in Canada because, having observed the course of this debate, I realize very clearly that this will be one of the findings of the committee's report and I fully intend to keep on proposing in this House a compensated discount.

The compensated discount, as I summed it up a moment ago, is a concrete step. Nothing is forced upon anyone and price increases are directly affected. Those dealers who want to opt out may do so. However, they will have to face a fair competition, because Social Credit respects and promotes the healthy and normal development of free enterprise in our country, that is private enterprise.

The dealer who chooses to join the compensated discount scheme can then give, according to the present economic conditions and the indications of the Minister of Finance, a discount up to 5 per cent for specific economic conditions.

Thus, any consumer is free to do business with a dealer who takes part in the compensated discount scheme or with another who does not. Moreover, the dealer is entirely free to accept or not the compensated discount program.

The consumer buying from a dealer who has joined the program will get a product at 5 per cent less. The consumer pays 5 per cent less for the product and the dealer files a claim with the government at the end of the month so as to compensate for his loss; thus the selling price of a product for the dealer taking part in the program is the same as for the dealer who has not joined it, except that in the case of the consumer there is a 5 per cent saving.

Food Prices Committee

Why is the government creating a committee to investigate consumer prices? It is precisely because they want to yap, to clamour from one ocean to another that prices are going up, that people's incomes do not enable them to buy those products, and that they are therefore getting into debt with finance companies that will take advantage of them through publicity by making them pay hidden interest rates.

Supermarkets are exploiting consumers as they create in their stores such an atmosphere that consumers cannot help buying. The consumer is also deceived by the false publicity as well as by middlemen between producers and consumers, so much that an item which should have cost very little in the first place is finally sold at an outrageous and abusive price because a whole series of middlemen took their share of profit without taking part in the production.

Mr. Speaker, if the government is aware of price increases and if in creating this third or fifth committee on prices it recognizes the failure of its earlier committees, I wonder whether it is trustworthy, serious and really sincere in its attempt at finding a solution. I wonder therefore why it would not consider, through the action of this committee, the possibility of using the Social Credit's scientific mechanism for prices, namely the consumer's compensated discount. The government would then show that it is responsible because, while respecting the freedom of the dealers, it would respect that of the consumers and would encourage a greater consumption. Consequently, production would have to be stepped up. Unemployment would be reduced and free enterprise would be respected. For once, it would get some encouragement from the government.

Mr. Speaker, we of the Social Credit party of Canada have taken a vote earlier in favour of an amendment designed to increase the membership of this committee from 20 to 25, because when there was a membership of 20 our party had only one representative on this committee. By increasing that number to 25, we shall have two spokesmen who will surely propose to other committee members the adoption of a compensated discount scheme which is a logical, modern and advanced solution. Perhaps this is why it is so badly understood, too advanced as it is for the retrograded minds of the federal cabinets which have succeeded each other for many years.

Mr. Speaker, I appeal to the goodwill of my colleagues from all political parties that they have at least the moral earnestness to consider the proposed compensated discount before falling into the clutches of socialism with all its implications: a general control over prices and wages, impeding the rights of individuals and businesses in Canada.

Mr. Speaker, we must never forget that the keystone of our economy and of our country is personal initiative, the development of the individual, his desire to progress, to improve his standard of living by taking part in a business by his work or otherwise. The day when we finally achieve such a total control over prices and wages, for whatever period of time, we shall display moral dishonesty because there are many other positive and efficient solutions, like the compensated discount. Moreover, we shall hamper all, personal initiative.

Before going back to my seat, Mr. Speaker, I shall give a typical example: There are families which live on welfare, on unemployment insurance benefits, families whose head is working for Rubin Bros. Clothiers Ltd. or Utex Corporation, in Victoriaville, for a low salary or working for an industry in Three Rivers, Chicoutimi, Sherbrooke, St. Hyacinthe or elsewhere for a very low salary. When this worker goes home, he gives his pay cheque to his wife, looks at his children, smokes his cigarette and feels rather depressed. It is not an incentive for him.

Two unpleasant things happen which show the extent to which government policy is stupid, irrational and backward. First, the only course open to this worker is to push his union to get him a salary increase, and then prices unavoidably go up, and he is faced with the same problem. Second, when the mother of the family does her shopping, she does not buy her groceries according to the needs of her family but rather according to the pay cheque of her husband because of this crazy system protected by both the Grits and the Tories.

Mr. Speaker, that is where we stand in this economic system, where people are deterred from participating in production and from helping themselves, requesting from the various levels of government more and more social security measures to provide for what they lack, and what they lack is a purchasing power that will allow them to participate in the economic life of their country.

Before resuming my seat, Mr. Speaker, I urge this government, as well as their advisers and protectors, the NDP members to consider seriously the proposals brought forth by the Social Credit Party in opposition to the present policy which actually reduces the purchasing power. We say: let us give each Canadian citizen his share of the national output by means of a guaranteed annual income and let us give him protection against production costs and consumer prices by accepting this solution which is not a magic solution but an economic one, administered by men, that is a compensated discount which will allow us to respect the freedom of individuals and at the same time reach for the goal that this government and we are seeking to achieve, that is to make sure that prices will no longer be a nightmare for Canadians.

[*English*]

Mr. Terry O'Connor (Halton): Thank you, Mr. Speaker, for the opportunity to address this august body for the first time. May I briefly but sincerely congratulate you, Mr. Speaker, and your deputy for your well deserved elections to the status of being just a little more equal than the rest of us equals.

Mr. Speaker, it is of some encouragement to me that the government has at last formally acknowledged the existence of one of the serious problems facing this country today. Canadians have at their disposal many methods of communication with the federal government. But undoubtedly the most effective tool available to them in order to make their voices heard is the ballot box. It took this ultimate weapon to bring to them the realization of what committees, provincial governments, opposition parties and many ordinary citizens of this country have been telling them for years: that is, that inflation is a serious national problem in both economic and human terms. As encouraging as it is that their attention has finally been directed to the problem, albeit with a sledge hammer, it is just as discouraging to look at the solution they propose.

As previous speakers have pointed out there is a plethora of committees, joint and otherwise, as well as royal commissions dating back to the depression. These have not solved anything. In fact in our modern setting, they may well contribute to our inflationary problem in the short run. Their very existence, with the possibility of recommendations involving some sort of controls, may tend to create panic price increases in anticipation of these controls.

• (1650)

No, Mr. Speaker, along with most observers of the political scene, we in the official opposition are not optimistic that this grudging acknowledgement of the problem by the government will solve anything. Notwithstanding this, we are determined to try to achieve some beneficial results from the exercise. Thus, we have moved our amendments to this motion to eliminate Senate representation, to limit sitting time to 90 days and to limit the costs to the taxpayers by restricting travel and the use of outside support staff. In place of "outside support staff" we may well substitute the words, "defeated Liberal candidates".

Surely, the precedents set during previous severe inflationary periods have proven the truth of these comments and established the necessity for the amendments proposed. We have endured a history of four or five committees sitting interminably, travelling luxuriously and exhibiting for all Canadians to wonder at, the usual three ring circus of House of Commons balancing artists, Senate clowns and government trained seals. And what has this recurring circus accomplished over the years? For an answer, we need only ask any Canadian housewife. Prices continue to rise and the scramble of wage and other income earners to keep up has severely accelerated the inflationary spiral.

I suspect, Mr. Speaker, that even the government knows that we can hope for little in the way of concrete results. They have attacked and resisted our amendments. But when such eminent government apologists as the President of the Privy Council (Mr. MacEachen) and the editor of the Toronto *Globe and Mail* impugn, not the amendments themselves, but our motives for moving them, they are admitting the necessity of the amendments. I will resist the temptation to comment on the motives of any member or party in this House. Far be it from me, Mr. Speaker, to suggest that the government moved this motion and proposed this committee for any but the most noble of reasons.

This committee will have an opportunity to make some contribution towards solving the serious problem of inflationary food prices only if it assiduously analyses all facets of the food producing and distributing industry. It must act with despatch, sit continuously and call responsible and knowledgeable advisers and economic analysts. Further, it must do something entirely unnatural and unaccustomed, to this type of committees. It must actually listen to the economic advice proffered, weigh it and be prepared to recommend to this House strong practical economic measures which will effectively combat the

problem. The answers are economic, Mr. Speaker, and they relate to the state of the entire economy. It is inconceivable to me that this body can hope to examine the face of the coin and fail to turn it over. Inflation is related to prices and incomes. To look at just one aspect is to perform just half of the task before the committee.

However, given the narrow terms of reference, I suggest that the committee spend no time determining that food prices are high and getting higher. We know this already. Nor should it spend undue time examining the causes of inflation in the food industry. I suggest that causes have been analysed ad nauseam. We on this side of the House, as well as the people of Canada, want a few solutions. We want practical solutions, strong solutions that are capable of legislative implementation.

Such a course of action would receive the unanimous approval of this House and the undying gratitude, including the political gratitude, of the people of Canada. Further, the committee must attempt to profit from the experiences of previous committees studying this subject, if only to know what not to recommend. For instance, the government must now be painfully aware of the fact that it cannot fight rising food prices or rising prices in any other sector of the economy by deliberately encouraging unemployment. They must now be aware that voluntary restraints by one side of the labour-management combination will not be effective.

A prices review board, as suggested by our friends on the left, is not the answer.

Mr. Knight: What is?

Mr. O'Connor: I will come to that. A logical extension of their argument would surely be a wages review board, then an interest review board, then a profit review board and, finally, a review board to review the review boards. We should not resort to the proliferation of government agencies. Direct bureaucratic involvement in our lives should be employed only as a last resort.

The problem must be attacked uniformly throughout all sectors of the economy and must not be left to individual members of individual boards or commissions to adjudicate, perhaps unequally, in individual cases. The problem of food prices faces every single Canadian every single day of his life. The solutions must be applied equally throughout society so that no geographic or economic sector bears the burden of rising prices or, more importantly, bears the burden of the solution to rising prices more than any other sector. The solutions, Mr. Speaker, lie either in a comprehensive short term program of prices and incomes controls or in income tax provisions which eliminate the effect of inflation on the individual consumer.

The first solution, prices and incomes controls, attacks the problem by preventing its happening. The second solution, income tax amendments, relieves the effect of inflation when it occurs. I refer, here, of course, to our party's real income proposal introduced to this House by the Leader of the Opposition (Mr. Stanfield) in response to the budget of the Minister of Finance (Mr. Turner) last May. He proposed a simple formula which negated the effect of increases in income tax due to inflation and eliminated the government's vested interest in the inflationary spiral. Both of these approaches have been urged by our party over the past year for at least the consideration of the government. Both have been rejected out of hand. Well, the election has very forcefully gained the attention of the government donkey. Perhaps this commission, by examining the proposals I have suggested and others made to it and by making strong and specific recommendations can force the donkey to take a forward step.

As I said at the outset, Mr. Speaker, we in the official opposition are not optimistic. The record of this government in accepting suggestions and recommendations of others is dismal. On the other hand, the silver lining in this grey cloud is the real possibility that by the time the committee reports, Canada will have a new government, one with ideas and initiative which responds positively to the needs of this country.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It is five o'clock. It is my duty, pursuant to Standing Order No. 40 to advise the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Central Nova (Mr. Mackay)—Regional Economic Expansion—Request for explanation of disappearance of certain jobs; the hon. member for Northwest Territories (Mr. Firth)—Northern Affairs—Northwest Territories—Maintenance of employment for Indians on clearing of right of way; the hon. member for Rocky Mountain (Mr. Clark)—Youth—Opportunities for Youth Program—Request for indication of criteria for establishment of local selection committees.

It being five o'clock the House will now proceed to the consideration of private members' business as listed on today's order paper, beginning with public bills.

Mr. Bell: Mr. Speaker, I understand there is agreement in the House for standing items 1 and 2 on the order paper. Will Your Honour, therefore, be kind enough to call the third item listed.

Mr. Deputy Speaker: Is this agreed?

Some hon. Members: Agreed.

PRIVATE MEMBERS' PUBLIC BILLS

INCOME TAX ACT

AMENDMENT TO ABOLISH INDICTMENT PROCEDURE AND INCREASE TERM OF IMPRISONMENT

Hon. Marcel Lambert (Edmonton West) moved that Bill C-8, to amend the Income Tax Act (Section 239) be read

the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, I welcome this opportunity to say a few words. On hearing the debate on my bill this afternoon, Your Honour may say that it sounds like old-home week. I do not want to accomplish my purpose by lèse-magesté or otherwise, but at the time of the lengthy debate on Bill C-259, you were my colleague in dealing with many of the matters in that bill and, therefore, know full well the subject on which I now speak. Perhaps the discretion of the Chair is proving greater than the valour and Your Honour is now moving to another place.

• (1700)

I wish to draw to the attention of hon. members, particularly those who are of more recent vintage, that although there are many provisions in the Income Tax Act to which hon. members would take exception, there is one that I doubt 95 per cent of the members of this House know exists. I refer to Section 239, the subject matter of the intention of my bill.

If any hon. members are interested, I invite them to refer to the debate of November 30, 1971, page 10018. It was a rather lengthy debate and is where this provision had its start. Section 239(2) reads as follows:

> Every person who has failed to comply with or contravened subsection 116(3), 153(1) or 227(5), or section 230 or 231—

This by the way, covers a lot of territory.

> —is guilty of an offence and, in addition to any penalty otherwise provided, is liable on summary conviction to
>
> (a) a fine of not less than $200 and not exceeding $10,000, or
>
> (b) both the fine described in paragraph (a) and imprisonment for a term not exceeding 6 months.

I am sorry, Mr. Speaker, I read section 238(2). Section 239(2) is as follows:

> Every person who is charged with an offence described by subsection (1) may, at the election of the Attorney General of Canada, be prosecuted upon indictment and, if convicted, is, in addition to any penalty otherwise provided, liable to imprisonment for a term not exceeding 5 years and not less than 2 months.

My undying opposition to that section is that it is an official of the government, normally the Attorney General of Canada but in actual practice either the deputy minister of the Department of Justice or the Director of Prosecutions, who decides in what way a man shall go to court and to jail. The magistrate or the judge, depending upon the jurisdiction, has no power whatsoever to relieve against the penalty of imprisonment when proceedings are by way of indictment.

The minimum penalty of imprisonment is two months. This is not one of those cases where there can be a technical offence. Because of the action taken by an individual, or if it is a matter that can be considered less serious, the judge might impose a sentence of one day or, as is done with many other offences, grant a conditional discharge. Under this section, there is a minimum period of incarceration of two months or a maximum of up to five years. This is because some offence has been committed under the Income Tax Act. Section 239(1) includes all sorts of offences, even the offence of refusing to file an income tax return. There is no way a magistrate or judge can give relief. The individual must go to jail. The court of

appeal can reduce a fine or a jail sentence, but it cannot go below two months.

We can comb the Criminal Code or the offence provisions of all sorts of statutes and we will not find anything as barbaric as this. Because there has been some offence, even the suppression of some records, the individual goes to jail at the whim of the Director of Prosecutions. Perhaps that is the wrong term. I should say at the discretion of the Director of Prosecutions. There is no other provincial or federal jurisdiction where there is this absolute discretion in a government official who is not answerable to anyone and whose decision is not reviewable by the Court of Appeal, unless the Court of Appeal finds that no offence has been disclosed. However, all too often, we know that the offence has been committed.

One only has to read the terms of the regulations or the statutory provisions of the Income Tax Act to find that there are offences aplenty. Almost by turning around or signing a document, one may be said to mislead. I am not trying to excuse the offences, but I find it passing strange that in an act that was supposed to contain great reforms, this provision was carried forward. Hon. members on the government side sprained their shoulders by patting themselves on the back when boasting about these great income tax reforms. That bill was piloted through the House by the former member for Calgary South. He was a parliamentary secretary at the time. He and others on the government side refused to budge on this. The government has introduced bail reform bills, bills dealing with first offenders and other matters. However, with regard to income tax, the state is going to extract its pound of flesh and quart of blood as well because a transgression under the Income Tax Act seems the most heinous of all offences.

We as Canadians have a strange quirk. In no country in the world are people jailed for so many types of offences, and here we have a classic example. Under summary procedure, however, one does appear before the magistrate who has the right to impose a jail sentence. If we look at Section 239(1)(f) we see that if there has been a further offence, in addition to any penalty otherwise provided, the individual is liable on summary conviction to a fine not less than 25 per cent and not more than double the amount of the tax sought to be evaded, or both the fine described in paragraph (f) and imprisonment for a term not exceeding two years.

• (1710)

So you see, if the crime is flagrant enough, and goodness knows there are some, the provincial judge or magistrate has the right to impose a pecuniary penalty of up to double the tax sought to be evaded and, in addition, send the offender off to jail for two years. So there is not a question of a rich man buying his way out. These are penalties in addition to those I have described before, including a fine of up to $10,000.

My amendment proposes that we strike out this procedure of the indictment route which guarantees that a man goes to jail, willy-nilly on the initial and binding decision of a bureaucrat. In order to compensate, why could not the judge or the magistrate, if the case before him is severe enough, increase the period of incarceration up to

five years? This would be no greater than that now provided by the indictment procedure, but at least the judge would have the option and it surely must be a court that finds a man guilty, not some faceless bureaucrat.

I will admit there may be all sorts of preliminary screenings and so forth and so on in the department, but I invite hon. members to read what I had to say back on November 30. The debate at that time lasted right through to December 6, as we came back to this section several times. I invite hon. members to consider why there should be a provision in the Income Tax Act whereby the indictment procedure can be used at the discretion of an official of the Department of Justice, with the least penalty prescribed as a mandatory two months imprisonment. Regardless of anything else, there must be a minimum of two months imprisonment. We do not have such a provision anywhere else and I find it extremely difficult to see why we must maintain this type of provision in this act.

As I pointed out during the debate over a year ago, I have known firms and individuals whose fraud on the income tax was considerable, yet somehow or other, because of either political influence or some other consideration, they were proceeded against by way of summary conviction. They paid dearly, but nobody went to jail. We know of other cases in which there may have been other considerations, yet the Crown proceeded via the indictment route with no valid explanation for the distinction. This is the point I want to make. There is no way one can confront the Attorney General of Canada or the individuals who make the decisions and ask why they proceeded by way of indictment rather than summary conviction. One cannot inquire of the Attorney General of Canada about a case that is sub-judice. He will not answer questions about the case while it is in process. When it is finished, it is too late. The individual has gone to jail. Nor can one question the Deputy Attorney General of Canada or the Director of Prosecutions.

I would invite the sincere consideration of all members of this House in support of this bill. Members have all taken some humanitarian steps in respect of other aspects of the justice process. Here is one that I maintain is deserving of such a consideration, because the decision to proceed by way of indictment is almost like the ancient "lettre de cachet" of 15th and 16th century France. The decision to proceed by way of indictment is not reviewed, yet it commits a man to jail should there be the likely conviction under the Income Tax Act. I would invite hon. members to accept this motion that the bill be now read a second time and sent to the Committee on Finance, Trade and Economic Affairs so it can hear further representations, if need be, and examine the officials of the Department of Justice. This is something that demands immediate attention. I thank hon. members for the careful attention they have paid to my remarks, and I hope they will be moved to accept the motion.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, the hon. member for Edmonton West (Mr. Lambert) has entertained us with an impassioned plea on behalf of the tax offender. Who is this tax offender he is defending and for whom he has urged our consideration?

I should like to direct your attention to Section 239(1) of the Income Tax Act which informs us that the people who are in the situation about which my hon. friend is speaking are those people who have made, or participated in, assented to or acquiesced in the making of false or deceptive statements in a return, or those who have tried to evade payment of a tax imposed by this act or destroyed, altered, mutilated, secreted or otherwise disposed of the records of books of account. The section also refers to those who have made false or deceptive entries in tax returns, and to those people who have wilfully or in any manner evaded or attempted to evade the tax imposed by the act. The hon. member is not referring to a man who has paid his tax late or who has made a mistake in his income tax return. He is referring to a man who has in some way wilfully sought to evade the payment of part or all of his income tax. This is the gentleman on whose behalf we are asked to be so solicitous.

I think we should look at the elements of the offence presented here. First, there is the element of the laying of the charge, as provided for in Section 239(1) and (2). Taking them together, the Crown can proceed either by way of summary conviction or by way of indictment on the election of the Crown. This is not an unusual provision in our law. The Criminal Code of Canada is filled with instances where such discretion is given to the Crown. It may be as my hon. friend has asserted that this is not a matter on which the Attorney General of Canada can be directly called to order in this House, but the fact remains that this is a usual power that the Attorney General of Canada has in the administration of criminal or quasi-criminal statutes. The onus for its exercise is by statute placed squarely on the Attorney General of Canada. It may be that he will see fit to delegate his power to the Director of Prosecutions, but even so this is an official in his department to whom he would normally refer for advice in the exercise of his power in other cases. Therefore, it is not an unusual power for the Director of Prosecutions to exercise under the Minister of Justice, nor is it an unusual power for the minister himself to exercise. Therefore, I see no novelty in this kind of option being given to the Crown. It seems to me that if we are to take seriously the claim that is being made by the hon. member for Edmonton West, we must look to the other elements of the offence for the gravamen of the change he would seek to make to the act.

• (1720)

The second element, I would suggest, concerns the finding of the court. We must not overlook the fact that the gentleman upon whom a fine or a sentence of imprisonment would be imposed is a person who has been convicted by a court. The imposition of such a penalty is not a decision taken by the Attorney General of Canada; only after a court, following due process of law, has formally convicted an accused of a charge laid under section 239 can the penalties come into effect at all. This is the usual course of justice and there is nothing here that is very surprising to a student of law.

Therefore, I suggest we must turn to the third element, the penalty element, before we can find any novelty whatsoever. The element here that may seem to the hon. member for Edmonton West to be one of novelty is the

prescription of a minimim penalty. In the case of an indictable offence the minimum penalty is one involving imprisonment for a term not exceeding five years and not less than two months; that is provided for by section 239(2). Thus, when the Attorney General of Canada chooses to proceed by way of indictment, and when a conviction is registered by the court, the option of the court in imposing sentence is thereby narrowed.

It is true that this is not the general principle of the law. It is not the general custom, though I submit it is highly justifiable in a case of this kind. In order to see how justifiable it is, I think we must take a broader look at the question and at the kind of morality that holds sway in society, or at what I submit are the conflicting moralities that exist in this area.

I believe that we have here, on the one hand, a business morality, not to say a big business morality, and on the other hand a social morality. It does not surprise me that the hon. member for Edmonton West, who is the financial spokesman of a party that traditionally has been the party of big business in this country, defends the big business morality in a case of this kind.

Mr. Lambert (Edmonton West): It is the little guy who gets hit.

Mr. MacGuigan: I do not agree that it is the little guy who gets hit. It is not the little guy who usually has a stake in wilfully evading the payment of his taxes; rather it is the malefactor about whom my hon. friend is concerned, the one who has a heavier tax burden.

This is one view of morality which claims the allegiance of some people in our society, and I suggest it may claim the allegiance of too many. It would seem to many in our society that the person who commits what is sometimes called a white collar crime, a crime not involving violence, a crime that is not habitually associated with those committed by the less well off in our society, often escapes the penalty of the law. I do not believe that is true, but it sometimes seems that way when such a person receives a penalty that is regarded by some as being too light.

In considering legislation such as this we must bear in mind that a different social morality must be taken into account. The big businessman who offends against the law should not receive a penalty that is ineffective in his position in society. It may be that in order to give public credence to the administration of justice it is necessary to impose a minimum sentence; indeed, I believe that to be the case. If the Crown decides to proceed by way of indictment, in the case of a conviction the sentence imposed here is a minimum sentence of only two months, certainly not a long sentence. If I am right in thinking that it is the humiliation of the imposition of a jail sentence that serves as an effective deterrent in a case like this, then I believe a jail sentence of two months, indeed any jail sentence that has more than a purely nominal effect, constitutes a considerable deterrent to those who might become involved in crimes of this kind.

I think it is just as important that there be a symbol to the people of the country that the parliament of Canada is determined to see to it that the law is upheld equally by all; that those who are better off in our society are going to be discouraged from breaking the law and committing crimes just as much as those who are less well off. This is why I suggest we cannot take a narrow look at a provision such as this. Experience in the courts suggests that such a provision is necessary, and I believe I find support for this contention from the need of our society for a social morality and for a proclamation by the parliament of Canada through legislation of this kind that it adheres to a social morality in which white collar crime does not have some kind of special place.

For these reasons, I am unable to support the bill that has been presented to us by the hon. member for Edmonton West. Despite the fact that it appears to make only a small change in the law, I believe that the change that he proposes is large and significant.

Mr. Bill Knight (Assiniboia): Mr. Speaker, I listened with a great deal of interest to the remarks of the hon. member for Edmonton West (Mr. Lambert). I found it an honour to listen to him during the debate on tax reform, and I also listened to the argument raised in support of this amendment when it came before the House on a previous occasion. I also found the remarks of the hon. member for Windsor-Walkerville (Mr. MacGuigan) somewhat entertaining.

I am always amused when members of the Liberal or Conservative parties debate that which is totally irrelevant. In a tax system which has all the loopholes and protection for the rich already built in, the amendment of the hon. member for Edmonton West is not worth much at all. We can cry crocodile tears for the workingman, but it is not he who is in a situation where he breaks the law by evading payment of tax. The system is such that those with large amounts of income or who receive large profits from certain areas of activity already get special tax breaks. This is something that both parties quite often ignore.

If we had a tax system in which a dollar was a dollar and was taxed as such, then we might be able to look at this amendment a little differently. But our present tax system protects the rich, and certainly they do not need any added protection of the kind suggested by the hon. member for Edmonton West.

• (1730)

If a workingman earns $10,000 he pays income tax of $2,285. If a man is a wheeler-dealer and obtains $10,000 in the form of a capital gain, and has no other income, he pays income tax of $833 in our so-called just society. The man who collects dividends from shares in the Canadian stock-market and benefits by $10,000 does not pay nearly as much income tax as the workingman who pays $2,285 or the man with a capital gain who pays $833; he pays $197. This is a matter which should be debated in this chamber.

I know my hon. friend from Edmonton West (Mr. Lambert) is quite a capable man in the area of taxation. He has strong views on how the tax system should work under the method we have adopted. I agree with the hon. member for Edmonton West that all the talk about tax reform and the time we spent last fall was wasted because we failed to provide the type of protection we had previously. That debate ought to have created a happy situa-

tion for the hon. member in respect of tax reform because it was no more than a cover for the special privileges which existed then and which continue now. In this case, the hon. member for Edmonton West wants to get back to the area of further special protection for his privileged group.

I cannot get very excited about this bill, although it does give us an opportunity to again debate the question of instituting a fundamental tax system in our country. Those who are offenders in relation to section 239(1) of the act are people who have, as was very aptly pointed out by the hon. member for Windsor-Walkerville, a refuge which enables them to make false statements, and so on. I have no sympathy for them when I know that most wage earners in this country have income tax taken off at the source. This system may allow the government to collect a considerable amount of money that they can play with. However, I believe the provision should remain in the act.

I have no reason to support the bill. I was very attentive to the remarks of the hon. member for Edmonton West, but when he made the statement that this was not a measure to protect the rich he looked at me and I was suspicious that he thought he was introducing in the bill a principle at variance to my socialist philosophy. It is. I oppose this bill introduced by the hon. member, as I opposed the hon. member on his views in respect of the taxation of co-operatives and credit unions and the question of foreign takeovers. He is the financial critic for his party. He does very well to defend the status quo in this nation and to show us in the New Democratic Party that if in fact we change the Tweedledees for the Tweedledums there will be no fundamental change in the serious problems which affect this country.

Mr. Judd Buchanan (London West): Mr. Speaker, as the hon. member for Edmonton West (Mr. Lambert) stated in his remarks, it is somewhat like old home week this afternoon in respect of the debate we had previously on Bill C-259. In the last parliament the hon. member introduced an amendment on November 30, 1971 which in substance was the same as the bill he has now introduced. His amendment at that time was debated at some length.

The problem under section 239 is twofold. In the first place, the section permits the Attorney General of Canada to prosecute an offence either by way of summary conviction or by way of indictment. If the prosecution is by way of summary conviction, then a court may impose a monetary fine or a monetary fine coupled with a prison sentence for a term not exceeding two years. If the prosecution is by way of indictment, then only a prison sentence can be imposed but in this instance the term of the sentence cannot exceed five years and cannot be less than two months. The criticism levelled at this choice of procedure is that two taxpayers, having committed an identical offence, can be punished in two different ways depending upon the choice of procedure by the government. This choice of procedure parallels the procedures to be found under the Criminal Code and other federal statutes.

I suspect that the Minister of National Revenue (Mr. Stanbury) would wish to retain this option on procedure, with its consequent difference in penalty, because it performs a useful deterrent service. In some instances there is a possibility that a fine would simply be regarded as a cost of doing business and would have no deterrent effect. It seems to me that it is important, in a system which depends to a large degree on self-assessment, that the threat of imprisonment be a real deterrent.

In passing, we should note that the constitutional validity of this optional procedure was recently examined by the Supreme Court of Canada in the Smythe case. Although the court carefully refrained from expressing a policy view on this issue, it unequivocally held that such a practice was intra vires and did not offend the Bill of Rights.

In the debate on this subject on December 6, 1971, the hon. member for Winnipeg North Centre (Mr. Knowles) expressed puzzlement as to whether the Minister of Justice or the courts should decide whether an individual should go to jail. The then hon. member for Calgary South replied as follows:

> What does happen is that the Minister of Justice may determine in this particular case, as I understand he can in some others, that the matter is of such a serious nature that it should proceed by indictment rather than by summary conviction before a magistrate; in other words, that it must proceed by indictment to the Supreme Court. At that point the court must still decide, on the evidence presented to it, whether an offence has been committed and whether a conviction is warranted. Once the court decides that, then certainly this section does come into operation: it does provide a minimum penalty of two months' imprisonment. But it is not the Minister of Justice who determines whether a person is guilty or innocent, or what the penalty will be. That decision is the decision of the court.

Thank you, Mr. Speaker.

• (1740)

[*Translation*]

Mr. J.-Roland Comtois (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I simply want to say a few words during this debate. I do not pretend to be a taxation expert as the hon. member for Edmonton-West (Mr. Lambert) and during the few years I have been sitting in the House, I have always closely followed his comments and his amendments on almost any tax measure or reform.

I was pleased to hear the speech of my colleague, the Parliamentary Secretary to the Minister of Manpower and Immigration (Mr. MacGuigan), who comprehensively outlined the problem. I think that his arguments were quite valid and that we can rightfully object to that amendment which, while being apparently very harmless, completely alters the subject matter of the clause.

Mr. Lambert (Edmonton West): If you are in favour, you take one path and if you are against, you take another.

Mr. Comtois: Mr. Speaker, I also liked the remarks of the hon. member for Assiniboia (Mr. Knight) who held an opinion quite different from that of the hon. member for Edmonton West. The latter brought up an interesting point, namely that the worker, the wage earner has no problem with that section since his tax is withheld each week. I feel that is quite an important point and that the deterrent effect of the section is excellent since it prevents professionals of taxation from seeking potential over-convenient loop-holes. This fear of imprisonment remains an excellent deterrent measure and I hope that will be kept

in mind because we shall soon be debating in this House another subject where fear will be quite an important consideration.

As stressed before, it might be necessary to carry out a new reform of our fiscal system rather than try to alter it by bits and pieces if it does not really meet present requirements. As for the amendment, which I might consider minor, I cannot support it for the good reason that I am one of those who are convinced we should maintain in our legislation the fear of imprisonment which has a very serious deterrent effect.

This, Mr. Speaker, allows discussion about a debate like this one—

Mr. Lambert (Edmonton West): A public servant makes the decision.

Mr. Comtois: —Yes, the civil servant.

Mr. Speaker, in reply to the observation of the hon. member for Edmonton West, I would say that the judge decides in the case we are concerned with here. The civil servant decides on the procedure to be followed, but the judge passes judgment and imposes the penalty within the limits of the law.

It is interesting to note, Mr. Speaker, that the discussion of clauses like this one gives several hon. members, including myself the opportunity to learn quite a lot about the law on income tax, perhaps because we have never before run into those problems. We realize that swindlers can be prosecuted in two very different ways, by imposing very different penalties. For instance, they may be prosecuted upon indictement in which case they are liable to imprisonment for a term not exceeding five years and not less than two months. However, there are cases where imprisonment cannot be avoided and that is the restriction the hon. member would have us do away with. For the reasons stated earlier as well as for . . .

Mr. Lambert (Edmonton West): Mr. Speaker, I rise on a point of order . . .

The Acting Speaker (Mr. Laniel): Order.

Mr. Lambert (Edmonton West): Mr. Speaker, I doubt very much that the parliamentary secretary means to mislead the House, but I must suggest to him hat under the act there is, further to any other penalty, a monetary penalty as well as a compulsory jail sentence, while according to another view there is this monetary penalty and—to the judge's discretion not that of a bureaucrat—imprisonment.

Mr. Comtois: I thank the hon. member for Edmonton West for his corrections. I had probably misunderstood his remarks. I also expected the hon. member to present his plea in both official languages since he is perfectly bilingual, but the interpretation is rather difficult to follow and I apologize for having misinterpreted his remarks.

Mr. Speaker, I conclude by simply repeating that I disapprove of this legislation because the fear of imprisonment is enough reason I think to prevent a great many people from misusing the law by evading it and the monetary penalty alone is insufficient in my opinion.

I hope therefore that hon. members will realize that in our judicial system we must maintain certain penalties which may constitute significant prevention factors.

[*English*]

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the bill before us, Bill C-8, is substantially the same as the series of amendments which the hon. member for Edmonton West (Mr. Lambert) moved in the last parliament during the tax reform debate. Basically, it provides for a change in the way in which the Minister of Justice or the Attorney General representing the Minister of Justice may proceed in dealing with certain cases arising out of the Income Tax Act.

I have had an opportunity to look at *Hansard* of December 6, 1971, pages 10192 and 10193. The argument which the hon. member for Edmonton West at that time put to the then parliamentary secretary to the minister of finance who was piloting the bill through the House was basically summed up in what he said as recorded at page 10192. He said:

> I do not think there is one hon. member across the way who would want to be in the position of the minister who has to decide whether a taxpayer should go to jail. The Minister of Justice, as Attorney General for Canada, has the right to do that under section 239(2) because non-compliance with the act within the terms of the section is a matter of fact. Wilfully refusing to file a return demands a great number of actions under section 239. These are matters of fact. There is no question that there may be other than a finding of guilty or a plea of guilty, yet by the minister proceeding through the indictment route there is a mandatory jail sentence.

I think that that is the essence of the argument which the hon. member put forward today. The whip for the NDP, the hon. member for Assiniboia (Mr. Knight), raised the issue in terms of a different proceeding for somebody who has committed a crime similar to that but of a different nature from one committed under the Income Tax Act. He raised the very real problem that in the case of crimes of a similar nature the courts should be in a position to consider crimes of different magnitude because they had been committed under different acts of parliament, in this case the Criminal Code and the Income Tax Act.

I think the answer to that proposition was put forward by the then parliamentary secretary in the debate as reported at page 10192 of *Hansard* for December 6, 1971.

Mr. Lambert (Edmonton West): That is why he is no longer here.

Mr. Reid: That may well be. He said the following in response to the hon. member for Edmondon West and to the hon. member for Winnipeg North Centre (Mr. Knowles):

• (1750)

> I think the hon. member for Edmonton West is both over-dramatizing and over-simplifying the situation. It is not the Minister of Justice who decides whether someone will go to jail; that is a determination made by the courts.
>
> What does happen is that the Minister of Justice may determine in this particular case, as I understand he can in some others, that

the matter is of such a serious nature that it should proceed by indictment rather than by summary conviction before a magistrate; in other words, that it must proceed by indictment to the Supreme Court. At that point the court must still decide, on the evidence presented to it, whether an offence has been committed and whether a conviction is warranted. Once the court decides that, then certainly this section does come into operation; it does provide a minimum penalty of two months' imprisonment. But it is not the Minister of Justice who determines whether a person is guilty or innocent, or what the penalty will be. That decision is the decision of the court.

I think that is the essence of the proposition which we have before us. Are we going to set up a situation in which the penalties as outlined in the law are to be changed for the convenience of people who have committed a certain kind of crime, a financial crime, as opposed to crime that took place under other laws?

The argument put forward by the hon. member for Assiniboia is one that appeals to me very strongly in that there ought not to be any differentiation in the way in which crimes against money, so to speak, and crimes against property are dealt with in our system. In some cases it could be argued that crimes under the Income Tax Act, since we use the Income Tax Act as a considerable leveller of wealth, in many respects are far more serious than crimes committed under the Criminal Code. If that hypothesis is accepted, it can be argued that the weakening of the Income Tax Act as proposed by the hon. member for Edmonton West in Bill C-8 is a matter of some concern to all hon. members, and particularly to those people who might have occasion to be proceeded against under the Income Tax Act.

Basically, our Income Tax Act depends upon trust. The number of income tax returns made in Canada is considerably over six million. We do not have facilities at present to investigate all returns and I would hope we would never find it necessary to do so. This feeling of trust has been built up over a considerable period of time. It implies that with respect to those people who are caught in violation of the Income Tax Act the country does have a responsibility to deal with them fairly harshly.

The Income Tax Act is far more than just a means of raising money for the ordinary expenditures of the federal government. It is a means by which a considerable amount of social justice is applied in terms of levelling out incomes, in giving the government the funds it requires for the development of social programs such as old age pensions—now that the special 4 per cent surtax has been removed—in giving funds to finance programs such as family allowances and the expansion of family allowances as proposed by the government in the last parliament, in providing moneys for the funding of programs such as the Department of Regional Economic Expansion, the whole purpose of which is to take funds collected from the urban centres and disperse them in those parts of Canada which are not so well favoured in terms of industrial growth, and in providing moneys for other programs such as agricultural subsidies in order to give a proper return on investment and work to those people working in the farming industry.

I believe we should give very careful consideration to this whole matter before we act to remove from the Income Tax Act the flexibility which is sometimes desirable or to reduce the severity of sentences that might be applicable under the act.

There is always a problem in trying to discuss matters of taxation in the House of Commons because if there is one kind of law which touches almost everything a person does, particularly since most of the taxes we pay are taken off at source, we find the Income Tax Act, in many of its applications, to be far more pervasive throughout our system than even the Criminal Code itself. Consequently, the penalties that are prescribed in the Income Tax Act with respect to various aspects of its application have a tendency to be perhaps far more severe than one might gauge at first view. As I said before, Mr. Speaker, this is not something that has been approached by accident. I suspect it is something which successive governments have done by design, simply because of the pervasive nature and impact of the Income Tax Act as it applies to the conduct of our ordinary affairs.

It is quite true that in many cases the Income Tax Act is silent. It is quite true that there are grey areas in it. I can recall a specific case in my own district where a group of men came together to launch a project. At that time there were no particular laws on capital gains. They hired a lawyer, he gave them the advice that was current at that time and they proceeded to construct their affairs in accordance with what they believed the law to be at that time and what the jurisprudence at that time indicated was in fact the law.

Unfortunately, the law in respect of the interpretation of the Income Tax Act was in the process of being changed. These people found themselves in the embarrassing position, having spent a considerable amount of money on a lawyer, having consulted with officials of the Department of National Revenue and having filed their papers in accordance with the advice they received both from the lawyer and the department, of one morning suddenly waking up to find themselves being brought into court on a charge of evading the provisions of the Income Tax Act.

It seems to me that the section of which we are speaking attempts to deal with both these cases. It attempts to deal with the case of those who deliberately go out to conduct their affairs in a way which might be considered fraudulent, in order to avoid the incidence of tax. At the same time, the section provides an opportunity for those people who have affairs in the grey areas of the Income Tax Act to construct their affairs in a way which is not fraudulent, so that they are able to take advantage of the way in which the act is written and of the loopholes which creep into the writing of all legislation. They are not proceeding on fraudulent grounds; they are proceeding in accordance with the well known dictum that a man may arrange his affairs so as to avoid the incidence of taxation. In this particular case the people in my constituency found themselves in conflict with the law as it was evolving.

The Acting Speaker (Mr. Laniel): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

Food Prices Committee

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

FOOD PRICES

MOTION TO APPOINT SPECIAL COMMITTEE OF THE HOUSE

The House resumed consideration of the motion of Mr. Gray:

That a special committee of this House be appointed to enquire into and make recommendations upon the trends in food prices in Canada and factors domestic and foreign which account for these trends;

That 20 members of the House of Commons to be designated by the House at a later date be the members of the special committee and that Standing Order 65(5) of the House of Commons be suspended in relation thereto;

That the said committee have power to send for persons, papers and records and examine witnesses; to sit during periods when the House stands adjourned; to report from time to time and to print such papers and evidence from day to day as may be deemed advisable; to delegate to subcommittees all or any of their powers except the power to report direct to the House; to engage the services of counsel, accountants and such other clerical and technical personnel as may be deemed necessary.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, this is the first time that I have spoken in this House so I should like to take the opportunity to congratulate Your Honour on your election, as has been so ably done by many hon. members who have already spoken.

I realize that we are now debating the setting up of a committee to study food prices so I shall not take time to tell the House about the riding that I represent in beautiful British Columbia. I think it is one of the best ridings in Canada, as many people have discovered who have come there to retire. I hope to speak about my riding at a later time, because many members have spoken about theirs in glowing terms and I do not think that anyone represents a riding which is in any way better than mine.

Mr. Speaker, the easiest place to hide is behind a study, especially if one can have everyone else studied but oneself. A study can go on for a long time in the hope that the problem will right itself, be accepted or somehow go away. If and when this committee study gets going the government's agricultural policy on food should be investigated to see if it is contributing to the percentage rise in food prices. Producers know that over the years certain foods have been imported into Canada, driving the producer price down. Producers have been telling the government that sooner or later the chickens would come to roost and the cost of food would spiral.

The hon. member for Vancouver-Kingsway (Mrs. MacInnis) said that the farmer should not worry. Mr. Speaker, whenever anyone is talking about the cost of food, I can tell you that the farmer becomes very worried. He knows very well that when the squeeze is on, the place where it is felt most is at the farm gate. Everyone else gets their due; everyone else has a set price that they receive, or a set income, and invariably the squeeze ends up at the farm gate.

[The Acting Speaker (Mr. Laniel).]

A prize example of this, and there are many, is a situation which occurred this year in Winnipeg with regard to the marketing of apples. In order that the producers of the Okanagan Valley could meet the price of apples at the retail level, a reduction on the f.o.b. price of 20 per cent had to be effected. This meant that the price to the producer decreased by 80 per cent. There was absolutely no way that he could make a living and meet this type of competition. It is said that it is the retailers and wholesalers who make the money, but in this case there was competition and the squeeze was on at the farm gate.

The policy of the Liberal government regarding imports almost ruined the apple juice business in Canada. It took us three years to convince the government that imports of cheap, highly subsidized concentrate would ruin the apple juice business for Canadian producers. We finally got a tribunal which showed beyond a shadow of doubt that we were correct, and then we got some action—three years later! However, the overproduction of concentrate in the world dried up, and today if you can get apple juice in its pure form—and about the only place in eastern Canada where you can get it is Nova Scotia—the price to the consumer is higher than it should be. This is mainly because of what went on over the years at the producer level and the importation of cheap, highly subsidized concentrate rather than building the industry within Canada.

The Department of Consumer and Corporate Affairs which was born of the last investigation has helped to raise prices to the consumer, not lower them. There is ample evidence of this, Mr. Speaker. In many cases it is the producer who has to absorb the squeeze on price, not the consumer. The cost of goods and services to farmers has been rising much faster than the price he receives for his goods. Such things as gas, fertilizer, machinery and labour—not necessarily the direct labour that he hires himself but the labour that is hired throughout Canada in the process of distributing, handling, packaging and selling his goods—have sent his costs soaring.

Farmers would also like to have these areas investigated. An investigation into the cost of farm machinery was held a few years ago, but as far as I am concerned the only result was that the supply of cheap tractors from England dried up. As far as labour is concerned, the farmer would like to have the same deal that labour has in Canada. He is not jealous of labour's position nor is he against it. He knows, however, that there is almost free entry into Canada of foods such as fruits and vegetables. They come from places in the world where labour is cheap and he is competing against countries which subsidize their products.

• (2010)

When labourers come into Canada, they work under laws that specify a minimum wage; they start at wage levels that unions have negotiated for them. We are not against this but we would certainly like to be given the same opportunities. Somewhere in the world there are people who can do a job more cheaply than it can be done in Canada.

The wholesaler is always considered the bad guy. The hazards that have to be faced in the wholesale business, and the lack of profit, have resulted in that business being accumulated largely in the hands of a few large organizations. Bigness is not always best and big firms are not always the least costly, even though the Liberal government over past years may have left the impression that it is best and that big firms are least costly. One prime reason which leads me to believe that the fruit and vegetable wholesale business is not very remunerative but, instead, is hazardous is that Federated Co-op, the largest co-op in Canada, has chosen to stay out of this business. I believe they have also chosen to stay out of the meat business.

We often hear NDP members saying that co-ops can distribute food more cheaply. I have had considerable experience in the co-operative field and have had the good fortune of travelling quite frequently to the markets of western Canada and observing the fruit and vegetable industry. I also know that no sooner had the NDP government been elected in British Columbia than they were saying the co-ops could distribute food more cheaply to the consumer.

Mr. Neale (Vancouver East): And we will prove it.

Mr. Whittaker: My friend from Vancouver East (Mr. Neale) says they will prove it. I should not like to hold my breath until they do. If I thought that by acting co-operatively I could distribute food to the consumers of Canada for 15 or 25 per cent less, then that is the vocation I would have chosen; I would not have become a politician and would not have come here. I would have done that because I would have been doing something for the consumer of Canada, something I enjoyed. I am not talking about figures in the neighbourhood of 2 or 3 per cent; it has been proven that consumers will not pay much attention to 2 or 3 per cent. I have an open mind, Mr. Speaker; certainly it is not closed. If there is any magic under the NDP in B.C., then that government could do this. What is more, I would be all for it. I would very quickly be behind them 100 per cent. I would enjoy seeing this magic at work, if there were any magic.

Under the NDP government in Saskatchewan the price of fruits and vegetables, according to my observation, was higher than in any other place to which I travelled. Why was the magic not used there? Why could not Federated Co-op, the largest co-op in Canada, perform the magic for that province? Supermarkets at one time were supposed to distribute food more cheaply to consumers. I do not believe they did but, rather, they provided an atmosphere that the majority of consumers liked but which cost more. Consider the wages paid; butchers are paid $6 an hour.

A few minutes ago I spoke about the marketing of McIntosh apples in Winnipeg and the squeeze that was put on our producers there. It so happens that these apples were being marketed in a package that we did not want any part of. My friends to the left said to me the other day that packaging was being forced on the consumer by somebody. My experience has shown that the consumer has forced the packaging on the producer.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Whittaker: I invite those people to go into the marketplace and observe what is going on, because it is obvious they are staying home writing speeches and dreaming. The package I am talking about is the six-quart basket. We find it costly. It does not sell enough of the product and we want no part of that package. However, if we put apples in the stores in anything else, we will not sell more. The consumer is picking up the six-quart package; it must be put in the stores because that is the one the consumer likes.

I notice that my hon. friend from Vancouver-Kingsway is not here. Over the years I have read some of the things she has said. As well, I have read some of the things that some so-called food experts have been saying. Mr. Speaker, I have been to the marketplace and observed what happens, and those remarks just do not add up. What the consumer is doing and what people like the hon. member are saying are entirely different. I should like to see the consumer doing what people like the hon. member says should be done, but they have not been able to convince the consumer to do that. Therefore, we are compelled to do what the consumer wants.

An hon. Member: That is the psychology of selling.

Mr. Whittaker: I think, if we are to get down to the nuts and bolts of what is necessary, we need a cooling-off period in Canada during which we might institute price and wage controls.

Some hon. Members: Hear, hear!

Mr. Gilbert: How about dividends?

Mr. Kempling: You never invested a nickel in your life.

Mr. Whittaker: We need controls that would deal with the total cost of living, that would attack inflation and do something for the people my hon. friends are talking about, those below the poverty line and those who must live on fixed incomes. Such controls would help all the people in Canada. I submit that many people in Canada today are living below the poverty line, and if they were given all their food for nothing they would still not be above the poverty line.

We are not going to help people like that and we will not solve this problem by hiding behind a mere study of food prices. However, if this is what we have to do, and it appears it is because this is the majority will of this parliament, let us do the job quickly, thoroughly, fairly and objectively. Let us not try to find one area that someone likes that is politically expedient, hide behind it and for the next five to ten years keep on calling for a study. This committee should not be the comfortable refuge of defeated Liberal candidates and supporters.

• (2020)

Some hon. Members: Hear, hear!

Mr. Whittaker: Surely by now these are well looked after and the housewives, pensioners, mothers and farmers of this nation have no obligation to them. If this committee needs professional assistance, let it not be

found in the tattered ranks of the vanquished, for in those ranks are only the defeated and disheartened. Our consumers need the assistance of men and women who are understanding, sympathetic and devoted to the cause of the desperate. Let us give this committee the integrity it deserves. Let it not be a vehicle for political escapism.

Mr. John Gilbert (Broadview): Mr. Speaker, the previous speaker, the hon. member for Okanagan Boundary (Mr. Whittaker), prompted me to make a few remarks on the motion before the House. We in the New Democratic Party support the motion that a special committee be set up to inquire into food prices and food trends and to make recommendations to the House.

I noted in the speech of the Minister of Consumer and Corporate Affairs (Mr. Gray) that his attitude was one of reluctant support with regard to setting up this committee. His remarks were brief and not very stimulating. It seems he is backing into the proposition of setting up a food committee. Possibly he remembers the experience of the government in 1966-67 when a similar committee was set up to investigate food prices. The only thing of real note to come out of that committee was the setting up of a ministry of consumer and corporate affairs. This was probably a very worthy result, but very little action was taken by the government with regard to rising prices.

The substance of this motion is restricted to the question of food prices. Many hon. members would like to see the motion extended to include shelter costs and high interest rates. The attitude of the Progressive Conservative party has been most disappointing. Their attitude has been: Let the public be damned; we want power.

Some hon. Members: Oh, oh!

Mr. Gilbert: The substance of their speeches has been more in the nature of destructive rather than constructive criticism. When I look at the last three rows of the Conservative benches, I draw the inference that maybe they are disappointed in their front bench with regard to the ideas they have suggested for solving the problem.

One of the vital issues in the recent election campaign was the high cost of living. Any member who campaigned came in contact with this issue. He probably heard criticisms from many housewives about their experiences in the chain stores. They told us that when they went into a chain store to buy certain products, they found three or four labels on the products indicating different prices; the top label indicated 49 cents, when they removed this label they found a 39 cent label, and when they removed that they found another label with the price of 29 cents on it. This type of conduct by the food and chain stores annoys and concerns housewives. When the first attack was made on chain stores in 1966-67, they attempted to act as good corporate persons. There was an immediate drop in prices. After a month or two they started their old game of increasing prices. Prices gradually went up until today most people in Canada find them almost unbearable.

It was indicated in the recent election campaign that people with low incomes and those on fixed incomes were the hardest hit by the food prices to which we are now subjected. It would be very easy to place the blame on the farmer. I am happy that the speeches so far have suggested that the farmers are in no way responsible for the price increases that have resulted. Studies conducted in 1949 showed that the farmer received 49 cents of the food dollar. In 1972 he received 38 cents. The inference to be drawn is that he is suffering as a result of high prices.

During the election campaign we in the New Democratic Party stated that two things should happen. First, a prices review board should be established to study the prices of various products. By dint of persuasion and government action we hope that prices will come down. If chain stores will accept their corporate and social responsibility there will be a downward trend in prices. Second, there should be an immediate investigation into food prices. Not only should there be a prices review board but there should be a study with regard to the trends that have developed, and a special study concerning chain stores.

In the last study that was made, in 1966-67, evidence was presented of the corporate chains and their sophisticated method with regard to setting up corporations which almost amount to a corporate jungle for the purpose of evading, in many instances, taxes. When you look at the corporate set-up of the various chain stores, you appreciate that they are part of a sophisticated method of avoiding taxes and that they have been able to persuade and control the public to their way of thinking.

• (2030)

The hon. member for Okanagan Boundary suggested that the consumer was responsible for the type of packages we now see in the stores. Can you imagine laying the blame on the average housewife for having three or four different sized boxes for different soaps, three or four different sizes for cereals, three or four different sizes for toothpaste and three or four different sizes for coffee?

Some hon. Members: Sure.

Mr. Gilbert: The average housewife goes into the store, determines the number of ounces in a package in relation to the price and then calculate which is the better buy.

An hon. Member: There is probably no difference.

Mr. Gilbert: If we had some uniformity in respect of packaging and an indication of the price per ounce that an individual was paying, this would be of great assistance to the housewife. We are all aware of the advertising techniques and gimmicks that chain stores indulge in. Hon. members well know that Dominion Stores advertise that it is "mainly because of the meat". Other chain stores suggest they have "deep discount" prices. Every Wednesday and Thursday the newspapers are filled with advertising in an attempt to persuade the innocent housewife to go into the store and take advantage of these deep discount prices when, in fact, the majority of the prices are fixed or predetermined by the corporation before the goods even go on the shelf. Those prices bear very little or no resemblance to the actual cost of producing the article. These are some of the things we feel the committee should study in depth in the over-all study of rising food prices in Canada.

An hon. Member: The same old story.

Mr. Gilbert: The previous speaker referred to co-operatives. We have two types of co-operatives in this country, discount co-operatives and consumer co-operatives. City fellows like myself have only been exposed to consumer co-operatives. We find that consumer co-ops have patronage dividends in an attempt to help the producer reduce his price, but they have not been successful in the cities. Probably the reason they have not been successful can be related to the pressure of the large chain stores.

An hon. Member: Be careful now, John.

Mr. Gilbert: Recently, co-operatives have taken a new approach to the problem by putting on a direct service charge for the service rendered.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Boulanger): Order, please. It is very hard for the Chair to follow the speech of the hon. member. The speech is not being made in my mother tongue, but I am attempting to learn the English language and when hon. members conduct themselves as they do it is difficult for the Chair to follow the debate.

Mr. Gilbert: Thank you, Mr. Speaker. I am sure hon. members to my right are attempting to assist in their usual kind way. I enjoy their banter as it stimulates my thinking, and wisdom usually comes from the clash of ideas.

To get back to co-operatives, they now have the idea that there should be a direct service charge for services rendered. They have experienced almost instant success in these efforts in different cities across the country, more especially those in the maritime provinces as well as in Oshawa, Toronto and Hamilton. It has been pointed out that these co-operatives have received financial assistance in many cases from trade unions. It seems to me that the committee should delve deeply into the possibility of encouraging co-ops in their efforts in this important field.

The hon. member for Vancouver-Kingsway (Mrs. MacInnis) has indicated the experience of the United States, England and Sweden in respect of prices and wage control. I think we should give some time in the committee to a study of this matter. One would be foolish to adopt the methods and techniques adopted by these countries but we should not ignore them. We in the NDP want the fullest study possible on effective controls which might result in lower food costs to Canadians, always keeping in mind that at this stage the farmer is not getting for his produce a fair share of the food dollar.

The previous speaker was critical of labour costs as they relate to price increases. Let me point out to him that less than 35 per cent of all Canadian labourers belong to trade unions. Many people working in the labour market are completely unprotected in respect of bargaining for wages and working conditions. To place the blame on the trade union movement as the hon. member has done indicates that his sympathy lies with the corporate giants which in many ways and on many occasions contribute substantially to the political party he supports.

It is for the reasons I have outlined that we in the NDP will support this motion. I note the Minister of Finance (Mr. Turner) looking over with some scepticism about our support of this motion. I would repeat to him what was said by members of our party this afternoon. We were disappointed in the Minister of Finance when he conducted a survey of food companies and chain stores after the election, inquiring of them whether they would be agreeable to a study being made. That is not worthy of the Minister of Finance; I think he is more progressive.

Mr. Turner (Ottawa-Carleton): What do you base that on, John?

Mr. Lewis: That is what I would like to know.

Mr. Gilbert: I thought the minister might have been concerned enough about Canadians to bring this matter immediately to their attention with recommendations that would result in lower food prices.

In any event, Mr. Speaker, for these reasons we in the NDP will support this motion. We hope that the Liberal members of the committee will have the determination and vigour to pursue these matters and bring forth recommendations which will result in lower food costs for all Canadians.

[*Translation*]

Mr. Peter Stollery (Spadina): Mr. Speaker, it being the first time I rise to speak in this House, I would like to wish you, as the other speakers have done before me, all possible success in the performance of your duties in these difficult circumstances.

Mr. Speaker, it is a great pleasure for me to say a few words in support of the motion which is now before the House.

[*English*]

An hon. Member: He doesn't look like Perry Ryan.

Mr. Turner (Ottawa-Carleton): It doesn't sound like him, either.

An hon. Member: Thank God!

Some hon. Members: Order.

Mr. Stollery: This is a motion that is consistent with the direction of the Speech from the Throne as well as the spirit. If my addition is correct, I am the fifty-first member to speak on this subject. I suggest that if there is any real interest in launching this committee, the motion should be passed with the least possible delay, certainly after a debate less wordy than the debate we have had so far.

• (2040)

The rapid rise in food costs since last summer has been of serious concern to Canadians everywhere. In fact, the whole mysterious business of food prices occupies a unique position in the economy, one that seems to be least understood. For example, why do various chain stores have such a disproportionate rate of profit? According to the hon. member for Oshawa-Whitby (Mr. Broadbent), who made some very pertinent remarks last night in my opinion, IGA showed a profit after taxes of 6.7 per cent, whereas Dominion Stores showed a profit of 11.2 per cent.

An hon. Member: Which year was that?

Mr. Stollery: He did not mention that. What exactly is the correct story? On the one hand it is claimed by large department stores that they cannot make any money. It is not their fault, they say, that prices are skyrocketing? It is plain that the reason IGA is not making any money is that they have too many stores doing too little business. Dominion has got rid of most of the neighbourhood stores in Toronto and claims that by making its new stores larger and more efficient it makes a larger profit. The French have had experience with very large supermarkets, the largest in the world and the most efficient. It is claimed by some that these efficient super-supermarkets have contributed to the price stabilization that has occurred in France over the past few months.

I for one am a merchandiser, coming from a family of merchandisers who until we sold our business three years ago had a significant effect on stabilizing the price of shirts in this country. I should like to know whether any of these stores are making any money or whether they share in the larger responsibility for food prices in this country. We also have the middlemen, the packagers, the processors and the jobbers; they say they also do not make any money. Evidently nobody in the food business makes any money.

The New Democratic Party say that middlemen are unnecessary; at least, that was the inference I drew from the remarks about unnecessary packaging. On the other hand, people work in the packaging industry, which provides jobs, a problem to which I thought the NDP was addressing itself. I must admit that when I fight my way into a package of vacuum-packed bacon I also wonder about the necessity for a packaging industry. Perhaps the committee will be able to throw some light on this matter.

Not long ago I attended the annual meeting of Ontario food processors along with the hon. member for Don Valley (Mr. Gillies). His solution to the problem, he said, was to allow the industry to rationalize. According to him, it would become more efficient that way. However, it did occur to me that the 200 members in the audience on that occasion might shrink to about 20 members at the next annual meeting in 1973 who would be discussing behind closed doors how to fix prices on food. In our own business the industry was dominated by a few large shirt manufacturers, and I recall Cluett, Peabody and Company removing their merchandise from our store because we refused to sell their shirts at the suggested retail price.

The approach of the Conservative party to this committee has been very obscure. On the one hand there seems to be a suggestion of support for the committee to investigate prices and to make recommendations; on the other hand there seems to be a bias against informing the Canadian public. The other day the hon. member for Kingston and The Islands (Miss MacDonald) referred to the important work done by the Senate Committee on Poverty and I know she will agree with me that it is unfortunate that the chairman of that committee will not serve on this proposed committee.

I have referred to two of the three areas that affect the price of food. Like the hon. member for Broadview (Mr. Gilbert), I too am a city boy. Coming from the city, I do not know the first thing about farms or farm prices. However, I do not see anything in this motion referring to farmers or farms and I have seen no reference to them in any amendment. Nor do I see anything in the motion that I am supporting singling out farmers as opposed to middlemen, merchandisers or anybody else.

I am surprised at the members of the Conservative party, being at their most negative, assuming that this whole proposal is a plot against or attack on the farmers of this country. Surely the idea here is to investigate in a positive way the exceptional rise in food prices over the past 12 months. Equally, one cannot investigate food prices unless we investigate them at the farm level, at the producer level. All I know about eggs is that they always seem to be stale, in spite of what the hon. member for Saskatoon-Biggar (Mr. Gleave) had to say last night about the quality of their shells. Certainly when you buy eggs in Toronto you can hardly cook them, they are so stale. I should like to know why this is the case and possibly I will get this information from the committee.

In any event, I was most surprised at the assumption last night that this House was preparing an attack on farmers. The hon. member for York-Simcoe (Mr. Stevens), in defence of farmers, made some references that I would have thought would be better reserved for the representations that he will undoubtedly be making to the committee, which after all is what this committee is for. Surely the motion is very clear, to the effect that the committee will investigate the cost of this inordinate price rise.

• (2050)

We want information concerning why food prices have risen so sharply in such a short period, what constitutes those prices and what percentage represents what. We also must ask why this mysterious business of food is so unknown to everybody in Canada. Members of the New Democratic Party and members of the Conservative party could undoubtedly comment on the reason for the rise. However, no one really knows. I think we should allow the committee to do a thorough job of investigation in order to clarify the situation and bring forward solid recommendations.

For some time I have wondered why the price of beef in 1961 and 1962 rose and then dropped eight points. I have also wondered why eggs are always so stale, particularly on the other side of this House. In supporting the motion I shall conclude by wishing the committee well. I hope it will act positively and not give in to the negative attitudes displayed on the other side of the House. I would hope that after 53 people have spoken in various ways on this subject, this should be enough. I would now like to see us get down to business.

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I begin by saying that it is a most humbling experience to be called upon to speak for the first time in the presence of so many distinguished parliamentarians and accomplished orators. I would also like to add my congratulations to those of my colleagues to Your Honour on your appointment as Speaker of the House. In addition, I wish to congratulate my colleague, the hon. member for Halifax-East Hants (Mr. McCleave) on his appointment to the office of Deputy Speaker and chairman of committees of the whole House. He brings a wealth of experience and judgment to that office and I am sure he will serve with distinction.

With respect to the motion before the House, Mr. Speaker, it is one that any member of this House would find it difficult to quarrel with, but on the other hand one would have to ask the question, "Why was it left to this session to deal with a matter that has been one of great concern and immediacy for such a long time?" The great P. T. Barnum has been credited with saying, "There is nothing new under the sun". I feel that we could say the same about the motion we are debating. The problem has been around for so long, and so much has been said about it, that it would be difficult to add anything new to the arguments that have been presented.

Previous speakers in the past few days have pointed out that the serious problem of inflation in the specific area of food prices has been with us for a number of years. The problem has been debated over and over again. Many speakers of the Conservative party, including our very able leader, have been for the past four years urging the government to come to grips with the matter and propose specific measures that would root out the factors involved and provide solutions. My colleagues on this side of the House have called for expressions of concern by the government and they have called on the government to provide some evidence that it is willing and able to exercise leadership in this area of concern to so many Canadians.

Mr. Speaker, I am in favour of establishing a committee such as the one proposed in the government's motion. I am in favour of any sort of machinery that might be effective in assessing factors involved in trends and fluctuations in food prices. However, we are debating a measure that will become effective only at some time in the future, and desirable as that might be I would have preferred to have the government begin by asking the House to approve a crash program that would have become effective immediately. I would have preferred to see the House set into motion some type of interim machinery, such as a task force, that would be looking into the problem and suggesting remedies during the weeks or months that it will take the committee to become operational.

Many of the factors involved in the recent spiral of food cost inflation are already known to us. Many others might be brought to light quickly and easily by a task force and at least some action might be undertaken before the committee can be assembled and its terms of reference approved. I realize that it might be interpreted as brash or presumptuous for a new member to suggest that this House is approaching the problem of inflation in respect of food prices from the wrong direction, but I hope that that interpretation will not be placed on my remarks. I am simply expressing deep concern over a matter that has concerned me for a number of years, long before my election to parliament.

Any of my colleagues who watch television even occasionally will be aware of the constant barrage of television advertising inflicted on the consuming public by the national chain store operators. It is constant and it is, in my experience at least, telecast in prime viewing time and this is expensive. I should note at this point that one advertising campaign features the Canadian actor who starred in the television series "Star Trek", a series that dealt with outer space. I do not know whether or not he was selected on the merits of that particular show, but it is appropriate because some of the stuff he delivers to his audience is pretty far out.

It is my view that in this particular case we are dealing with two factors which figure largely in the present high rate of increase in food costs. We have a prime example of saturation-type advertising on the most expensive of our media, and obviously the cost of this advertising must be borne by the consumer. Secondly, as a consumer I would question the claims that are made on some television commercials. This is one of the areas where I feel a task force might make some immediate assessments and press home to the food industry as a whole that it is about to come under the scrutiny of a very concerned House of Commons.

There are other factors that are known to us which figure in a very significant way in food costs. Food retailing is moving more and more in the direction of a controlled industry operating out of the multi-million dollar shopping plaza concept. This is supposed to take all the pain and inconvenience out of shopping, but there is a real danger now that the concept has been oversold. With regard to the claim that the glittering plaza takes the pain out of shopping, those who make this claim do not take into account that people who suffer most in the process are those who can least afford it. The great shopping plazas and the new concept of prepackaged foods add to the cost of the products being merchandised. Add to this the massive and expensive advertising campaigns and other gimmicks that have become a part of grocery merchandising, and you have the ingredients of a process that tends to militate against a very significant segment of the buying public.

Those who are being hit hardest by this situation are in the low and middle income brackets. Statistics have shown that consumers in the low income bracket spend as much as 27 to 28 per cent of their total income on food. Those in the middle income groups spend 18 to 20 per cent of their total income on food. As food becomes increasingly more expensive, these people spend an increasingly larger percentage of their total income on food.

This is a vicious and cruel spiral. While one could say that those who are forced to suffer most from the spiralling cost of food are defenceless, that is not quite true. We are their defence, Mr. Speaker. We, their representatives in parliament, are their defence. That is the main reason I feel we must move with speed in coming to grips with this problem. We might find that the retailing of food and other necessities of life is concentrated in a few hands. We might find that the needs and the well-being of the buying public are being disregarded in this tendency toward bigness in the food industry, as in other industries. We might find that either now or in the near future our anti-combines laws will have to be called into play to curb this alarming tendency toward bigness.

• (2100)

I do not want to give the impression that I favour measures designed to stifle or hamper the growth of industry and commerce in our country. I do not want to imply that I fear healthy and measured progress in our corporate community. I leave that sort of alarmist gimmickry to the socialists. I only want to examine and

explore every effect and every cause of the problem facing people who are paying too much for the necessities of life. I believe this can be done without damage to the very desirable growth of our food and livestock industries.

Another aspect of this problem that interests me is consumer education. I do not believe that enough money or effort is expended in this area of teaching people how to get the most for their shopping dollar. I know that many advertising campaigns today are billed as consumer education programs, but they are designed to push products rather than to educate the buying public. What I have in mind is a government-sponsored program. It could be applied at any level of government considered to be the most effective for the purpose. It would be designed expressly to inform the financially disadvantaged consumer how he or she could get the most out of the shopping dollar.

I have not worked out the mechanics of how such a program should or would work, but I feel that such an avenue is worth exploring. I feel, also, that we have a responsibility to consider the desirability of upgrading consumer knowledge. We spend tens of thousands of dollars every year to get people to buy this product or that product. Why not spend some of the money teaching people how to buy?

Mr. Speaker, I have not tried in my remarks to show with figures how serious is the plight of the consumer nor how serious it might become. My purpose has been only to point out that inflation is not something which occurred a few weeks or a few months ago. It has been with us for a very long time. It has been with us for too long, and I would like to see an early start on positive action to determine the causes of and to seek the earliest possible solutions to the problem.

In conclusion, I would like to express the hope once more that every effort be made to ensure the committee will get into action and become effective in the shortest possible time. I am heartened by the note of urgency I have detected in the speeches made so far in this debate. I have reason to believe that before long the real winners in this exercise will be those who are now the losers. I refer, of course, to the financially disadvantaged Canadian consumers.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the only reason that I rise to speak on this matter is that I believe in all sincerity that too many speeches have been made so far on the matter of rising food prices, matters which should really be discussed in the committee which we are about to establish. What we should really be debating at this time is the formation of the committee. The discussion here will not solve the problem nor will it benefit the consumer, and while we are using the time of the House as we have done in the speeches made in the last few days, the price of food is going up. Certainly this is not to the benefit of the Canadian people.

The sooner everyone in the House allows this matter to go to the committee to give an opportunity to the members of the committee to perform the fact finding task which they will be called upon to perform, the better will we be able to say in all sincerity that the Canadian people will be given a chance to benefit from that fact finding of such a committee.

In the meantime, I would suggest a vote as we had this afternoon is merely a delaying tactic. In fact one might think, on hearing the speeches which have been made in the last few days, that most members are again taking part in the debate on the throne speech and they are making speeches just for the sake of speaking. I believe it is the responsibility of the committee to do the job of fact finding, and not the responsibility of those who are making speeches here. The sooner this motion is passed, the sooner we will be able to say in all truthfulness and sincerity that we are forming a committee to do the job. We should stop speechmaking in the House and hand over the responsibility to the committee which this afternoon we voted to establish.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am happy to say a few words on the motion presently being considered. It is certainly always important to establish committees to do studies, but I will say that several committees have been formed since I have been sitting in this House to do various studies.

If my memory is good, Mr. Speaker, I believe that a committee was formed to study both the increase in prices and the means of helping the consumers. This, I believe, cost Canadians about 32 or 33 million dollars and the prices have kept on increasing. Therefore, what has been done to solve the problem? What will the committee and its 25 members be able to accomplish? We are all in favour of studies but what solutions will they bring about to solve the problem?

Mr. Speaker, this is an economic issue and as long as we do not get to the root of the problem we will never succeed in properly stabilizing incomes, expenses and profits.

Mr. Speaker, farmers for instance have many expenses but their income is not sufficient. The price of food depends mostly on agriculture but what was done by the government or the appointed commissions to remedy this situation? The incomes of farmers and big corporations have kept on decreasing.

They say that the retailers are not making any money either. According to the NDP members, those retailers make profits, but others say they do not especially when it comes to selling of food. Then nobody makes any profits. Farmers do not make any money and the merchants who have to stock those goods and to pack them, once they have paid for everything, do not make any profit either and the cost of living keeps on increasing.

Why is the cost of living going up? Because when the farmer needs more buildings he has to pay 11 to 12 per cent sales tax on building materials and 11 to 12 per cent tax on the farming equipment he needs. This, Mr. Speaker, is a factor which increases the cost of living for the farmer as well as his costs. What should we do to restore balance to the economy?

The committee should be responsible for investigating the role of the price and income policy in the fight against inflation, including food prices. This is why the committee should be appointed. However, a similar committee and

other committees have already been established and they have prepared many studies and made many suggestions but prices keep on increasing. We only hear about price increases and people complaining that each week the cost of living is going up.

If the cost of living is higher, only a few drastic measures should be taken. In my opinion, no member of the House actually described the true situation. I do not believe either that any member has made any practical suggestions to reduce prices. We do not need higher prices but lower prices. To reduce prices we must lower taxes and allow compensated discounts on prices.

Inflated prices give rise to certain factors, which we cannot cope with at the present time. And prices keep spiralling up and we cannot put a stop to that. Therefore we should appraise total production as well as total consumption in this country and if total production greatly exceeds total consumption, it would be wise to set up a total compensated discount which would lower prices and enable citizens to buy more.

We could begin by lowering prices of agricultural machinery and buildings. It should be a good thing also to abolish taxes so as to lower prices. But an increase in taxes and wages will automatically bring an increase in prices, especially in transportation. Therefore prices begin to spiral and there is no solution as there is nobody to suggest any.

Therefore in order to solve that problem which affects us all, we should first lower food and shelter prices, because housing is almost as important as food.

We can get neither food nor shelter at a low price on account of the taxes and of the outrageous interest on loans. As a matter of fact, as early as 1955, farmers were paying around 5 per cent interest on the money they borrowed. Today they pay an interest rate of 8 to 9 per cent. Therefore, the government proved remiss when failing to check interest rates, for their consequence is soaring prices for products.

• (2110)

If the committee fails to deal with interest rates, to devise technical means likely to cause lower prices and a return to a properly balanced economy, thus allowing our citizens to live decently and pay reasonable prices for what they need, the appointment of such a committee will be useless.

The members of this committee could possibly not have enough guts, enough heart, enough courage to take the bull by the horns and to restore, once and for all, the balance of an economy which gets out of kilter day after day. The more our present techniques are applied, the more the cost of living increases and the more it is difficult to live for the citizens of this country. The real problems must be considered.

I respectfully submit these reforms to the House and I ask the government to look into them because if reforms other than those we know presently are not considered, things will go from bad to worse. To solve the problem, we must strike at its roots. The real problem is of an economic and financial nature, and if we go on favouring financial institutions and allowing interest rates to go up, the present economic imbalance will persist and worsen.

All hon. members seem concerned about the matter, and prepared to seek solutions. However, solutions have been considered before and I am sure the committee will come back with the same findings, which means there will not be the slightest change in our present unfortunate economic situation. The more this system is used, the worse the situation gets.

There are many solutions we could consider and I am sure that if we did so seriously, we could successfully bring down prices not only of food, but also of housing, and the cost of living in general as well.

The whole economy should be reviewed and it should be put to rights if we want to get somewhere. At the present time, we are getting nowhere. Our economy is hardly viable and far from sure. We have modernized our farm production; why not then modernize our financial means in order to ensure distribution of that production? It exists for the purpose of consumption and not to remain on shelves. If there is excess production as is the case this year—our excess production being of the order of some $40 billion—it is easy, through technical means, to cash in on that production and have it distributed at low price to our citizens. That would allow them to live, it would lower the general cost of living and would solve current problems once and for all, especially the main economic problems that we are now experiencing.

[*English*]

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I rise to take part in this debate without making apologies such as have been made by some hon. members. It seems to me only appropriate that members on all sides should point out areas in the context of the price of food which they believe are problems which should be examined by the committee and upon which the committee should report and recommend. I do not think it is wrong for any member of the House to point out the problems in his part of the country or to point to other aspects of rising food prices.

This whole issue is a political and economic one right across the country. I wish to say only one thing about food prices in relation to the problems of producers. Between 1961 and 1971, Canada's food bill increased by $4 billion but realized net farm income during the same period increased by only $600 million, or 16 per cent of the total increase. Surely that is an indication that the rise in food prices has not been related to any significant increase in the income of primary producers.

• (2120)

There are a number of areas that I think the committee should look into. Last September the Minister of Finance (Mr. Turner) made some statements on this subject and I hope the committee will call upon him to support them. The committee should also ascertain what portion of food costs encompasses transportation costs; how much freight rates contribute to rising food prices.

The committee probably would not be in a position to make a great number of recommendations within 60 days, but during the life of the committee I hope they will make

suggestions that will be useful to the Prime Minister (Mr. Trudeau) when he meets the western premiers to discuss freight rates, because this is a significant factor in the cost of food in all parts of Canada. Our freight rates structure does not relate to our geography or our climate; it relates only to the individual modes of transportation and the profitability of each.

This country is 4,500 miles wide, comprising an area of 2½ million or 3 million square miles, with 22 million people scattered throughout and as far north as you can go. Why are people in outlying areas penalized for living there with high transportation costs? This is an area in which the committee must bring forward concrete recommendations.

My colleagues, the hon. member for Meadow Lake (Mr. Nesdoly) and the hon. member for Northwest Territories (Mr. Firth), were good enough to provide me with some examples of what transportation costs mean to them. I have here a copy of an advertisement for the Bay Food Mart which appeared in the Inuvik *Drum* on January 4, 1973. A 48-ounce can of apple drink—not pure apple juice—costs 59 cents. That is double the price in Regina, Mr. Speaker, and it is a sale price. I hope the committee will find out what the regular price is in Inuvik, because the normal price in this part of the country is three cans for 99 cents. Two 16-ounce cans of pork and beans were advertised for 79 cents. In the more settled parts of Canada it is two for 38 cents or 40 cents.

I suggest, Mr. Speaker, that the difference in price is due to higher transportation costs in the north. The price of cut green beans is double what it would be in Regina, Toronto or Montreal. I am not at all suggesting that the transportation costs are not legitimate, but I am asking the committee to look for ways and means for sharing the transportation costs amongst the entire population of Canada. This could be done partly through equalized freight rates and partly through subsidized freight rates so that the person who lives in Inuvik is not victimized because of geography.

In a place like Fond du Lac in northern Saskatchewan a quart of milk costs 94 cents because of the air freight. What family on a low or medium income can supply the children with a sufficient quantity of a basic necessity at 94 cents a quart? In Buffalo Narrows it is 44 cents a quart, which is 12 cents more than the price where it originates. Surely some equalization of the cost of distributing goods to the people from one coast to the other is long overdue. Members of Parliament have been fighting these freight rates; farmers, farm associations and the co-operative movement have been fighting them for years.

Another thing—this could almost be considered a crime against humanity—is the cost of beer in Yellowknife, at $4.20 a case.

An hon. Member: What brand?

Mr. Benjamin: Any brand. Of that, $1.25 is the cost of transportation. Why could not the beer drinkers in Ottawa pay a nickel a case more and lessen the cost for beer in Yellowknife?

Last September, when the election campaign was in full swing, a great deal was being said by consumers, politicians and many others regarding food prices. On September 19 the Minister of Finance made a statement in this city which was reported in the Ottawa *Citizen* by Mike Pasternak. He quotes the Minister of Finance as saying:

> Food prices will continue to climb and there is little the federal government can do to control them.

At that time the Minister of Finance was a member of a majority government. If he was right then, I would like to know why the government put a motion on the order paper proposing a committee of the House of Commons to look into food prices. If there was little that the federal government could do about it in September, why bother now? The article goes on to quote the minister as follows:

> I'm afraid we're in for higher prices—that's all there is to it.

Now, why is the government submitting this motion to the House?

Mr. Turner (Ottawa-Carleton): I rise on a question of privilege, Mr. Speaker. That particular report was denied by me and the denial was carried by Canadian Press about three hours later.

Mr. Benjamin: Mr. Speaker, I am glad to hear that. They did not carry the denial in Regina, 1,854 miles from here, but they did carry the original story. If the Minister of Finance was misquoted, that is the best news I have had all night. But, Mr. Speaker, it has also done away with about ten minutes of my speech.

Some hon. Members: Hear, hear!

An hon. Member: That is the best news we have had all night.

Mr. Benjamin: However, that is not going to stop me. I should like to know, before I read further from this clipping, if the Minister of Finance says that everything in this article is incorrect. He may just indicate by a nod. Is the entire story wrong?

Mr. Turner (Ottawa-Carleton): No, just that statement.

Mr. Benjamin: Then we will go on to the juicier parts. The minister is reported to have said that a food shortage is causing prices to escalate. A food shortage in Canada, Mr. Speaker? We are up to our backsides in wheat and barley, tomatoes and potatoes, beef and pork. We have a food shortage in Canada, Mr. Speaker? I should like to know about that. Except during wartime we have always been able to bring in more than sufficient food to meet our needs. I should like the Minister of Finance to explain about the food shortage in Canada and how it is causing prices to escalate. He should explain that to the committee if requested to appear as a witness. The other red herring the Minister of Finance threw out last September 19 was, I suspect, the biggest red herring that has ever been thrown out with regard to food prices. According to this report he said:

• (2130)

> I ask myself whether people in Canada would put up with rationing in peacetime.

Mr. Speaker, even if the minister were correct, let me point out that the productive capability of the farmers of

this country is unmatched by those of countries anywhere in the world. We are second to none as food producers. Let him ask his colleague, the hon. member for Saskatoon-Humboldt (Mr. Lang), who has been paying farmers not to grow food. I repeat, we are unmatched in our ability to produce food. Considering that, let me say the minister threw out a red herring on September 19 by saying that if we were even to contemplate or implement any kind of price control, price freeze or regulation, the result would be rationing. That red herring is redder than most and smells more than most.

I hope the minister is willing to volunteer to appear as a witness before the committee and explain why any kind of control, regulation or investigation of food price or review of price increases could come close to causing rationing. Let me quote further what the Minister of Finance is reported to have said. The minister was comparing Canada to the United States which has wage and price restraints, and he said:

—prices in Canada other than food, but including housing, have risen less than in the United States—

You will notice that he said "other than food".

Mr. Turner (Ottawa-Carleton): That is right.

Mr. Benjamin: I continue:

—and far less than any other country in the industrialized world.

Again, he was speaking of items other than food. Then he said:

That is very little comfort to the ordinary Canadian but it happens to be a fact—

As if the average Canadian did not already know that. Then he said:

It also is an answer to those who say price and wage controls would be an immediate solution.

I do not know, but judging from what little I do know, and I am not an economist, I do not think price and wage controls would bring an immediate solution. I think that for a number of reasons. First, if you try to control wages only, without controlling incomes generally, you will be a born loser, especially if you try to implement those controls. Such a wage freeze has been mentioned a number of times by members of the official opposition and also, I believe, by some on the government side. It seems passing strange to me that every time those people have spoken about controls, they have always spoken about prices and wages. We have yet to hear some of those people say something about prices and incomes generally.

Some hon. Members: Hear, hear!

Mr. Benjamin: When we say incomes, Mr. Speaker, we mean all forms of income. When we speak of incomes, we mean incomes that start at the top, the incomes of financial institutions and incomes derived from exorbitant interest rates. It is these interest rates that make supermarkets all the more expensive to build. Those interest rates add to the food costs of Canadian consumers. They are interest rates that food corporations are willing to pay because they can pass them on to Mrs. Joe Citizen who is shopping in the shopping centre in her town or city.

High interest rates have not been a deterrent in the building of more shopping centres. We need more shopping centres in my city like we need a hole in the head, but we are getting more. You can go to any one of them on a mid-week afternoon and fire a cannon down the deserted aisles lined with goods and not hit anybody. You may find two clerks standing there, but that is all.

There you will find a large building, heavily capitalized and carrying a high interest rate. It is not being used for a number of hours several days each week. And what does the food industry do? Those great free enterprisers that my friends in the old parties support and make excuses for, they build more shopping centres and pass on their increased costs by increasing the cost of food, thus increasing the cost of living for consumers.

I hope the committee will bring in specific recommendations for both immediate and long term action in the area of transportation costs. One recommendation which might apply in the short run is for the immediate establishment of a prices review board; at least such a board could examine prices. The government could, when necessary, impose selective controls. If the situation became bad enough there ought to be controls right across the board on incomes, beginning with those at the highest levels. I submit that the incomes of the presidents of the food chains should be the first to be controlled. Let us work our way down from there, and the last person we need worry about is the woman working on the cash register at minimum wages in the supermarkets. Such people ought to be the last to be considered in the imposition of income controls.

Much has been said about the middleman. I refer to an article in the Regina *Leader-Post* of September 13 under the byline of Dave Thomas. This is a Canadian Press story. It reads:

Processors, packagers and distributors are by far the biggest culprits in the continuous climb of food prices, the agriculture department said Tuesday.

I am presuming that means the federal Department of Agriculture. I hope the committee will ask the new Minister of Agriculture (Mr. Whelan) to appear as a witness. It had better ask the old one to appear as well, because he was the minister when members of his department said this. They pointed out who are the main culprits in the continuing climb in food prices. According to this report, food prices rose by 7.4 per cent between August, 1971, and August, 1972. A departmental bulletin placed the blame for most of the rise in food prices on the industry's middlemen. The article reads, speaking about the bulletin:

—processors and dealers account for 64 per cent of the $2.8 billion increase in farm food prices since 1961, with farmers themselves benefiting from only 36 per cent.

I notice that the federal Department of Agriculture disagreed with the former minister of consumer and corporate affairs, who said in an election announcement that increased prices at the farm level were largely to blame. Again, Mr. Speaker, I think the committee should ask the present Minister of Agriculture and the former minister to appear before it, and the present Minister of Consumer and Corporate Affairs (Mr. Gray) as well as the former minister. It should also ask the middlemen to appear, to

justify their share of the increase in food prices that they enjoyed between 1961 and 1971.

If the previous House of Commons and Senate Committee examined this question up to 1966, that is fine; we will look into it with regard to the time after 1966. If the Batten commission on the Prairies has looked at the situation in the prairie provinces, that is fine; let us look into the situation affecting the rest of Canada, especially since 1966. I tend to think that the bulletin put out by the Department of Agriculture last September is largely correct. I think the department pointed to the main culprit responsible for rising food prices.

Mr. Speaker, I see that you are ready to rise and cut me off. I hope the committee will report back to the House on the items I have mentioned.

Mr. Charles E. Haliburton (South Western Nova): Mr. Speaker, like so many hon. members who have spoken in this debate, I am rising for my first speech in this House. I rise with a great deal of humility. It is a great distinction to speak here. However, the degree of humility I feel has been somewhat lessened in the last two or three weeks, I must confess; it has been lessened by the debates I have listened to in this House. It seems to me, as a new member, that perhaps that degree of statesmanship and wisdom that I had expected to find here is not entirely present.

I was interested the other evening to hear the leader of the New Democratic Party indicate on a television broadcast that in his opinion the members of the party I support are obsessed with power and that the entire program of my party, as evident during the proceedings of the House, was aimed at gaining power.

An hon. Member: You are right there.

Mr. Benjamin: Don't apologize.

• (2140)

Mr. Haliburton: Obsessed may be putting it a little strongly, but I would say that the members of this party are concerned about the quality of leadership which this House and this country is receiving.

Some hon. Members: Hear, hear!

Mr. Haliburton: It has now been several weeks since this session began. This party has made every effort to facilitate the business of the House. Our suggestions have been ignored. On each occasion we have ended up with a fairly lengthy debate.

There is another matter which was mentioned by the leader of the New Democratic Party. It seemed to be more or less an afterthought. He said that his party will do everything in its power to ensure that the committee which is to be established will bring in some concrete results. I listened with interest to the members of that party to try to filter out the concrete results which they hope will result from the committee. As nearly as I can tell, the objective they seek is the establishment of a prices or wages review board. That may be of help but, as has been pointed out, there was the prices and incomes commission which only recently retired, and the continuing task force which is presumably operating and advising the government on this matter.

What policy does this government have with regard to rising food costs and inflation in general? Does the government propose to put its future policy in the hands of this parliamentary committee which will, quite properly, be made up of representatives of all parties in this House? Do they intend to call on the opposition, which will comprise the majority of that committee, to advise them on policy in these circumstances? Are we being led by a government which calls on the opposition to give them their program? If that is the case, it is high time the government acknowledged that that is their position and moved over to make room for a party that has its own policies.

Some hon. Members: Hear, hear!

Mr. Haliburton: Why is a committee being established? I suggest that the reason is lack of any cohesive or coherent program on the part of the government. They are asking this committee to give them a program.

I intended to speak on why the time should be limited for this committee to bring in its report. In view of the circumstances in this House we are not speaking of a continuing committee in terms of one which will be operating for a very lengthy period. The members of the committee would do well to consider that they will have, at most, three months or six months to bring forward their final report. If it is possible for a committee to bring in a meaningful preliminary report after 60 days, it should be possible to bring in its final report very shortly after that.

During the course of this debate many members have spoken about one particular price or another and compared it to other prices. I do not intend to involve myself in that aspect of the matter. Contrary to what the hon. member for St. Boniface (Mr. Guay) said a few moments ago about the uselessness of this debate, I think it is incumbent upon this House to provide some ideas and guidelines for the committee.

If the findings of the committee are to be effective or valid, the committee will have to deal with a very broad area of policies, not just food prices. I am sure that members opposite realize that food prices cannot be dealt with in isolation. They are a product of an economic policy of the government. Unless the committee is prepared to look into the entire economic policy of the government, and unless the government is prepared to review its entire economic policy, the deliberations of this committee will be a wasted effort, certainly as far as any short-term effects on food prices are concerned.

If the committee is going to determine the reason for the rise in food costs, how can it justify ignoring the rise in the cost of shelter which has increased 4 per cent more than the cost of food in the past year? The rise in the cost of food is serious, but it cannot be viewed in isolation. There are short-term factors that affect the price of food, such as supply and demand.

A member of the New Democratic Party a few minutes ago mentioned a surplus. Can we imagine a shortage of eggs, chickens, beef and wheat in this country? In fact, we

are a net importer of agricultural products. While we do not have a genuine shortage in the sense that we cannot supply our food needs, nevertheless the supply of food is obviously a factor in pricing.

In the past two or three years there has been a price fluctuation in the poultry business. The price is governed by supply and demand. It prompted producers to endeavour to create marketing boards and concur in the government's proposal for the creation of marketing boards. That certainly has beneficial effects on the agricultural community which specializes in those products. However, far from being any rip-off, it will take some years before the poultry producers are able to recoup the losses they suffered in the past two or three years when prices were disastrously low.

Strangely enough, Canada is experiencing a shortage of potatoes. The price is indicative of this. Obviously, the government had some difficulty in programming wheat production. This was brought to the attention of the government and the public. The price of wheat is governed by short-term factors such as supply and demand; this is well known.

Previous speakers mentioned the impact of transportation costs on food. As a member from the maritime provinces, I know that is a substantial factor. That is one reason we in the Maritimes feel our cost of living is higher than it is in most areas of Canada. It is certainly higher than in the large centres where distribution is centralized and, therefore, more economical. Transportation problems in transporting food and other goods affect the cost of living in outlying areas. This is aggravated by rationalizing railroads and trucking service and diminishing production. The growing multiplicity of regulations affects both rail and road transportation. All these factors in fact cut off effective competition because these areas of endeavour are controlled as my friends to the left would like to have them controlled. The effect of these controls in the transportation industry has been, obviously, the limitation of competition and increases in prices.

• (2150)

Another factor to be considered is the increase in wages in the service industries, and by service industries I refer to services in the food industry. I have in mind the $6 per hour figure for meat cutters. One hon. gentleman in the NDP apparently misunderstood that comment in that he felt it referred to somebody in a meat packing plant. Let me point out to him that it had reference to the horrible practice of large food chains employing meat cutters at $6 to $8 an hour. Certainly that is to be resented by a wage earner getting by on a minimum wage. If a meat cutter is getting $6 or $8 an hour for mincing 25 pounds of hamburger, one can imagine the effect on the price the store charges.

Another factor mentioned during my presence in the House by a member of the Creditiste party was the effect of taxes levied on our citizens by the federal government. These taxes have increased at a fantastic rate over the past few years and they have a direct bearing on food prices because they have a direct bearing on wages. Anyone who pays tax on profit or on wages will require larger profits or larger take-home pay in order to pay the higher tax. Indeed, anyone with an ounce of sense can readily appreciate that a wage earner or a businessman earning a salary or making a profit of $10,000 a year and paying increased tax must organize his affairs in such a way that his take-home pay is not affected. The only way he can do that is by demanding a higher wage or increased profits.

If I understood correctly the statistics I read, the price of food increased from 1961 to 1972 at an average rate in the vicinity of 5 per cent or 6 per cent. From 1961 to 1965 the food index increased by about 10 per cent; during 1967 it increased about 8 per cent, in 1968 by about 4 per cent and in 1969 by approximately 4 per cent. I hasten to say that these figures are fairly rough. In 1970 the food price index increased by about 3 per cent, and in 1972 it increased by 8.6 per cent. These increases are substantial.

Let us compare these increases with the increases in federal revenues. I might say that these increases have a direct bearing on the gross incomes people require in order to pay the additional tax. As I understand it, in 1969 the revenue of the government was $10.1 billion. In 1970 this increased to $12.3 billion. According to my calculation this is an increase of 23 per cent. In 1971, government revenues increased to $12.8 billion, an increase of about 4 per cent; a very modest increase. In 1972 it increased to $14.2 billion, an increase of 10 per cent.

With such an increase in revenue there must be an increase in gross wages earned in order to meet increased taxes and maintain the same take-home pay. Businessmen must also increase their profits. This increase is required by food chains, farmers, meat packing plants and wholesalers in order to meet increased taxes. I submit that this is one of the most important aspects of increasing costs.

I realize I am running out of time, but I should like to mention one other important aspect. This matter was referred to by another hon. member. As the representative of South Western Nova, this aspect is of particular interest in my area. I refer to increasing costs in terms of food as related to the multiplicity of government regulations. I realize that hon. members, whether they sit on this side or the other side of you, Mr. Speaker, may have a great deal of difficulty controlling regulations which are largely, I suspect, conceived in the minds of civil servants or those in the employ of the government who believe it is their duty to protect those people and products within their areas of responsibility.

As an example, let me refer to the multiplicity of regulations in effect in the fishing industry. They are forcing many small fish producing firms out of business. Most of these firms are in competition with each other. I have even heard it said that it is government policy that such regulations should have the effect over a period of a few years of reducing the number of firms in the fish business in Canada to five. At the present time there are hundreds of these firms. What is to become of these independent fish producers? What will become of all these independent agents presently competing in terms of prices paid to the fishermen and prices paid at the marketplace?

One other illustration of inflationary prices is that in respect of the cost of fishing boats. It came to my attention recently that a lobster fisherman has been paying in the neighbourhood of $10,000 for the construction of his

boat. Regulations recently put into effect, which according to steamship inspectors have nothing to do with safety and are not wanted by fishermen or builders, have resulted in ships deemed to be over 15 tons costing about 15 per cent more. In one fell swoop another $1,500 is taken out of the pockets of the fishermen who are only earning about $5,000 a year.

I would ask the committee to consider carefully the effect of multiplying government regulation in relation to the increasing cost of food and of doing business in Canada.

The Acting Speaker (Mr. Laniel): Order, please. Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Laniel): The question is on the main motion as amended. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division.

The Acting Speaker (Mr. Laniel): The main motion is carried on division.

Mr. Knowles (Winnipeg North Centre): As amended.

The Acting Speaker (Mr. Laniel): The main motion as amended is carried on division.

Motion (Mr. Gray) agreed to.

PROCEEDINGS ON ADJOURNMENT MOTION

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

REGIONAL ECONOMIC EXPANSION—REQUEST FOR EXPLANATION OF DISAPPEARANCE OF CERTAIN JOBS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, recently in answer to my question concerning the apparent disappearance of approximately 3,800 jobs for which the government claimed credit through DREE projects, the minister said he owed it to the public to explain what occurred. Pursuant to the minister's professed intentions in this regard, I have some suggestions by which more information could be made available from his department.

I suggest that section 16 of the Regional Development Incentives Act be amended so that reports can be issued every month regardless of whether or not parliament is sitting. If DREE is going to turn out press releases outlining the various new jobs allegedly created, information should also be made available showing whether companies refused initial offers of the approved grants or whether they were withdrawn by the department at a later date. Monthly reports should have a table showing, by province, the net accepted projects, expected eligible capital costs, the estimated expected new direct jobs and the estimated incentives. The minister should also follow the advice offered to his predecessor and prepare a table showing regional levels of unemployment in relation to the amount of grants awarded in each region of the country. Not that unemployment levels should be the sole criterion, but they are relevant factors.

• (2200)

Reports pursuant to section 16 should be published each month in the same way as statistics on employment and statistics on the consumer price index, to form part of a co-ordinated total economic picture. Efforts should be made to determine if Statistics Canada could assess the DREE figures. I would think the minister would be glad to have Statistics Canada do this because it would give his department more credibility; something this government and this department needs badly. There is something incongruous about DREE assessing its own performance.

Mr. Speaker, speaking of performance, and owing an explanation to the public, may I say through you to the minister that we are waiting for an explanation of exactly what he means by the term "decentralization". The switching of bureaucrats from Ottawa to the local level could simply be an empty exercise unless accompanied by a restructuring of present programs. There are qualified people at the scene who know local conditions and what needs to be done. Shipping out DREE personnel and retaining highly paid consultants is unnecessary. I believe that municipal, civic and regional planning agencies should be invited to submit local development plans to DREE, which could facilitate plans which have merit by dealing through the provinces and expediting with them development schemes.

Special area agreements are administered by joint planning committees, with representation from the federal and provincial governments. If meaningful decentralization is to take place, it would be well to give municipalities greater representation on these joint planning committees. The federal government should be prudent in maintaining a proper check through DREE on the funds allocated through special area agreements. However, its role should be more of a conciliator and facilitator between the province and the municipality instead of playing the role of an economic czar. There must be more co-ordination between DREE and other federal and provincial government departments and development agencies. Transportation problems must be taken into account. For example, DREE cannot work to expand the economy of this nation if other government departments are trying to slow it down, as was the case when the former minister was in charge of this department.

It may be necessary to establish a more independent review board, like an advisory board to a bank or a trust company, instead of the present quasi-judicial one. While the actual power of an advisory board can be downplayed, its influence must be a factor in the department's decision-making, otherwise why was it formed? In any event, such an arrangement should be improved.

In expanding the IDB pursuant to the proposal outlined in the Speech from the Throne, the minister should consider co-ordinating it more closely with DREE in order that DREE could use the expertise of the IDB both in an

advisory and a supervisory capacity. It should be possible to establish a risk capital, or venture capital, division for the IDB using DREE funds. This should be looked into since IDB already has regional organizations, considerable expertise in business practice and advisory capabilities; and with the IDB being used in an advisory capacity there is less chance of conflict of interest situations arising.

A new emphasis on massive infrastructure programs for strategic areas must be considered. Infrastructure developments such as roads, port facilities, etc., are tangible assets and remain reasonably permanent inducements and advantages to potential investors, unlike grants which are subject to the vagaries of policy changes, of which this department is a particularly good example.

In summary, there is still a great need for the minister to inform the Canadian public what the new policies of his department are going to involve. I trust that we will not have to wait much longer for a comprehensive announcement in this regard.

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I would first like to offer my personal congratulations to the hon. member for Central Nova (Mr. MacKay) on assuming the responsibility of regional economic expansion critic for his party in the House of Commons. I am, of course, very pleased to respond to the question which he put to the Minister of Regional Economic Expansion (Mr. Jamieson) on January 11 and which he has presented in greater detail this evening.

Specifically, the question relates to the release of information concerning incentive grants from DREE to business or private companies which were offered but which were subsequently withdrawn. The minister in his reply referred briefly to the difficulty of determining accurately on a projection basis jobs which may be created when companies are made an offer of assistance. Certainly, in making public these offers the department refers to them specifically as offers. Rates relating to capital costs, the expenditure per job and other relative statistics are disclosed. I think this is a desirable objective.

Mr. Speaker, each offer is subject to conditions specified in the Regional Development Incentives Act. Therefore, there are instances where the applicant may decide for his own reasons not to proceed. But, more important, there are instances where the department is required to withdraw an offer because the company has not lived up to the conditions. This is a measure of protection to the public purse and it is the reason for publishing and distributing monthly reports to parliament containing summary statistics sections on figures of total capital costs, incentives and expected employment of those offers which were subsequently withdrawn and declined.

In respect of explaining the decentralization policy announced by the minister, which was not the subject of the question raised by the hon. member, I am sure that in the very near future we will have an opportunity to elaborate on this new policy of decentralization. Also, so far as the new policy of the department is concerned, I am sure we will have occasion to work very closely with other interested members. I am sure, also, from the question asked by the hon. member for Central Nova, that he is interested in DREE programs. We are all interested, as is evident from questions and suggestions such as those of the hon. member. I am sure DREE will be a good program and that the Department of Regional Economic Expansion will serve its purpose in helping the non-developed areas of this country.

NORTHERN AFFAIRS—NORTHWEST TERRITORIES—MAINTENANCE OF EMPLOYMENT FOR INDIANS AND CLEARING OF RIGHT OF WAY

Mr. Walter Firth (Northwest Territories): Mr. Speaker, I should like to make a few comments about the Hire North project which involves a group of labourers working under the able leadership of Rudy Steiner out of Hay River. These people work on the clearing of the right of way over a stretch of highway between Fort Simpson and Camsell Bend, a distance of approximately 50 miles.

A few weeks ago I was concerned, in respect of the Hire North project, that it would turn into a "fire north project" as some people were being laid off. I am now informed that many people are going back to work, although not necessarily on the Hire North project. These people originally worked mainly with hand tools on a 49 or 50-mile stretch; they were three months ahead of schedule and therefore worked their way out of work. The people employed on the job were northern natives who were very proud of the work they were doing, and justly so.

• (2210)

I am sure that given the time, the money and some equipment the native peoples of the Northwest Territories can build that highway from Fort Simpson to Tuktoyaktuk on the Arctic Ocean. These people are very proud of the work they have been doing, and they have been doing very careful work because it is in a part of the country which they know best. Many of them are familiar with the bush and are well trained to look after themselves in the bush. I should like to make it very clear that I and the people who are on the project know very well that they can build this highway themselves using common sense and northern experience.

I will be very brief, Mr. Speaker, in asking some very important questions of the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Marchand). Let me point out that it seems a little ironical to me, or perhaps somewhat strange, that a Metis on this side of the House should be asking a question of an Indian on the other side of the House.

The first question is: On what section of the clearing of the right of way will Hire North be allowed to proceed with the work, and could this information be passed along to Hire North as soon as possible?

My second question is: How much money will Hire North be allowed for the vocational training part of the project, and could this information also be passed along to Hire North as soon as possible? This information is most important as Hire North will have to obtain some equipment on the site to carry out this training program

and this must be done during the winter months when the land is frozen, for very obvious reasons.

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I should like to say to the hon. member that I do not have the specific answers to the two last questions he has raised this evening. Perhaps we could consult a little further on the exact nature of his intervention tonight. However, I will obtain the exact information and pass it on to the hon. member as well as to the people whom he wished to be informed.

Hire North, an agency organized by the Northwest Territories government to employ native people on the Mackenzie Highway project, is now employing some 30 native people on clearing and other labour-intensive work on the highway between Fort Simpson and Camsell Bend. This is the work force that will be built up after the Christmas work break which started on December 16 to allow workers to return home for Christmas. Work was completed on December 15, 1972, on the original contract for clearing the Mackenzie Highway between Fort Simpson and Camsell Bend by Hire North and it provided during this time 8,517 man-days of employment. This provided a total of $346,915 in wages and benefits.

Along with the rather obvious benefits of Hire North such as the wages paid to the native people, some very important intangible benefits arising from the work experience have accrued to the people employed on the project. I believe my hon. friend mentioned this. Hire North is also being used as a training project to assist native people to adapt to the needs of a wage earning environment.

The Department of Indian Affairs and Northern Development has been very pleased with the way in which this project has succeeded. I am also pleased that the hon. member has expressed a similar view on behalf of the native people in that area. We are very encouraged by the results of this program and we have every intention of carrying on the program throughout the winter.

YOUTH—OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR INDICATION OF CRITERIA FOR ESTABLISHMENT OF LOCAL SELECTION COMMITTEES

Mr. Joe Clark (Rocky Mountain): Mr. Speaker, on January 16 I asked the Secretary of State (Mr. Faulkner) to provide terms of reference which would indicate what criteria the government would follow in establishing a local selection committee for the Opportunities for Youth Program. So far, to my knowledge, no criteria have been given and no answer has been given. I want to raise the question of OFY tonight, not on that narrow point but on the larger matter of the purpose of the program and the ability of parliament, which is paying the piper, to gain at least some inkling of the tune.

From the beginning this program has been kept away from parliament. This year, for the third straight year, it was announced outside the House. There has never been an attempt by the government to come to parliament with a description of the purposes of the program or of its performance. Indeed, the government cannot come before parliament with a full report because the government refuses to give a statutory base to the program. It exists at the whim of the government, a whim with a big budget but with no more accountability and no more assurance of survival than the Prime Minister's assurance that we have licked inflation.

No matter how glowing the terms in which the government might describe OFY, it remains a program it refuses to embrace. It is an orphan, disclaimed at its birth and in perpetual danger of abandonment. It is a shocking situation that the only time this program comes before the House of Commons—and it is a program which will cost almost $40 million this year—is when the opposition parties bring it here either by questions or by debate on one of our days.

Those in the country who believe in the principles of a program like OFY should look with unease upon the persistent refusal of the government to grant it permanent status. No one who remembers the emasculation of the Company of Young Canadians can avoid the apprehension that on the day that OFY no longer serves the private and partisan designs of the government it will simply disappear. That is one danger with the present program, the danger that it will be done away with in the dark of night by a government whose highest principle is its own survival.

Another danger is that in some naïve corners of the land there might actually persist the belief that the program is in some way related to an attack on unemployment. Indeed, when the Prime Minister (Mr. Trudeau) announced that the government had programs up its sleeve for young Canadians he made explicit reference to job creating potential. He struck the chord and, as so often has happened, his ministers and minions have dutifully sung it.

OFY is the flag ship of the government's attack on unemployment among the young—and not only the flagship; it is the whole fleet. But it is in an entirely different ocean. The OFY program has little or nothing to do with the crisis in unemployment among the young. It is an excuse for inaction, not an instrument for action. To argue, as the government does, that it is an effective answer to youth unemployment is fraudulent. As an innovative social program it has considerable potential; as an attack upon unemployment it is a fraud.

It is aimed at providing jobs for the young in summer. Look at its rate of success in the summer of 1972. In April, 1972, the unemployment rate, seasonally adjusted, for the age group 14 to 24 years was 10.2 per cent. The next month the program began and the rate of unemployment went up to 10.8 per cent. In August, 1972, the effect of the summer employment program was most clear; the rate of unemployment in that age group soared to 12.1 per cent, the highest in over ten years and double the national total of 6.7 per cent for the same period.

Last year some 30,000 young people were listed as being employed as a result of OFY. That is a figure that is almost invisible in the shadow of the 1,306,000 young people described by the then minister of manpower and immigration as intending to seek employment in that summer. There is no way of knowing how many of those 30,000 would have found other jobs, including some kind

of seasonal work such as that on farms which went without takers last summer and work with volunteer social agencies which, because they cannot compete with OFY rates, went without young workers in parts of Canada last summer.

The stated figure of 30,000 jobs is negligible enough in light of the total number seeking work. It might be more negligible still if we had a chance to examine the workings of individual programs. Members of Parliament have asked for a full evaluation of projects, but in keeping with the Liberal principle of denying information to parliament only a partial assessment has been provided—a sample of less than one-sixth of the total projects.

In a very serious sense the OFY program contributes to the record levels of unemployment among young Canadians because it gives the government an excuse to do nothing concrete. Whenever they are pressed about youth unemployment, they point with empty pride to OFY. In that sense the program has been of much more use to the government than it has been to the young people of the country.

• (2220)

As a first priority we in this party demand that the government stops the sham of pretending that OFY is a remedy to youthful unemployment. Instead, as a start we want the government to work with the private sector and the provinces to develop a seasonal employment program that works and that provides the basis on which grant and incentive programs might work. We propose the establishment of a Canadian youth employment directorate whose initial responsibility would be to determine the causes of youth unemployment and to work out practical programs which meet the needs of the unemployed. That approach would begin with the recognition that youth unemployment remains a Canadian crisis, whereas the government today treats it as a matter which mere press agentry can dismiss.

But if it is a fraud in the fight against unemployment, OFY remains an important innovative program, an instrument to enlist both the creative proposals and the energy of young people across the land. Clearly the program should continue. But is should continue without the burden of its disguise, without the pretence that it is designed to do something it patently cannot do. We in this party particularly approve the reliance upon local initiative and ingenuity. It is a principle we introduced into Canadian legislation with the ARDA program and we hate to see it abused in ARDA or in OFY.

If the government would stop pretending the purpose of OFY is to fight unemployment and would recognize its great potential to put money where the needs are, the program can succeed. We want to see some major modifications. In rural areas in particular there should be a much greater attempt to tie in to the recognized priorities of the regions where the projects proceed. Everywhere there should be an attempt to have projects staffed and inspired by people who know local needs because they are local residents. When projects are seen to work, there should be substantial attention given to ensuring that they return next year and are not mere one-summer wonders.

As a start, the government should bring the program to parliament, ensure the impartiality and the permanence of OFY by enshrining it in statute, announce new programs in the House of Commons and let parliament, as the representative of all the people, participate creatively in the development of guidelines and priorities.

[*Translation*]

Mr. Gilles Marceau (Parliamentary Secretary to Secretary of State): Mr. Speaker, as the Secretary of State (Mr. Faulkner) pointed out in his press release of January 15, 1973, this summer's program will mainly emphasize benefits to the communities. Our experience of last year with some local advisory committees will be repeated, but on a wider scale, to involve more people. Young people and other designated persons will be called upon to take part in these local advisory committees, which will provide an additional source of consultation for the review and eventual selection of the projects.

Officials of the Department of the Secretary of State, in co-operation with representatives of the provincial governments, have started to identify areas within each provinces where it would be possible to set up local advisory committees. The selection of these areas will be based on economic and geographical grounds. The committees, where any, will be responsible for providing the officials of the Opportunities for Youth program with additional information on priority needs and on existing services in the communities they represent.

To ensure that these committees really represent the interests of the people they serve, spokesmen for youth, for communities as well as for provincial governments will be invited to participate in these committees. Their thorough knowledge of their surroundings will enable them to determine the primary needs of their community and the resources which will be available. Moreover, representatives elected to sit on these committees will already have an experience of working with youth as well as of social service activities. As far as possible, we shall add representatives from groups which benefit from services provided through community projects of Opportunities for Youth.

Mr. Speaker, within the few minutes left I shall not have the opportunity of taking up the challenge that my hon. friend has sent me and saying more about the Opportunities for Youth program but I can assure him of one thing: I accepted to become affiliated to a party because I believe in the earnestness of this party, and I shall not accept that this program be used as a cover by a political party. It will be—and I am now committing myself—a service reserved for youth and the whole people of our country. During the weeks to come I shall have the opportunity of speaking at some length about the Opportunities for Youth program.

At 10:27 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, January 24, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

VIET NAM—STATEMENT ON CANADIAN POSITION RESPECTING PARTICIPATION IN SUPERVISORY COMMISSION FOLLOWING CEASE-FIRE AGREEMENT

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, last night President Nixon said that a cease-fire in Viet Nam has been agreed upon. The government is profoundly relieved at this historic news and profoundly grateful for it, as I am sure are all members of the House and all the Canadian people. At long last, it seems, agreement has been reached to stop the fighting in Viet Nam. The way to peace will then lie open. All Canadians will welcome this.

It is now necessary to decide what contribution Canada can make to ensure that peace does indeed come to Viet Nam. What is now in our interests to do, and what can we do effectively? These are the questions we face.

Canada, in our view, will also wish to help in the immense task of relief and reconstruction in Viet Nam. The government has already announced its willingness to do so. The destruction in both North and South Viet Nam is immense. Canada has some experience in providing aid to South Viet Nam but none, of course, in North Viet Nam. The government does not yet know what may be asked of us nor how a larger Canadian program may relate to the efforts of other countries and international organizations. We will have to find the answers to these questions as quickly as Viet Nam returns to conditions in which aid can be effective. As always, we will offer to do what we are best able to do. We will be willing to help in this task anywhere in Viet Nam where we are welcome and where we can be useful.

On November 2 last year, when it seemed a cease-fire agreement was near, the government made a proposal. That proposal was intended to meet the apparent concern of the parties that there should be some form of international presence immediately on the ground from the time of the cease-fire. The proposal was that, for the initial period, Canada would be prepared to place at the disposal of the new international supervisory body the Canadian delegation to the existing international commission, the ICC, as it is commonly called, augmented as necessary.

Our concern was to enable the initial cease-fire arrangements to proceed without delay if the parties so wished. That is very much the problem now.

The government subsequently stated publicly the conditions and considerations on which it would require assurances before it could take a decision on more complete participation in a new commission. It told the parties what these conditions were.

We have only just received the documents which embody the agreement between the United States and North Viet Nam. There has been no time yet to study them carefully, as they will have to be studied. A first look suggests that the conditions and considerations which we communicated to the parties have to some degree contributed to the terms which have been agreed on for the establishment of a new commission.

These are complicated and important documents. It will not be possible to say how far they meet our conditions until they are carefully studied. We already know that an immediate answer to that question will not be possible, if only because we are dealing with documents which have so far been initialed by only two parties. They will not be signed by all four parties until Saturday of this week, only hours before the agreement envisages an international presence on the ground.

In short the situation is this: the government is faced with a choice. It can accept, with whatever reservations are necessary, the role the parties have defined. We are capable of doing so. But this would mean committing Canada to full participation before we knew with any certainty to what extent Canada's conditions are met. At the other extreme, we could refuse to participate because we do not yet know to what degree those conditions are met. But to do this would risk our standing in the way of an end to the fighting, which all Canadians ardently desire to see ended.

• (1410)

The government has concluded that both these extremes are unacceptable. It has therefore decided that when the documents have been accepted by all four parties, and when all four parties have clearly invited Canada to take part, the government will then confirm that Canada is ready to take part initially. This initial participation will be consistent with the position announced on November 2 last.

Canada will be prepared to serve on this limited basis for an initial period of 60 days. Canada will be prepared, during that period, to do what it can to discharge the obligations which would flow from full membership in the new commission. A full and formal reply to the invitation for full membership, however, will have to await a number of things: first, it will have to await a very thorough study and analysis of all the agreements and of the full nature of the parties' commitment to the agreements. It will also have to await the lessons of our experience of participation in the initial stages. It is no secret to anyone

that we have serious doubts about what we are being asked to undertake. Our more formal decision will have to await our judgment of the degree to which our doubts turn out to be justified in practice. We will form that judgment in the initial period of participation, and our full reply to the invitation will be given, with whatever reservations we may find necessary, before the end of that 60-day period.

Meanwhile, let there be no misunderstanding about what Canada will be doing in Viet Nam. We will not be there to keep the peace ourselves; that is for the parties to the cease-fire. What we can do is observe how the parties are fulfilling their obligations under the cease-fire, and report upon this. From time to time, we may be able to help them through mediation. But it is not up to us whether or not there will be peace in Viet Nam. If the parties fulfil their obligations, there can be peace; if they do not, then nothing Canada or any other country on the commission can do will prevent the cease-fire from being broken.

The government will want these interim conclusions to be discussed in parliament. It will introduce a resolution to provide a basis for this debate. Meanwhile, it will provide the cease-fire documents to all parties in the House as quickly as it can. When everyone has had a reasonable opportunity to consider these texts, a time for debate will be fixed by agreement of the House leaders. For its part, the government would be ready to have this debate take place some time next week.

Mr. Speaker, the people of Viet Nam have endured beyond measure a tragedy of indescribable proportions. Every Canadian prays that the cease-fire will lead to a lasting peace. We can do nothing less than seek some means of contributing effectively to such a peace and to the reconstruction of that suffering region.

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, to the remarks just made by the Secretary of State for External Affairs (Mr. Sharp) I want to add that we all heartily welcome the announcement of peace in Viet Nam. This is a great day for humanity as a whole. Statements made from Washington and Hanoi meet the aspirations of all inhabitants of our planet and also of Canadians who, like their brethren throughout the world, now have greater faith than ever in negotiation as the real means of settling conflicts.

We hope and believe, Mr. Speaker, that the agreement reached yesterday in Paris will bring to Viet Nam a durable peace extending to all Southeast Asia and that the agreement will contribute to the future of peace throughout the world.

Such objectives incite us, as Canadians, to co-operate with other nations in ensuring that the agreement is carried out and in building up peace in Viet Nam and Indochina. This last concern must make us accept Canada's participation to the international conference which, under the very terms of the cease-fire agreement, must be held within the next 30 days. We would then sit with China, France, the Soviet Union and Great Britain.

Before agreeing to any participation by Canada in an international body in order to see that the peace agreement is observed, we have the responsibility to make sure about the nature and effectiveness of the role which would be ours.

We have a particular responsibility to assume toward all our fellow Canadians, our soldiers, our peace officers, all other countries and, precisely, toward our eventual partners.

Our responsibility in the highly humanitarian task of building a lasting peace urges us, with regard to our participation in the peace control commission, to act with due reflection. We ponder over the pertinent points. It behoves the present government to enlighten the Canadian parliament, the Canadian people, even before a decision is taken. That is why, Mr. Speaker, I welcome with enthusiasm the suggestion of the Secretary of State for External Affairs that a debate be held in this House. In anticipation of this debate, I should like to mention a few questions on which the Secretary of State could reflect and to which he could perhaps give us an answer.

It seems to me that the government has had ample time to consider all the implications of the situation. For months now, the Department of External affairs has endeavoured to anticipate the problems involved in our eventual role in Viet Nam. We therefore ask the Secretary of State for External Affairs when and how the last consultations were held with the Canadian ambassador in Paris and in Washington. To what extent did the political authorities of South Viet Nam participate in the Kissinger-Le Duc Tho agreement, notably with regard to the presence of North Viet Namese troops in South Viet Namese territory?

Does the Secretary of State know that the Paris agreement deals essentially with Viet Nam and little or not at all with Cambodia and Laos? Could he, in his statement, comment on the attitude of the government in this regard?

Could the minister inform the House and the Canadian people about the conditions of Canada's participation in the peace control operations in Vietnam, when and how, on each occasion, have those conditions been expressed and to what parties to the conflict? To this day, which party has accepted or refused the conditions put forward by Canada? In each case, what were those conditions?

More specifically still, to this day what position was taken by the outside organization to whom report is to be made? Will this organization be able to intervene in case of disputes?

What is exactly the clause of free access to every part of Viet Nam? Can this free access be extended to Cambodia and Laos?

Where does the present government stand as to the duration of a mission in Viet Nam?

Could the Department of External Affairs be getting ready to accept a provisional mandate as to the nature and duration of this mission so that it could later decide to continue or to withdraw?

Which countries will pay the costs of peacekeeping operations? Have representations been made to date in this respect? How many Canadians will be involved in the force?

Is the government aware that Canadian missionaries or others are held prisoners in Viet Nam, Cambodia or Laos? What has the government done in this respect, and what does it intend to do in the near future? If necessary, has Canada contacted Indonesia, Hungary or Poland or will it do so?

These are questions that arose in our minds and also in the minds of a good many Canadians.

We are willing to fulfil our international role and participate in the peace effort, but we want to accomplish our noble duties with the considered responsibility of an autonomous country, knowing why and to what we are committing ourselves.

We do not want Canada to go once more through what it has experienced on the International Control Commission since 1954 or what it has experienced in Cyprus.

The reputation and image of Canada abroad require an enlightened and utterly lucid decision.

• (1420)

[*English*]

While we rejoice in the achievement of a cease-fire members of the House will note that we feel it necessary to raise several questions as to the terms that would govern Canadian participation in any peacekeeping effort in Indochina. Our party takes the position that not only should Canada be prepared to co-operate with the international community in helping to secure a peace but that we owe it to ourselves and to our brethren across the globe to ensure that our participation be effective and sufficiently potent to guarantee some measure of success. There can be little doubt of our country's direct responsibility to participate in any peacekeeping effort. There can be less doubt about our right as a nation to insist on firm and clearcut conditions to our participation.

Essential to our effective participation is a clearcut position on the part of the minister that this parliament and the people of Canada be taken into the government's confidence with regard to the exact way in which our forces might participate. There is no room for anything aside from an open and honest discussion as to the best way for Canadians to discharge their international responsibilities.

It is clear to me, Mr. Speaker, that we have an opportunity to once again activate the middle power role in world affairs authored by the Hon. Howard Green—

Some hon. Members: Oh, oh!

Mr. Wagner: —and so brilliantly put to work by the late Right Hon. Lester Pearson.

Some hon. Members: Hear, hear!

Mr. Bell: You laughed too soon.

Mr. Wagner: We must avoid the pious platitudes and naïve hopes that can characterize, all too often, the international efforts that never fully succeed. Our posture must be clearcut and direct. We will have a job to do. We are prepared to do our job. We demand the right to ensure that we can do the job properly. I know that the minister shares with all members of the House the desire for effective participation and successful organization of our peacekeeping effort. I urge him to deal with strength and wisdom in determining the conditions under which Canada will lend its helping hand. In this way members of all parties in the House can join in endorsing and supporting a very necessary and significant gesture on the part of our nation in the interest of a better and more peaceful world for us all.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, the conscience of the whole world has been deeply troubled by the long war in Viet Nam. The whole world can breathe a sigh of relief because this long, bloody, brutal and tragic war is now apparently about to be ended. We are concerned with Canada's contribution to ensure that the peace there is a lasting peace. We can say proudly that Canada has always been ready to make a contribution to assist the world through providing peacekeeping forces and through its efforts in respect of reconstruction in parts of the world devastated by war.

Some hon. Members: Hear, hear!

Mr. Brewin: Therefore we welcome the statement the minister has made. We have been good members of the world community. Although there have been many, many difficulties and many, many doubts, we cannot turn down now the opportunity presented to us to contribute to the maintenance of a stable peace in war-torn Viet Nam.

I am glad, however, that the minister has made it clear that he will look very cautiously into the documents, the conditions and the terms in respect of our contribution. I am glad we are to go there as observers only. I know that the parties there, certainly those with whom I have been in touch recently in North Viet Nam, do not want a military force. What they want is observers to ensure that the peace will be kept but not to make peace themselves nor to intervene in any military sense of the word.

I am more than happy to see that Canada proposes to participate in the reconstruction of both North and South Viet Nam. They have been sorely ravaged in one of the most brutal wars in our history. We should do our part in an effort to build up this wounded country.

The minister mentioned one condition which we think is of the utmost importance. It is absolutely vital that there should be an international authority to whom the members of the commission may report. We suggest that the best possible authority in this regard should be the United Nations or its Security Council.

Some hon. Members: Hear, hear!

Mr. Brewin: I am pleased to see the minister applaud because I really believe the United Nations exists for the purpose of being able to aid in situations like this. It is the expression of the world's conscience, and unless we can build the United Nations we will never have an effective world community.

We in this party are quite determined that no Canadian force should go overseas in any capacity whatever without the approval of this parliament. As I understand the minister's proposal, it is that the matter will be discussed

in parliament before that happens. We think parliament is the authority that should determine this matter.

There are one or two other matters I should like to mention, although I realize this is an occasion for a brief rather than a long statement. I agree with what the minister said, that no arrangement, no international machinery, can work without the good will of the people concerned, without the good will of the parties themselves in Viet Nam. As some hon. members know, I recently had the opportunity of talking to government officials in North Viet Nam and I must say I was impressed with the sincerity of their desire to maintain peace and to maintain their belief in the unity of Viet Nam as a country. Their aim remains the reunification of that country. They now say—and I hope and believe they mean what they say—that this will be achieved by a process of national reconciliation, not by force of arms. If that is the attitude of both parties, then let us hope that once foreign troops are removed from the area the Vietnamese themselves will settle their own problems. I believe I can say that the situation will be approached by one side at least with an attitude of good will and a determination to make that aim succeed.

• (1430)

There was some reference in the settlement, and rightly so, to the return of United States prisoners of war in North Viet Nam. We rejoice that they will be allowed to go home quickly. But this reminds us that in addition there are prisoners in South Viet Nam. I am informed that nearly 300,000 persons, mostly political prisoners, are in the jails of South Viet Nam. The solution to that problem must be part of the solution that is sought in this international reconciliation.

Many of us in this House have for many years had a feeling of agony and unhappiness about Viet Nam. We earnestly pray that a new chapter is opening, and we hope that Canada will be able to play a constructive part in that new chapter of history.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, in his statement the Secretary of State for External Affairs (Mr. Sharp) has nearly promised us a much more important debate for next week after studying the whole text of the agreement just concluded and giving us copies of it. For these reasons, I do not intend to unduly prolong the time allotted to statements today.

However, my colleagues from the Social Credit Party, all other hon. members and myself were very pleased last night to hear the President of the United States proclaim the end of this war which has been lasting for nearly 30 years now.

The Secretary of State for External Affairs has inquired about our contribution when the interested parties will not only ask us to oversee the cease-fire but also and especially to establish peace. In brief, what the parties have requested and what American President Nixon refused was not only the end of the war but mainly the assurance of a durable peace and that this assurance be an example for peace throughout the world.

I have noted that in his statement last night Mr. Nixon used the words "peace with honour" at least six times.

[Mr. Brewin.]

Depending on how they are interpreted the problem is not only to save the American honour but rather to gain the honour of a true peace by ending this war. The Secretary of State for External Affairs does not know exactly what will be the Canadian participation following this war, but it seems however that some decisions have been taken for some time because almost 450 military personnel have already been vaccinated and prepared to be sent to Viet Nam following the signature of this agreement. Therefore, this means that certain conversations have already taken place between Canada and the American government. Since this war has lasted so long I think it should be possible for the present generation to love peace as it has not known anything else but a climate of war.

Of course, many thing have to be rebuilt; surely there are many wounded to cure and readapt. In addition to the 450 troops which Canada can dispatch, it would be desirable to mobilize some doctors and nurses to assist the Vietnamese people in recovering from this war.

Mr. Speaker, when we will know more about the complete text of the agreement which will be signed by the parties concerned, then we will be in a better position to give our opinion, to support, to advise the hon. Secretary of State for External Affairs on Canada's participation. I think there should be participation even if it is only a humanitarian participation.

Perhaps indirectly, Canada benefited from that war but I think we should help bring back peace to that important part of the world that is Viet Nam.

As the hon. member for Saint-Hyacinthe (Mr. Wagner) mentioned a while ago, there still remains the question of Laos and Cambodia. Not too long ago Prince Sihanouk made a rather disturbing statement. I think that those two countries very close to Viet Nam are very important and suffered the backlash of that war. I think we must also be concerned with finding out what they desire in the establishment of that peace and what they are prepared to do.

Everything considered, Mr. Speaker, I think that the next hours or the days to come will allow us to see to what extent each party is anxious to see a true peace in that part of the world.

* * *

[*English*]

HOUSING

TABLING OF COMMUNIQUÉ ISSUED FOLLOWING FEDERAL-PROVINCIAL CONFERENCE

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, pursuant to Standing Order 41(2) I should like to table in both official languages the communiqué issued yesterday by the federal-provincial conference on housing that was held on January 22 and 23.

AGRICULTURE

CROP DAMAGE, NORTHERN ALBERTA AND BRITISH COLUMBIA—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I rise pursuant to Standing Order 43 on a matter of urgent and pressing necessity. In view of the adverse weather conditions which have ruined the grain and vegetable crops of thousands of farmers in the Peace River country of British Columbia and northern Alberta, in view of the inadequate government assistance they have been promised, and in view of the fact this disaster has become a matter of national concern, as indicated in the *Globe and Mail* this morning, I move, seconded by the hon. member for Peace River (Mr. Baldwin):

• (1440)

That the government immediately take action to assist these and other farmers by ensuring a stable price for grain, compensation payments that reflect true loss, and a moratorium on capital credit payments and interest.

Mr. Speaker: The hon. member's motion is proposed under the terms of Standing Order 43 and requires unanimous consent. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent and the hon. member's motion cannot be put.

* * *

FOREIGN INVESTMENT REVIEW BILL

PROVISIONS RESPECTING ACQUISITIONS OF CONTROL OF CANADIAN BUSINESS ENTERPRISES AND ESTABLISHMENT OF NEW BUSINESSES

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce) moved for leave to introduce Bill C-132, to provide for the review and assessment of acquisitions of control of Canadian business enterprises by certain persons and of the establishment of new businesses in Canada by certain persons.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Order Paper Questions

ROYAL CANADIAN MOUNTED POLICE SUPERANNUATION ACCOUNT

Question No. 12—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Royal Canadian Mounted Police Superannuation Account as at (a) March 31, 1970 (b) March 31, 1971 (c) March 31, 1972?

2. What rate of interest has the government paid for the use of this money during the fiscal years ending on the dates noted above?

3. What amount of interest was credited to the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 70 (b) March 31, 1971 (c) March 31, 1972?

4. What was the total amount paid out of the Royal Canadian Mounted Police Superannuation Account during the fiscal years ending (a) March 31, 1970 (b) March 31, 1971 (c) March 31, 1972?

Hon. Warren Allmand (Solicitor General): 1. (a) $165,764,567.44; (b) $199,716,533.74; (c) $223,657,501.35.

2. (a) 4.7862 per cent; (b) 5.3460 per cent; (c) 5.5895 per cent.

3. (a) $5,454,750.61; (b) $6,908,425.99; (c) $8,325,914.58.

4. (a) $1,315,474.24; (b) $1,525,344.69; (c) $1,786,016.81.

NUMBER OF RETIRED CANADIAN ARMY PERSONNEL IN RECEIPT OF PENSIONS

Question No. 13—**Mr. Knowles (Winnipeg North Centre):**

1. How many retired Armed Forces personnel are receiving pensions, including their basic pensions and any supplement or supplements added thereto, of amounts within each of the following brackets (a) less that $20 per month (b) $20 to $29.99 per month (c) $30 to $39.99 per month (d) $40 to 49.99 per month (e) $50 to 59.99 per month (f) $60 to $69.99 per month (g) $70 to $79.99 per month (h) $80 to $89.99 per month (i) $90 to $99.99 per month (j) $100 to 149.99 per month (k) $150 to $199.99 per month (l) $200 to 249.99 per month (m) $250 to $299.99 per month (n) $300 per month and over?

2. How many widows of Armed Forces personnel or of retired Armed Forces personnel are receiving pensions, including their basic pensions and any supplement or supplements added thereto, of amounts within each of the brackets indicated in the above question?

3. What is the total number of retired Armed Forces personnel and also the number of widows of Armed Forces personnel or of retired Armed Forces personnel presently residing in each province?

In respect of how many orphans of Armed Forces personnel are pensions being paid and what is the average amount thereof?

Hon. James Richardson (Minister of National Defence): 1. As of December 31, 1972, the number of retired Armed Forces personnel receiving monthly pensions totalled 38,384 as follows: (a) 54; (b) 74; (c) 151; (d) 270; (e) 253; (f) 213; (g) 334; (h) 418; (i) 552; (j) 3,737; (k) 6,580; (l) 7,541; (m) 5,804; (n) 12,403.

2. The number of widows receiving monthly pensions totalled 3,634 as follows: (a) 64; (b) 56; (c) 55; (d) 77; (e) 120; (f) 173; (g) 236; (h) 246; (i) 214; (j) 1,067; (k) 722; (l) 275; (m) 167; (n) 162.

3.

	Retired Personnel	Widows
Newfoundland	137	9
Prince Edward Island	290	25
Nova Scotia	3,358	295

Order Paper Questions

3.

	Retired Personnel	Widows
New Brunswick	1,194	128
Quebec	3,339	373
Ontario	15,680	1,622
Manitoba	1,607	152
Saskatchewan	475	60
Alberta	3,040	247
British Columbia	8,033	587
Yukon and NWT	61	3
Outside Canada	1,170	133

4. 77; $42.70 per month.

CANADIAN FORCES SUPERANNUATION ACCOUNT

Question No. 14—**Mr. Knowles (Winnipeg North Centre):**

1. What was the total amount of money in the Canadian Forces Superannuation Account as at (a) March 31, 1970 (b) March 31, 1971 (c) March 31, 1972?

2. What rate of interest has the government paid for the use of this money during the fiscal years ending on the dates noted above?

3. What amount of interest was credited to the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1970 (b) March 31, 1971 (c) March 31, 1972?

4. What was the total amount paid out of the Canadian Forces Superannuation Account during the fiscal years ending (a) March 31, 1970 (b) March 31, 1971 (c) March 31, 1972?

Hon. James Richardson (Minister of National Defence): 1, 3 and 4. This information is tabled in the House of Commons annually in accordance with Revised Statutes, and also appears annually in the Public Accounts.

2. See reply to your question No. 35 in *Hansard*, page 534, dated March 6, 1972. Interest paid since then is as follows: Quarter ending June 1971, 1.3838 per cent; Sept. 1971, 1.3896 per cent; Dec. 1971, 1.4004 per cent; March 1972, 1.4157 per cent.

CANADIAN FORCES SUPERANNUATION ACT

Question No. 15—**Mr. Knowles (Winnipeg North Centre):**

1. In each year 1959 to 1972, both inclusive (a) how many personnel of the Canadian Armed Forces have commenced drawing pensions under the Canadian Forces superannuation Act (b) how many widows have commenced drawing pensions under the said Act?

2. In each year 1959 to 1972, both inclusive, how many pensions under the Canadian Forces Superannuation Act (a) to retired Canadian Armed Forces personnel (b) to widows of such personnel, have been discontinued because of the death of the annuitant?

3. In each year 1946 to 1972, both inclusive, how many service personnel contributed to the pension or annuity account under the former Part V or under the provisions of the present Canadian Forces Superannuation Act?

Hon. James Richardson (Minister of National Defence): 1, 2 and 3. The information requested for the years 1959-1971, and 1946-1971, was provided in reply to Question No. 36 of the fourth session of the 28th Parliament, on March 6, 1972, at page 534 in the House of Commons Debates (*Hansard*). The information for 1972 is as follows: 1. (a) 4,405; (b) 420.

2. (a) 323; (b) 11.

3. 84,933.

[Mr. Richardson.]

PUBLIC WORKS—FEDERAL BUILDING, BRIDGEWATER, N.S.

Question No. 40—**Mr. Crouse:**

Is it the government's intention to construct a federal building at Bridgewater, Nova Scotia and, if so (a) how many government departments will be placed in the new building (b) what is the estimated cost of the new building (c) what are the estimated starting and completion dates for the new building?

Hon. Jean-Eudes Dubé (Minister of Public Works): Yes, (a) a re-assessment of space requirements will be completed by 1974. (b) In 1971 the estimated cost was $300,000. This is due to be revised in 1974. (c) Estimated start: 1974; Estimated completion: 1975.

MANPOWER STRENGTH, CANADIAN FORCES BASE, CORNWALLIS

Question No. 44—**Mr. Haliburton:**

1. What is the military personnel complement of CFB Cornwallis at present?

2. How many individuals have been trained on the base each year since 1963?

3. How many civil employees have been laid off in each of the past three years?

4. What capital expenditures have been made on the base in each of the past three years?

5. What expenditures have been made in renovations on the base in each of the past three years?

6. What is the projected amount to be spent in the next three years?

7. (a) For what purpose is CFB Cornwallis presently being used (b) are there to be changes in the near future concerning these uses?

Hon. James Richardson (Minister of National Defence): 1. 411.

2. Statistics prior to 1968 are not available. The following number of recruits have received training at CFB Cornwallis: 1969-70, 5,222; 1970-71, 3,736; 1971-72, 2,402; 1972-73, 3,476 (forecast). In addition, 1,500 Sea Cadets undergo training each summer.

3. 1969-70, 22 term and 1 indeterminate; 1970-71, 17 term and 1 indeterminate; 1971-72, 16 term; 1972-73, 152 term (1 Apr-Dec 31).

4. 1969-70, $138,000; 1970-71, $226,000; 1971-72, $930,000; 1972-73, $492,700 (estimated).

5. 1969-70, $639,700; 1970-71, $562,500; 1971-72, $932,300; 1972-73, $954,000 (estimated).

6. The construction and maintenance allotments for the next three years are still under review and no firm figures can be given at this time.

7. (a) CFB Cornwallis provides base support for the Canadian Forces Recruit School, and summer training of Sea Cadets. (b) In an endeavour to realize operation and maintenance savings and therefore increase the cost/effectiveness of a total base support, a continuous review is carried out to plan base posture for the whole of the Candaian Forces. As of this date, no specific recommendation has been formulated in regard to any change in the future of CFB Cornwallis.

*WHEAT—DELIVERY UNDER CONTRACTS WITH MAINLAND CHINA AND THE SOVIET UNION

Question No. 54—**Mr. Diefenbaker:**

1. How many bushels of wheat as of (a) July 30, 1972 (b) December 31, 1972 remained to be delivered under existing contracts with (i) Mainland China (ii) the Soviet Union?

2. At what dates do existing contracts with both Mainland China and the Soviet Union expire?

Hon. Otto Lang (Minister of Justice): Mr. Speaker, the answer to the question is as follows: 1. (i) (a) At July 31 110.5 million bushels remained to be delivered against two outstanding contracts with the People's Republic of China, (b) At December 31 98.1 million bushels remained to be delivered against three outstanding contracts with the People's Republic of China, a third contract having been entered into on November 8, (ii) (a) At July 31, 190.2 million bushels remained to be delivered against two outstanding contracts with the U.S.S.R. (b) At December 31 100.1 million bushels remained to be delivered.

2. Existing contracts with the People's Republic of China will have all expired by October 31, 1973. Existing contracts with the U.S.S.R. will have expired by July 31 except for an option to extend shipments of minor quantities of wheat and flour to Cuba to the end of December.

MANPOWER STRENGTHS—MARITIME COMMAND

Question No. 139—**Mr. McKinnon:**

1. How many ships does the Department of National Defence have in Class C, or operational reserve?

2. What are the names of these ships?

3. How many personnel would be required to man these ships to go to sea in an operational role?

4. How many ships will there be in Class C or operational reserve when the four new Tribal destroyers become operational?

Hon. James Richardson (Minister of National Defence):
1. Four.

HMCS Saskatchewan, Skeena, St. Laurent, and St. Croix.

3. 880 officers and men.

4. In anticipation of the four new Tribal class destroyers becoming operational in late 1974, the number of ships to be maintained in Category C, operational reserve, is being reviewed.

NATIONAL DEFENCE—MANPOWER STRENGTH

Question No. 192—**Mr. Orlikow:**

How many members of the Canadian Armed Forces were there in each rank as of March 31, 1968 and as of March 31, 1972 and what were the salary ranges for each rank on those two dates?

Hon. James Richardson (Minister of National Defence):

EFFECTIVE STRENGTH BY RANK

Rank	As of March 31, 1968	Salary Range as of March 31, 1968	As of March 31, 1972	Salary Range as of March 31, 1972
Gen	1	$28,750	1	$40,000—45,000
Lgen	6	26,004	7	28,000—35,000
Mgen	24	23,760	25	25,000—31,000
Bgen	81	20,100—21,300	69	22,000—28,000
Col	320	16,848—17,928	293	21,120—23,520
Lcol	996	13,560—15,240	862	17,340—19,860
Maj	3,244	11,172—12,972	2,879	14,640—16,740
Capt	7,179	8,724—10,524	7,173	10,620—14,040
Lt	3,310	6,756— 9,024	2,089	6,660—10,800
2Lt	274	4,428— 5,124	163	4,800
Cdt	2,309	2,244— 2,304	1,686	2,400— 2,580
Cwo	1,001	8,040— 9,648	817	11,688—13,248
Mwo	2,751	7,020— 8,340	2,339	10,332—12,024
Wo	5,197	6,444— 7,644	4,649	9,300—11,172
Sgt	11,771	6,084— 7,284	10,250	8,352—10,332
Mcpl	1,057	5,520— 6,564	5,951	7,584— 9,300
Cpl	35,654	5,400— 6,444	29,584	7,284— 9,000
Pte 4	9,957	4,176— 5,340	5,302	5,400— 7,200
Pte 3	8,821	3,672— 3,864	5,268	4,440— 4,920
Pte 2	5,102	2,808	1,979	3,540
Pte 1	1,283	2,580	1,583	3,240

The salaries shown exclude: pay authorized for pilot, navigator, flight engineer, medical, dental and legal officers; and pay authorized for men, corporals and above, in the trades of flight engineer and observer.

LOCAL INITIATIVES PROGRAM

Question No. 236—**Mr. Lambert (Bellechasse):**

Can a person employed by the government, by one of its departments or by any federal Commission be responsible for or sponsor a Local Initiatives Program and, if not, for what reason?

[*Translation*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes. However, a person employed by the government, by one of its departments or by any federal Commission is not eligible for financial remuneration for being responsible for or sponsoring a project under the Programme.

[*English*]

CANADA MANPOWER MOBILITY PROGRAM—NUMBER OF APPLICATIONS

Question No. 245—**Mr. Leggatt:**

1. What was the total number of applications received under the Canada Manpower Mobility program for assistance in the fiscal year ended 1972, by province?

2. How many of these applications were approved, by province?

3. How many of these applications were rejected, by province?

4. What was the total operating cost for the program for the fiscal year ended 1972, by province?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. No records of applications have been kept between March 31, 1969 and June 1, 1972 due to a revised method of maintaining statistics on the program. It is therefore not possible to identify applications during that period which includes the fiscal year ending on March 31, 1972.

2. See 1 above

3. See 1 above

Order Paper Questions

(4)

Provinces	1971/72
	$
Newfoundland	495,959
Prince Edward Island	95,108
Nova Scotia	535,558
New Brunswick	362,195
Quebec	3,333,932
Ontario	1,800,466
Manitoba	333,461
Saskatchewan	581,379
Alberta	494,089
Northwest Territories	56,871
British Columbia	766,286
Yukon Territory	41,768
Canada	8,897,072

PATENTS HELD BY NATIONAL RESEARCH COUNCIL

Question No. 249—**Mr. Andre:**

1. How many patents are held by or on behalf of the National Research Council?

2. From how many patents are royalties being realized and what was the cumulative amount realized during the fiscal year 1971-72?

Hon. C. M. Drury (President of the Treasury Board): In so far as the National Research Council of Canada and Canadian Patents and Development Limited are concerned, the answer is as follows: 1. As at March 31, 1972, Canadian Patents and Development Limited administered 350 inventions originating at the National Research Council of Canada; 124 of these inventions were licensed.

2. During the fiscal year 1971-72, Canadian Patents and Development Limited received royalties of $146,904.83 from licences covering 108 inventions.

PUBLIC WORKS—PURCHASE OF PROPERTIES, WELLINGTON STREET, OTTAWA

Question No. 287—**Mr. Hees:**

1. Has the government made any purchase or are they in the process of making a purchase of any property or properties on the south side of Wellington Street between Elgin Street and Bank Street and, if so, what property or properties is or are involved, and what is the purchase price of each?

2. If expropriation proceedings are not being used, was any pressure brought to bear on any owner to sell to the government?

3. Does the government intend to use any building that is so acquired and, if so, for what purpose?

Hon. Jean Eudes Dubé (Minister of Public Works): 1. Yes. Negotiations have been completed for the purchase of the Metropolitan Life Insurance Company land and building on Wellington Street and, in addition, the Orme property also owned by Metropolitan Life, on the north side of Sparks Street, which is complementary to the Metropolitan Life site frontage on Sparks Street. The purchase price of the Metropolitan Life building and holdings is $15,200,000 and the estimated cost of relocation of computer equipment is $250,000.

2. No.

[Mr. Andras.]

3. Yes. The Government is urgently in need of additional office accommodation in Ottawa and the Metropolitan Life building is ideally located for government needs and is in good condition. There are a number of departmental requirements which could be met in this building having regard for the termination date of a number of existing leases and as well it would be equally available for alternative use such as parliamentary support groups or any parliamentary requirement.

MOTIONS FOR PAPERS

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notices of Motions for the Production of Papers Nos. 1, 30, and 46 are acceptable to the government. Notice of Motion for the Production of Papers No.—

Mr. Speaker: Order, please. Will the hon. parliamentary secretary hold his fire for just one moment. I believe he has referred to notices of motions Nos. 1, 30 and 46. Is it the pleasure of the House that these notices of motions be deemed to have been adopted?

Some hon. Members: Agreed.

COPY OF RETURN SHOWING ELECTION EXPENSES ON BEHALF OF CANDIDATES IN GENERAL ELECTION, OCTOBER 30, 1972

Motion No. 1—**Mr. Knowles (Winnipeg North Centre):**

That an Order of the House do issue for a return showing, by electoral districts, the total amount of election expenses on behalf of each candidate in the General Election of October 30, 1972, as indicated in the return respecting election expenses submitted on behalf of each candidate, as required under the provisions of Section 63 of the Canada Elections Act; and showing also the names, by electoral districts, of any candidates on whose behalf election expense returns have not been submitted.

Motion agreed to.

COPIES OF FEDERAL PLEBESCITES OR REFERENDA HELD SINCE 1867

Motion No. 30—**Mr. Forrestall:**

That an Order of the House do issue for copies of all federal plebescites or referenda held since 1867, with the wording as it appeared on the ballot, the results and the statutory provision in each case.

Motion agreed to.

COPY OF LIST OF PHARMACEUTICAL COMPANIES PREPARED BY CANADIAN GOVERNMENT ADVISORY BOARD

Motion No. 46—**Mr. Orlikow:**

That an Order of the House do issue for a copy of the list of pharmaceutical companies that comply with government standard 74-GP-1(c) prepared for the government by the Canadian Government Advisory Board on Drug Procurement.

Motion agreed to.

Mr. Reid: Mr. Speaker, Notice of Motion for the Production of Papers No. 2 is acceptable to the government subject to the usual reservations concerning confidential documents.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary, is it the pleasure of the House that notice of motion No. 2 be deemed to have been adopted?

Some hon. Members: Agreed.

COPIES OF ALL CORRESPONDENCE INVOLVED IN REORGANIZATION OF CUSTOMS DIVISION, DEPARTMENT OF NATIONAL REVENUE

Motion No. 2—**Mr. Coates:**

That an Order of the House do issue for copies of all correspondence, telegrams, memoranda, and other documents involved in the reorganization and computerization of the Customs Division of the Department of National Revenue.

Motion agreed to.

Mr. Reid: Mr. Speaker, I ask that all the other notices of motions be allowed to stand.

Mr. Baldwin: Pretty poor service.

Mr. Speaker: Shall the remaining notices of motions be allowed to stand?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—TIME OF DEBATE ON CANADIAN PARTICIPATION IN SUPERVISORY COMMISSION IN RELATION TO DISPATCHING OF PERSONNEL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Secretary of State for External Affairs arising from his statement today. I should like to ask whether the government intends to have the debate on the resolution dealt with by the House before any of the Canadian participants under this new proposal leave the country, or is the minister reserving the position he expressed in the House last week, that the government might find it necessary to dispatch participants before the matter comes before the House?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the second position enunciated by the Leader of the Opposition is the position the government takes. We have been asked to have some of our observers on site as soon as possible. If in fact the agreements are signed and we are asked to participate by all

four parties, we would intend to send some personnel without delay, probably over the weekend.

VIET NAM—CEASE-FIRE AGREEMENT—DISCUSSION WITH OTHER PROPOSED PARTICIPANTS IN SUPERVISORY COMMISSION—METHOD OF REPORTING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Secretary of State for External Affairs whether he or the government has had any discussions with the other three proposed participants in this operation, particularly as to how the operation will function in view of what I understand to have been difficulties in the past regarding the ICC being able to operate in an effective manner?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, now that the government has made the decision I have announced in the House today we are in a position to talk to the other proposed members. It is our plan this afternoon to provide the United States, the North Vietnamese, Saigon and the Viet Cong or P.R.G. with copies of the statement, and also to provide copies to the other proposed members of the commission and to ask them what their intentions are. Once we know whether they intend to participate we will then be in a position to proceed to have talks with them about the functioning of the proposed commission.

Mr. Stanfield: Is it the intention of the Secretary of State for External Affairs to insist that the Canadian participants should be able to report on their own, or is it the intention that the combined organization of countries would have to report as a unit?

Mr. Sharp: Mr. Speaker, I have examined the sections of the protocol dealing with this question and I think they meet our position fairly well. There is a rule of unanimity on reports made by the commission to any of the parties, but it is also provided that the individual countries may make individual reports.

VIET NAM—CEASE-FIRE AGREEMENT—NAMING OF FOUR MEMBERS OF SUPERVISORY COMMISSION IN PROTOCOL—NATURE OF INVITATION TO CANADA TO PARTICIPATE

Mr. David Lewis (York South): Mr. Speaker, I should like to direct one or two questions to the minister in relation to his statement. Do I gather from his statement and the answers to the questions asked that the four countries mentioned in press reports are actually named in the protocol dealing with the observer force after the cease-fire—Canada, Indonesia, Hungary and Poland? Are they named in the protocol which presumably will be signed by all parties to the war next Saturday?

• (1450)

Hon. Mitchell Sharp (Secretary of State for External Affairs): I cannot answer that. I can say that they are the intended members. I am sorry I have not examined the protocol in sufficient detail to find out whether the names are actually there, but each of the proposed members has been notified by the members who are parties to the

proposed agreement that they are being asked to participate.

Mr. Lewis: Mr. Speaker, may I follow up the question because I think it is basic to the possibility of the commission working well. Has Canada been asked by all the parties to the unfortunate war or have we been asked by only one of the parties, and if we have so far been approached directly by only one of the parties, will the government undertake not to dispatch forces from Canada until it has a clear invitation from all the parties who are to be signatories to the agreement?

Mr. Sharp: I can be quite categorical. We will not dispatch any troops unless we have had a clear invitation from all the parties to the proposed truce which will be expressed in a formal document that we hope will be signed on Saturday in Paris. We will not send any troops or any observers of any kind until we are satisfied that we have been invited by all the parties.

Mr. Speaker: The Chair will recognize the hon. member for York South for a further supplementary question and then the hon. member for Prince Edward-Hastings for his supplementary.

Mr. Lewis: To follow that up, Mr. Speaker, may I then ask the Secretary of State for External Affairs whether he expects that the government may likely dispatch forces this weekend and, if not, is it not possible for parliament to have the debate he suggested next Monday before any forces are sent from this country?

Mr. Sharp: Mr. Speaker, in the protocol, which we did not negotiate but which has now been submitted to us, it is contemplated that members of the supervisory commission will be in place in Viet Nam within 48 hours after the signing of the agreement. We are not bound by this document; we did not negotiate it. The question we have to decide is whether we accept the obligations. However, we do think it highly desirable that as soon as possible after the truce is signed we discharge our responsibilities as I have outlined them in the statement I made today. Therefore it is our intention, if in fact we are invited by signature of the agreements on Saturday by all four parties, to begin without delay to send some men or some observers to Viet Nam. So the answer is that over this weekend it may well be that some of the Canadian observers will be travelling to Viet Nam.

VIET NAM—CEASE-FIRE AGREEMENT—SIZE OF CANADIAN ELEMENT IN SUPERVISORY COMMISSION—STATE OF READINESS AND EQUIPMENT

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of National Defence. As Canada has now indicated its willingness to serve on the cease-fire supervisory force, at least for the first 60 days, and as the days immediately following next Saturday are the most critical for the success of the cease-fire, would the minister advise the House now as to the size of the force Canada has ready to dispatch as of Saturday, if the proper clearances are completed, when that force will be ready to leave, and what kind of arms it will be equipped with?

[Mr. Sharp.]

Hon. James A. Richardson (Minister of National Defence): Mr. Speaker, in answer to the first part of the question, it looks now as though the total number of personnel that Canada will be asked to provide is 290. That includes support personnel as well as those who will be observing. As the Secretary of State for External Affairs said, we will be ready to send the first plane as soon as the agreement has been signed on the weekend. As to armament, this is not an armed force but some of the personnel, perhaps all of them, will carry a sidearm, a pistol, for personal protection.

VIET NAM—ACTION TO SECURE FREEDOM OF LLOYD OPPEL, BELIEVED TO BE HELD NEAR HANOI

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question with reference to our agreement to send a supervisory force to Viet Nam. Can the Secretary of State for External Affairs assure the House that during negotiations leading up to the cease-fire, in which we all rejoice, every effort has been made to secure the freedom of the Canadian missionary, Mr. Lloyd Oppel, who was taken prisoner in Laos last October and is now believed to be held near Hanoi?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As I have said, Canada was not involved in the negotiation of any of these agreements. Needless to say, we are not in the war in Viet Nam. However, we have been endeavouring to obtain the release of this missionary.

VIET NAM—CEASE-FIRE AGREEMENT—ESTABLISHMENT OF DIPLOMATIC RELATIONS WITH NORTH AND SOUTH

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my supplementary question is directed to the Secretary of State for External Affairs. In view of the fact the statement he has made contemplates increased contacts and relationships with both North Viet Nam and South Viet Nam, will steps be taken to establish diplomatic relations so that we can have an adequate staff to look after matters in these countries?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the question of the establishment of diplomatic relations with North and South Viet Nam is under review now.

[*Translation*]

VIET NAM—CEASE-FIRE AGREEMENT—SUGGESTED PROVISION OF ADDITIONAL MEDICAL PERSONNEL

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to ask the hon. Secretary of State a supplementary question.

Besides examining the possibility of sending military personnel to Viet Nam, did the minister also consider increasing the medical personnel to help the wounded of that country recover?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. We are already providing some

medical personnel in South Viet Nam, and certainly we would be prepared to help in the reconstruction and rehabilitation of those two war-ravaged parts of Viet Nam by providing medical personnel.

VIET NAM—CEASE-FIRE AGREEMENT—PAYMENT OF CANADIAN EXPENDITURES RESPECTING SUPERVISORY COMMISSION OTHER THAN PAY AND ALLOWANCES OF PERSONNEL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the question I ask arises because of the fact that we have a supervisory force in Cyprus and have had for several years. Canada is the only nation that pays all its expenditures connected with that force, totalling some $3 million a year. Will the extra expenditures over and above pay and allowances for this new force be paid by Canada or by the United Nations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I wish I could join the right hon. gentleman in being so certain that the United Nations will be involved. I take the same view as the spokesman for the New Democratic Party, that it would be very useful if the United Nations could be involved in this matter. But the position at the present time, according to the protocol, is that the pay and allowances of the forces provided by each of the participants in the supervisory force would be met by that country. In other words, this is a contribution by each country to the cause of peace. There is some question about the payment of what might be termed the operating expenses of the commission. Originally, when this was first put to us, it was suggested that we should be prepared to think in terms of putting up, in addition to pay and allowances, 10 per cent of the budget of the commission. I took great exception to this and said that we were not preaching for a call, we did not want to buy our way into this organization. Therefore it appears—

Mr. Speaker: Order, please.

Mr. Diefenbaker: I am sure the House would like to know what the minister has in mind and would grant him the opportunity to finish his answer because he is always so terse.

Mr. Speaker: Obviously the minister had not yet reached the terse part of his statement.

Mr. Diefenbaker: I have a supplementary question for the minister, Mr. Speaker. Would the minister now proceed to tell us what the answer is?

Mr. Speaker: Order, please. I believe the right hon. member for Prince Albert wishes to ask the minister a supplementary question, and that will give the minister an opportunity to complete his statement.

• (1500)

Mr. Diefenbaker: Mr. Speaker, I do not think I can go as far as to bundle the same way as the hon. gentleman has with the NDP again.

Mr. MacEachen: You should have been here last Thursday. You missed that party.

Mr. Diefenbaker: I ask him this: have we his assurance that Canada will not again be in the same position as it is now in Cyprus, and has been for the last several years, of having to spend millions of dollars a year financing a force there which should have been financed by the United Nations? Has he been in touch with the United Nations for the purpose of ascertaining whether that body is going to co-operate and assure that expenditures are not divided among the several countries making their contribution?

Mr. Sharp: Mr. Speaker, neither North Viet Nam nor South Viet Nam is a member of the United Nations. They have not been involved in these discussions. It is our hope that the Secretary General of the United Nations might be invited to the international peace conference. In that way we might get the United Nations involved. May I complete the last sentence of my previous statement, Mr. Speaker, namely, that in the protocol which has come to hand today it is suggested that each of the members of the supervisory commission, in addition to paying the pay and allowances of their own personnel, should pay 2 per cent of the budget of the commission.

Mr. Diefenbaker: What is the estimate of that?

Mr. Sharp: The amounts involved are quite small; I do not think that more than some thousands of dollars are involved.

Mr. Speaker: Order, please. A number of hon. members are rising to ask supplementaries. Perhaps we could have two or three further supplementaries and then go to the next subject. The hon. member for Esquimalt-Saanich has a further supplementary.

VIET NAM—ACTION TO SECURE FREEDOM OF LLOYD OPPEL, BELIEVED TO BE HELD NEAR HANOI

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, is the House to take it from the answer given earlier by the Secretary of State for External Affairs that as of the moment we have no assurance of the release of Lloyd Oppel?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I would have to make inquiries. Perhaps I can then be more re-assuring than I have been.

VIET NAM—CEASE-FIRE AGREEMENT—COMPOSITION OF PROPOSED INTERNATIONAL CONFERENCE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I wish to direct a supplementary question to the Secretary of State for External Affairs. Since he has seen the cease-fire agreement and the protocols, may I ask him if they envisage the calling of an international conference after the signing of the agreement next Saturday, what nations will be represented at that conference, and is it envisaged from the protocols that such a conference would set up the necessary machinery to which the observers may report violations from time to time, and which can take action upon them?

Oral Questions

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have not yet perused the documents themselves. They arrived in Ottawa just a few minutes before the House met. However, I am advised that they do provide for the calling of an international conference 30 days from the date of the truce and that, if we were a member of the international commission, we would be invited. The other members would be the permanent members of the Security Council, plus the belligerents in Viet Nam.

* * *

[*Translation*]

HOUSE OF COMMONS

REDISTRIBUTION OF RIDINGS SUGGESTED AMENDMENT OF BRITISH NORTH AMERICA ACT TO MAINTAIN PRESENT LEVEL OF MEMBERSHIP IN CERTAIN PROVINCES

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Prime Minister.

Could he tell the House whether the government is considering the possibility of amending the Canadian constitution in order to increase the number of members, so that certain provinces will not be without an adequate representation in parliament after the next redistribution?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think that I said last week or the week before that the problem had actually been drawn to the attention of the cabinet which is now considering it. As I then pointed out, the House must understand that one of the solutions would be to increase substantially the number of members and that the ratio of members would still be the same, regardless of their number, because under the constitution and also in all fairness, I believe, representation must be proportional to the population.

Consequently, even though the total number of members were increased, the ratio would remain the same.

REDISTRIBUTION OF RIDINGS—SUGGESTION THAT QUEBEC REPRESENTATION BE USED AS BASIS

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to ask the right hon. Prime Minister if, among the schemes considered by the cabinet, there is one which could be based on a quotient established in the province of Quebec, by constituency, and which would be used to establish the number of members for other provinces so that the number of members would be increased and the representation would be more equitable.

Mr. Trudeau: Mr. Speaker, if the hon. member does recall, the formula he suggests was prevailing at the beginning of the constitution of Canada and had been ratified by the British North America Act of 1867. Previous parliaments have altered the formula so that the number of Quebec members would not be fixed but could differ from the other provinces. I do not think that hon. members would wish to go back to the previous situation as suggested by the hon. member.

[Mr. Douglas.]

[*Later:*]

[*English*]

REDISTRIBUTION OF RIDINGS—MAINTENANCE OF PRESENT LEVEL OF MEMBERSHIP IN CERTAIN PROVINCES BY ADDRESS TO WESTMINSTER OR PASSAGE OF STATUTE

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, this question is directed to the Prime Minister and is related to the answer he has just given, as well as the one he gave me last week, respecting increasing the number of members in the chamber, thereby avoiding the necessity of there being any reduction in the representation of the provinces of Newfoundland, Quebec, Nova Scotia, Manitoba and Saskatchewan. In view of the fact that consideration is being given to this by the government, in the event that a change is to be made, has the government in mind having an address passed by parliament to the parliament at Westminster to make the necessary constitutional change—

Mr. Knowles (Winnipeg North Centre): It isn't necessary.

Mr. Diefenbaker: —or has consideration been given to whether such changes could be made by a statute passed by this parliament? I do not accept that, but I wonder if consideration is being given to it?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the view which would prevail would probably be that under section 91(1) of the BNA Act it could be done by statute of parliament—

Some hon. Members: Hear, hear!

Mr. Trudeau: —but I do realize, Mr. Speaker, that the other view could be held by people who believe it to be in provincial interests. I must say that this problem has not been studied to this point by the government. It is one on which studies have been made in the past. I do not think that it is really the difficult problem facing this House. The difficult problem, as I just stated in my answer to the hon. member who belongs to the Social Credit party, is to realize that even if we increased the number of members in the House of Commons the provinces with lesser populations or lessening populations would still have the same proportion, or a lesser proportion of members, compared with those provinces that have increasing populations.

Mr. Diefenbaker: Mr. Speaker, I wish to ask a supplementary question in order to be perfectly clear. Does the Prime Minister suggest that a change can be made in the membership of the House, in view of the provisions in the British North America Act as well as all amendments to that act that have taken place, by the simple act of a statute passed by this parliament? Does he say that the law officers of the Crown have that view? If he does, it is the end of the constitution.

Mr. Baldwin: They will probably do it by Governor General's warrant.

SOCIAL SECURITY

OLD AGE PENSIONS—INTRODUCTION OF LEGISLATION TO PROVIDE INCREASE—CONSULTATION WITH PROVINCES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the munificent Minister of National Health and Welfare. Can he advise whether he still intends to present legislation at an early date fulfilling his promise of a substantial increase in old age security pensions, or has he now decided to hold discussions with his provincial counterparts before bringing in this measure of relief for Canada's senior citizens?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have contacted my provincial colleagues these past few days and, following these consultations, I have invited them to a meeting called for next Friday, February 2—that is for one day only—in order to discuss this whole question and I hope I can then introduce the required legislation in a near enough future.

[*English*]

Mr. Macquarrie: Mr. Speaker, may I ask the minister if the timing and the amount of this pension increase and indeed, the introduction of the legislation are geared to approval by the provincial counterparts of the minister, or does he plan to hold to his original promise to the House to proceed in any case?

Mr. Lalonde: The answer is no to the first part of the question, Mr. Speaker. Obviously the discussions taking place are consultations, and no veto power is envisaged for any or all of the provinces.

Mr. Macquarrie: Do I take it that the minister is in fact going to proceed with his own plan regardless of the views of the provinces? In that case, what is the purpose of the conference?

Mr. Speaker: Order, please.

* * *

• (1510)

HOUSING

LAND ASSEMBLY PROGRAM—ALLEGED REJECTION BY PROVINCES OF AMOUNT OF FEDERAL FUND

Mr. Edward Broadbent (Oshawa-Whitby): I have a question for the Minister of State for Urban Affairs, Mr. Speaker. Following the conference held the past few days in Ottawa and following the presentation by the minister of the proposal of the federal government to provide $100 million for the assembly of land and that proposal having been universally rejected by the provinces as being inadequate, would the minister inform the House whether he is considering substantially increasing that amount before he brings the proposed amendments to the National Housing Act before the House?

Hon. Ron Basford (Minister of State for Urban Affairs): First of all, Mr. Speaker, that budgetary level is not provided for in the amendments; second, the figure was not universally rejected; third, it is more than double any figure the provinces have spent in the past and I have urged them to spend at least what they are permitted. I would be interested to see action in this regard. Fourth, I suggested, and it was agreed, that there should be immediate intergovernmental consultation on the development of a coherent land strategy for such purposes as determining what the appropriate investment, federally, provincially and municipally, in land assembly should be.

SUGGESTED CHANGE IN REGULATIONS DEFINING FAMILY

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I can see that we are going to get no change in that respect so I shall try another. In view of the fact that the proposed changes as outlined by the government define a family as constituting three people and as that would exclude the thousands of families with only two members already existing in the country, in the same government revisions is the minister proposing to change his proposed definition and bring it in line with the desires expressed by some provinces?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, what the hon. member is referring to is suggestions made by Central Mortgage and Housing Corporation about what possible regulations there might be. I have not accepted the size of a family as being two or three or otherwise. There were representations made for the purpose of the regulations on behalf of single parent families and I think the regulations should take into account the provision within the section that the hon. member has referred to of single parent families.

LAND ASSEMBLY PROGRAM—DISCUSSION WITH PROVINCES—REQUEST FOR FORMULA TO REDUCE LAND COSTS

Mr. Eldon M. Woolliams (Calgary North): A supplementary, Mr. Speaker. In light of answer just given by the minister with regard to provincial representations concerning the $100 million, which everybody agrees is inadequate, and in view of the high cost of building houses on land in urban centres, may I ask the minister whether any formula was agreed to that would bring down the cost of land so that more than 4 per cent of the population of Toronto could afford to buy a new home?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, the amount that the hon. member says is inadequate is over five times more than his party indicated its contribution would be during the election campaign.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I am sure that the minister and the hon. member asking the question will appreciate that this is debate. Perhaps the hon. member has a supplementary question.

Mr. Woolliams: I wonder if the minister would mind answering whether there was any discussion of the high

cost of land which is preventing most of the average income group from buying new homes? Was there any agreement between the federal government and the representatives from the various provinces on a formula or was there not? Could I have a categorical answer, yes or no?

An hon. Member: Louder!

Mr. Basford: Yes, there was, Mr. Speaker. I was very pleased and delighted that the provinces accepted my proposals on this subject at the conference.

Some hon. Members: Hear, hear!

Mr. Woolliams: Mr. Speaker, would the minister mind telling the House briefly what the formula is to bring down the high cost of land which is preventing the average income group from purchasing homes in the various urban centres?

Mr. Speaker: Order, please. I suggest to the minister that if he wants to convey this information he should do so by way of a statement on motions.

DISCUSSIONS WITH PROVINCES AT CONFERENCE ON REDUCTION OF MORTGAGE INTEREST RATES

Mr. John Gilbert (Broadview): Mr. Speaker, I have a question for the Minister of State for Urban Affairs. Were there any discussions with regard to the high interest rates on mortgages and what proposals did the minister make to bring these down so that ordinary folk may buy homes?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, that particular subject is not referred to in the communiqué but there were discussions at the conference about the bill on financial mechanisms which I hope to introduce shortly and which is designed to bring more money into the capital market for housing.

Mr. Speaker: There are a number of hon. members who want to ask supplementaries, but we will be running out of time very soon. I suggest that hon. members try to cut down on the number of supplementaries so as to give other members an opportunity to ask their questions. Perhaps there might be two or three supplementaries at the most on this subject and then we will go to the next matter.

PUBLIC HOUSING PROGRAM—REQUEST FOR CONTINUED SUPPORT BY FEDERAL GOVERNMENT

Mr. John Gilbert (Broadview): In view of the fact that the assisted home ownership program still assists purchasers with incomes between $6,000 and $9,000 and that the present subsidized rental program assists people with incomes below $5,000, would the minister assure the House that there will be no reduction in the capital allocation with regard to the subsidized rental program and no curtailment or phasing out of that program?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, I assured the provinces of our continued support within the law of CMHC public housing programs. The amount of budget to be allocated to it would be a matter of consultation and co-ordination with each province involved. I think the provinces that have public housing programs were quite satisfied with my undertakings in that regard.

Mr. Speaker: Again, I bring to the attention of hon. members that we will be running short of time. Perhaps we might have a last supplementary from the hon. member for St. John's West, and then we should go on to the next subject. If we have run out of questioners before the end of the question period, we might return to this subject.

LAND ASSEMBLY PROGRAM—POSSIBLE DISCUSSION WITH MUNICIPALITIES

Mr. Walter C. Carter (St. John's West): Mr. Speaker, in view of the fact that the municipalities were not directly represented at the recent conference, as promised by the minister in the House on January 16, will the municipalities be involved in the minister's federal-provincial land strategy which he referred to a moment ago?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, I was very pleased to get agreement that housing would be discussed at the tri-level conference next November where the municipalities will be represented, and that the land development strategy would come up for consideration then.

* * *

LABOUR RELATIONS

WARDAIR STEWARDESSES' STRIKE—POSSIBLE INTERVENTION OF FEDERAL DEPARTMENT

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, my question is directed to the Minister of Labour. Would the minister use his good offices to intervene in the current Wardair strike? I ask this question because of the national implications which threaten air traffic across Canada.

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker. An officer of my department is endeavouring to get in touch with the parties for the purpose of finding some basis to arrive at a settlement.

* * *

AIR TRANSPORT

ENFORCEMENT OF IN-FLIGHT SAFETY STANDARDS

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, I have a related question for the Minister of Transport. Is the minister now in a position to answer the question regarding the enforcement of air flight safety regulations, as promised by him on January 22?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I have already answered that question in the House. In all cases where there is a strike we monitor the flights. We

are implementing the regulations and are very strict about air flight standards.

* * *

[*Translation*]

AGRICULTURE

FEED GRAIN—INTRODUCTION OF LEGISLATION ANNOUNCED IN SPEECH FROM THE THRONE

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

Can he tell us when he will introduce in this House the legislative measure announced in the Speech from the Throne and which purports to bring a solution to the serious problems of feed grains which heavily affect eastern agricultural producers?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we have promised that before the new crop year that will be done.

* * *

IMMIGRATION

INQUIRY AS TO INTRODUCTION OF AMENDING LEGISLATION—HEARING OF APPEALS OF VISITORS REQUESTING LANDED STATUS

Mr. William Skoreyko (Edmonton East): Mr. Speaker, I should like to ask the Minister of Manpower and Immigration if it is the government's intention to introduce amendments in the very near future to the Immigration Act so that the confusion surrounding the arbitrary order in council can be clarified?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, as announced in the Speech from the Throne it is the government's intention to introduce legislation amending the Immigration Appeal Board Act.

• (1520)

Mr. Skoreyko: Can the minister advise the House whether all the so-called visitor immigrants to Canada will have an opportunity to be heard by the Immigration Appeal Board before any further action is taken by the government?

Mr. Andras: Mr. Speaker, if that question refers to all the visitors in Canada I think that would give rise to an impossible situation since there are several hundred thousand visitors here at any given moment.

Mr. Skoreyko: Mr. Speaker, I think the minister is misunderstanding me. I am talking about the visitor immigrants in Canada who wish to obtain landed status and are waiting to have their appeals heard by the Immigration Appeal Board. Will they be heard by the Immigration Appeal Board before any further action is taken?

Mr. Andras: Mr. Speaker, the Immigration Appeal Board has a backlog of some 12,000 appeals before it and its ability to handle them is limited to a capacity of 1,500 a year. Obviously, this matter will form the subject matter of some of the amendments that we hope to bring before the House to relieve this congestion. Therefore it would be impossible for the board to hear all those appeals before the legislation is brought before the House, unless that is done several years from now.

* * *

SCIENCE AND TECHNOLOGY

CHECKING OF SCIENTIFIC EVIDENCE GIVEN AT HEARINGS IN WHICH FEDERAL GOVERNMENT HAS INTEREST

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of State for Science and Technology. First, I should like to take this opportunity of congratulating the hon. lady on her appointment to this important position.

Some hon. Members: Hear, hear!

Mr. Nesbitt: Is the minister arranging to have scientific evidence tabulated, checked for accuracy and assessed for judgment when given at judicial or quasi-judicial hearings involving federal projects or projects in which the federal government has an interest? I am referring to the hearings—

Mr. Speaker: Order, please. The hon. member has asked his question. Perhaps the minister might reply. If the hon. member has a supplementary he may ask it afterwards.

[*Translation*]

Hon. Jeanne Sauvé (Minister of State for Science and Technology): Mr. Speaker, I should like to take note of this question.

[*English*]

Mr. Nesbitt: In view of the fact that the hearing I was referring to is the James Bay hearing, perhaps the Minister of Transport or the Minister of the Environment could provide an answer.

Mr. Baldwin: They have enough trouble as it is.

Mr. Nesbitt: Mr. Speaker, may I address one final supplementary to the Prime Minister. Would the Prime Minister consider reorganizing the cabinet responsibilities so that the various ministers concerned will know which minister is responsible, if any is, and for what? None of them seems to know now.

Mr. Speaker: Order, please. That is a representation, not a question. The hon. member must assume that it will be taken into consideration.

Oral Questions

[*Translation*]

SOCIAL SECURITY

RETIRED RAILWAY WORKERS—REPRESENTATIONS BY MINISTER RESPECTING INCREASE IN PENSIONS

Mr. Raymond Dupont (Sainte-Marie): I thank you, Mr. Speaker, for having noticed that the member for Sainte-Marie now sits on the other side of the House.

Mr. Speaker, I should like to ask the Minister of Labour whether there have been new developments with regard to pensioned-off railroaders, which question concerns thousands of Canadian railroaders?

[*English*]

Hon. John C. Munro (Minister of Labour): Yes, Mr. Speaker, I have been advised of a beneficial development in this area. As I understand it, the company, as a result of representations made to it by an organization representing the employees, has agreed to raise the pension by 2 per cent, effective on January 1.

RETIRED PUBLIC SERVANTS, ARMED FORCES PERSONNEL AND RCMP PENSIONS—STATUS OF CONSIDERATION OF RAISING OR REMOVING CEILING ON ESCALATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is directed to the President of the Treasury Board. In view of the assurance given by the minister toward the end of the previous session that consideration would be given to raising or removing the 2 per cent ceiling on the escalation of pensions of retired public servants and also retired armed forces and RCMP personnel, can the minister say what is now the status of that consideration?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in view of the genesis of the 2 per cent figure in the Superannuation Act, namely, its relationship to the Canada Pension Plan, perhaps these two matters could be looked at together.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. Will the minister also tell us what is the status of the consideration being given to providing for the escalation of the pensions of armed forces and RCMP personnel compulsorily retired prior to the age of 60, in order that their escalation may commence without their having to wait until they are 60?

Mr. Drury: Mr. Speaker, I think I assured the hon. gentleman in the previous session that this was being sympathetically considered. I think, if we are to open up the Superannuation Act and the Armed Forces Pension Act, they should be opened up at the same time in order to cut down debate.

Mr. Knowles (Winnipeg North Centre): Let us do it now, Mr. Speaker.

[Mr. Speaker.]

AIRPORTS

VANCOUVER INTERNATIONAL—POSSIBLE EXPROPRIATION OF BURKEVILLE AREA OF SEA ISLAND

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, may I direct a question to the Minister of Transport arising out of his answer yesterday. Does the government now intend to expropriate the Burkeville area of Sea Island?

Mr. Speaker: Order, please. I am not sure how urgent the matter is. Perhaps the minister might reply. I suggest that normally a question of this nature should be placed on the order paper. If the minister can answer he may do so.

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think all these questions concerning expropriation should be directed to the Minister of Public Works who is in charge of such matters.

Mr. Stanfield: At present he is too busy sinking barges.

Mr. Reynolds: Mr. Speaker, may I direct the same question to the Minister of Public Works. Does the government now intend to expropriate the Burkeville area of Sea Island?

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, a hearing has taken place with respect to the Burkeville area and the hearing officer submitted his report two days ago. A decision will be taken shortly.

Mr. Speaker: Order, please. I think the hon. member for Cape Breton-East Richmond has a supplementary to the previous question.

* * *

PUBLIC SERVICE

AUTHORITY FOR COMPULSORY RETIREMENT OF PUBLIC SERVANTS, ARMED FORCES AND RCMP PERSONNEL

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, my question is directed to the President of the Treasury Board and relates to the question asked by the hon. member for Winnipeg North Centre. The hon. member asked a question about compulsory retirement of members of the armed forces and the RCMP. I did not catch the minister's answer. Is it not a fact that there is no authority for retiring anybody compulsorily and that those forcibly retired, whether members of the RCMP or of the armed forces, are entitled to the same privileges that the government now provides to civil servants?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I do not think the hon. member for Winnipeg North Centre made any reference to compulsory retirement. He was discussing another topic.

Mr. MacInnis (Cape Breton-East Richmond): I rise on a question of privilege, Mr. Speaker. Of course, I would need to be supported on my question of privilege by the hon. member for Winnipeg North Centre. I distinctly heard the reference made to members of the armed forces

and the RCMP being compulsorily retired or forced into retirement before the age of 60. I would ask the hon. member for Winnipeg North Centre to verify that part of the question he put to the minister.

Mr. Speaker: Order, please. Before the hon. member for Winnipeg North Centre does that, perhaps I might suggest that this matter might be raised other than as a question of privilege. I must bring to the attention of hon. members that we have reached the end of the question period.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a further question of privilege. When a question is put to a minister I do not think that minister should impute motives or imply that the question was not properly asked in the first place. The minister has no right to imply that I have put an improper question, or that I made a reference to another hon. member's question improperly. I made a proper reference to that question and I do not think it is the minister's place to deny me that privilege.

Some hon. Members: Hear, hear!

* * *

POST OFFICE

DISPUTE WITH WORKERS—REQUEST FOR STATEMENT ON SETTLEMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wonder, before Your Honour calls orders of the day, if I might direct a question to the Postmaster General in view of the fact that the government is now adopting a more reasonable attitude.

Mr. Speaker: Order, please. I apologize to the hon. member who has been trying to get the floor for some time. I would have liked to recognize him but we ran out of time about three minutes ago. He may ask the question with the consent of the House. Is this agreed?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Ouellet: On a point of order, Mr. Speaker—

Mr. Speaker: Order, please. Perhaps the matter could be held in abeyance until tomorrow, when I will give the hon. member priority.

Mr. Ouellet: On a question of privilege, Mr. Speaker, I think it would be of interest to this House to know that a protocol d'entente was signed at 3.15 this afternoon.

Mr. Lambert (Edmonton West): On the backs of the Canadian public.

Mr. Speaker: Order, please. The minister having used a question of privilege to make an announcement to the House, I think hon. members will recognize that, in all fairness, the hon. member for St. John's East should be allowed to ask his question now.

Mr. McGrath: The Postmaster General anticipated my question. We are all pleased to know that this long-standing dispute is now settled. My question to the Prime Minister is this: In view of the success of the Postmaster General in concluding a satisfactory agreement on this long-standing dispute, will he now ask the Postmaster General to take over from the President of the Treasury Board all further negotiations with public servants?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I am not sure whether the minister is rising on a question of privilege.

Some hon. Members: Oh, oh!

Mr. Drury: Mr. Speaker, I rise to say I support the suggestion of the hon. gentleman. In all future negotiations with the Post Office, the Postmaster General should conduct them.

Some hon. Members: Hear, hear!

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

• (1530)

UNEMPLOYMENT INSURANCE ACT (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

Hon. Robert K. Andras (Minister of Manpower and Immigration) moved that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, in the Speech from the Throne, reference was made to the government's intention to amend the Unemployment Insurance Act as a result of its review of the unemployment insurance program. Subsequently, in fact last Wednesday, two bills were tabled in this House, Bill C-124 and Bill C-125, containing those amendments. The first one, Bill C-124, is before us today. It deals specifically with the ceiling on cash advances.

As I indicated before the Standing Committee on Miscellaneous Estimates the other day, there is extreme urgency in considering this bill since current advances available to the Unemployment Insurance Commission are, I am advised by the commission, sufficient only until February 7, give or take a day or two. I hope to find all members of that committee and, indeed, all members of this House in agreement that we should not arrive at a situation where benefits to the unemployed of this country would be cut off.

There are three main reasons why advances are required. First, as hon. members are no doubt aware, when the unemployment level exceeds 4 per cent, the government pays the resulting additional benefit costs. However, the government's share of the total costs for a given calendar year is not paid to the commission until April of the following year. Therefore, the government is responsible in law for advancing moneys to cover that cash requirement.

Second, since the amounts of employers and employees contributions and employee benefits are dependent upon the level of employment and unemployment, this creates weekly fluctuations in the unemployment insurance account so as to require advances at various times.

Third, when revenue from employers and employees during the calendar year is not sufficient to completely cover their share of the costs of unemployment insurance benefits, and of administration advances are required to cover that deficiency.

The benefits paid out for the calendar year 1972 were $1,879 million and the administration costs were approximately $120 million for a total program cash requirement of roughly $2 billion. Of this, $890 million, approximately, was the government's direct cost and this will be reflected in the main estimates to be tabled by the President of the Treasury Board (Mr. Drury) later in this session. The remainder, $1,109 million, is chargeable to the employer-employee premium account. Received from the Department of National Revenue, the collecting agency, for that premium account was $715 million during 1972, based upon estimates of anticipated premium receipts. The final figure of actual premium remittances will not be known until mid-summer 1973 when all income tax returns and T-4 slips are in and tallied.

If that amount of $715 million turns out to have been accurate, and noting that the opening unemployment insurance account balance was $236 million, this means that there will have been an accounting shortfall of $394 million in premium revenue and a cash deficit for 1972 of $158 million in the employer-employee account. Advances required, then, as these figures would indicate, reached an amount in excess of $1 billion for the calendar year 1972.

The Unemployment Insurance Act, section 137(4), establishes a ceiling of $800 million on cash advances. On October 5, 1972 when Parliament was not in session, a Governor General's warrant was obtained in the amount of $234 million because that limit on cash advances was being reached. This was necessary to permit the Unemployment Insurance Commission to discharge its obligation under the law of paying benefits to persons claiming and entitled to unemployment insurance. That warrant was expected to cover the requirements until December 31 and, in fact, did. Payments under that warrant began on October 31.

In early December, a further review by the commission indicated that authorized funds would run out by the beginning of January. Considering that parliament had been recalled for January 4, considering also that funds would probably run out before that, a second warrant was obtained on December 14 in the amount of $220 million. In fact, payments under the first warrant continued until January 3 and payments under the December warrant began on January 4. The funds thus obtained under the second warrant were calculated and are expected to be sufficient until early in February.

The government was, of course, under obligation to table before this House, at the first opportunity, a supplementary estimate to cover the sums so obtained. My colleague, the President of the Treasury Board, did so on January 8 and they included an item for these two warrants. I might add, Mr. Speaker, that on January 18 the Miscellaneous Estimates Committee of this House had the opportunity of reviewing the financial operation of the program and, I understand, I am to appear again tomorrow before that committee.

These actions, Mr. Speaker, that is the obtaining of Governor General's warrants, are the normal procedures used when parliament is not in session and when such circumstances arise. In this particular process, the law officers of the Crown were consulted at every step of the way and they were and are of the opinion that the commission and the government were acting in accordance with the law governing the use of Governor General's warrants, with particular reference to section 23 of the Financial Administration Act.

• (1540)

There have been attempts to suggest that the government knew before the end of 1972 that the advances provided to the Unemployment Insurance Commission would definitely run out by a particular date, and that the government should have reported this to the House when the House convened in late August. In point of fact, while the commission was becoming concerned that the ceiling could be surpassed in the period between the beginning of November and the end of December, it was completely reasonable and quite proper for the chairman of the commission, who had just recently been appointed to his position, to ensure that he had all of the facts at his disposal so that he could make an accurate estimate and a complete and detailed report to the government on the actual situation. Furthermore, as an administrator he had to assume that parliament would be back in session on September 28 and, therefore, presume that an amending bill could be presented in sufficient time for passage before the situation became critical.

As stated by the chairman of the commission before the Miscellaneous Estimates Committee last week, he weighed and checked all the factors and finally, after learning of the new and increased unemployment figures issued by Statistics Canada on September 12, he made his decision and recommended to his minister to apply for a Governor General's warrant. That warrant was requested by him on September 29, and authorized on October 5.

The suggestion that there was something sinister about this course of action or that either the government or the Unemployment Insurance Commission—which is a semi-autonomous body—was attempting to conceal the facts from the Canadian public is not correct. It may be politically tempting to constantly draw attention to the fact that unemployment levels in 1972 were higher than the government had anticipated. But the political accounting for that error took place on October 30. It certainly is not politic to repeatedly suggest that the payment of benefits to the unemployed under a formula established by a statute of parliament in its wisdom was not either correct or legal. As my predecessor has said on many occasions, our government may have erred in not accurately forecasting unemployment in 1972, but we did not err in seeking to protect the victims of unemployment. For if unemployment is high, unemployment benefit expenditures will be high, and there is nothing illegal or scandalous in that.

Mr. Lambert (Edmonton West): The end justifies the means, I suppose.

Mr. Andras: When the chairman of the commission appeared before the Miscellaneous Estimates Committee the other day he was forthright and sincere in his answers, and it was noted by committee members that he is administering the commission with dedication, concern and competence in the face of many difficulties. On that particular point, I was distressed to say the least, to note that, as reported on pages 353 to 357 of *Hansard* for January 16, the hon. member for Hastings (Mr. Ellis) named and attacked in very precise terms a public servant. This has not been the practice in this House, particularly in recognition of the special immunity granted to Members of Parliament, on the one hand, and the inhibitions placed upon public servants to respond and defend themselves publicly, on the other. The chairman of the commission has my confidence, that of my colleagues and I am sure that of all reasonable members.

The bill before us provides for two things. It provides for the removal of the existing ceiling of $800 million. It also provides that the funds obtained through the vehicle of Governor General's warrants are not to be considered as appropriations granted to the commission but rather as advances repayable to the Minister of Finance under the conditions prescribed in the Act.

I believe it would be helpful to hon. members if I were to give a brief overview and history of the manner in which the unemployment insurance program has been and is now financed. Under the previous Unemployment Insurance Act, the government's contribution for the fiscal year was voted by parliament through main estimates and/or supplementary estimates. The government's share was 20 per cent of the contributions of employers and employees plus the administrative costs of the program. The government did not assume greater responsibility when the unemployment rate was high, except that when the balance in the unemployment insurance fund was insufficient to pay benefits as it was in 1964, the Minister of Finance, through an appropriations act, was authorized to make loans to the Unemployment Insurance Commission to effect the payment of benefits. These were then repaid from subsequent contributions. I might add that there was no legal limit on the amount of loans that might be made in such a situation.

Under the current act, the cost of paying benefits is financed both by revenues received regularly from employer-employee contributions and ultimately by the reimbursement to the commission of the government's share of the total costs. This latter, as I indicated at the beginning of my remarks, is not received by the commission until the next fiscal year following the end of any calendar year.

To summarize, therefore, the advances from the Consolidated Revenue Fund which are obtained by virtue of Section 137(a) of the Unemployment Insurance Act serve a threefold purpose: First, to provide for the government's share of the current year until it is precisely calculated and paid in the following year. The effect, of course, is that against the advance ceiling will be charged 15 months—January 1, 1972 to March 31, 1973—of government cost, prior to receiving the voted funds. Second, to cover any cash deficiencies in premiums received from the private sector when the employer-employee account is not sufficient for the payment of its share of benefits, plus the cost of administration. Third, to compensate for periodic short-falls between revenues and disbursements due to fluctuations in the unemployment rate.

There is no question in my mind now that when the Unemployment Insurance Act was dealt with last, the imposition of a ceiling on advances to the unemployment insurance account was unfortunate. It was put in because it was felt that it might provide a measure of control on costs. Such is not the case, however, because a variety of circumstances make it difficult to forecast accurately what the total cost to the government will be. Such forecasting is difficult because of dependence upon national and regional unemployment rates. The amount of the ceiling must take into account the number of persons unemployed since this has a direct impact upon the government's share of the total benefit costs. You will appreciate that unemployment varies greatly from any given point in time.

Another factor is that employer and employee contribution rates are based on the average experience of the preceding three years, beginning in 1975—so we are in a period at this time of building experience concerning what that rate may be—whereas benefits are paid depending upon the current unemployment rate. This, too, creates fluctuations in the unemployment insurance account.

Advances under section 137 are, of course, at a maximum at times of high unemployment, because of large government cost on the one hand, as well as relatively lower contributions from employers and employees on the other hand. Other factors, such as labour force growth, higher earnings of claimants, length of time of benefits, which are not easily predictable in the very short run, have a direct impact upon the cost of benefits paid at any given point in time. In the face of these variations in cash requirements, either the ceiling has to be set at an extremely high level in order to take account of any unforeseen contingency, in which case it would represent virtually no constraint at all, or it could be set at a relatively low level, which might necessitate amending the act almost every year.

• (1550)

It is clear, therefore, that a fixed limit on advances is not practical. It is also, I submit, unnecessary, since there are many other automatic requirements in the act whereby parliament can review the administration costs and program expenditures under this act on several occasions each year. First of all, the minister must submit an annual report to parliament together with the report of the Auditor General; second, parliament can review the expenditures under the act when public accounts are tabled, which contain a report on the Unemployment Insurance Commission's operations as well as on the government's share of the cost of benefits.

Furthermore, since the estimates are reviewed by a parliamentary committee, this provides a further occasion for hon. members to review in detail the commission's operations, both financial and administrative. In addition, all advances made by the Department of Finance by

virtue of the act are published in the monthly financial statements which are tabled in this House. Thus hon. members have several opportunities for obtaining information concerning the financial aspect of the program and for calling the commission or the government to task.

But most of all, the ceiling is inappropriate because payments to claimants are statutory and not discretionary as far as the Unemployment Insurance Commission is concerned. It is essential in any circumstances that the commission always have access to sufficient funds to pay the legal claims of the unemployed, no matter what the level of unemployment might be. If the commission had discretionary power over how many claims could be honoured in any year, then it could be appropriate to have a fixed dollar limit upon advances to the unemployment insurance account. But I cannot visualize this House ever seriously considering the denial of benefits to qualified claimants.

The fact of the matter is that parliament, in its wisdom, has enacted the terms and conditions of payment of benefits, on the one hand, and this act, on the other hand, by imposing a ceiling is restricting the availability of funds and may prevent the commission from implementing that very legislation. Therefore, I now move that Bill C-124 be referred immediately to the Standing Committee on Labour, Manpower and Immigration for study and report to this House.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, before I commence my few remarks I have a point I want to make to the Chair. In the opinion of this party and myself there are some doubts as to the right of the government at this time to move this bill, having in mind the presence in the Standing Committee on Miscellaneous Estimates of the item L30a. I do not propose to deal with this point or to raise it as a point of order; I merely call it to the attention of the Chair. My colleague the hon. member for Yukon (Mr. Nielsen) will, in due course, be dealing with this matter and he will raise the question and enlarge upon it.

We are dealing with this bill today because of the miscalculation, the deceit, the improper conduct and the illegal actions of this government. These I will deal with later in detail. Because of these facts, the whole course of the administration of unemployment insurance has been brought to the brink of disaster. I have to say that the actions of the government must not be allowed to obscure the fact that there are unemployed persons who are properly entitled to benefits, and it is for this House so to exercise its ingenuity that it ensures that these people are not made to suffer for the sins of the government. This I will deal with later and, with my colleagues, advance proposals and amendments from time to time, both during the course of this debate and later, so that we can bring about this most desirable objective.

If the directors of a joint stock company planning to float a bond debenture or to offer stock to the public are guilty of deception, either by making false statements or by non-disclosure, they face penalties and could well go to jail. Deception is recognized in our modern society. As a matter of fact, section 88(a) of this act provides that any person who makes a false or deceptive statement is guilty of an offence and liable to a fine and/or imprisonment.

What if a government, the board of directors of this country, in issuing a prospectus to the public when seeking a new mandate to govern, is guilty of the most flagrant kind of deception with regard to this very legislation? If they had done in non-government life, or in public life outside of the government, the things that they have done in connection with this bill, they would be promptly charged with a course of conduct for which they could be severely penalized and face a fine and/or jail. That is my view of what the government has done in the interval between last summer and today in connection with this very bill. There they sit; sleek, arrogant, smug, feeling assured of power with the support of others in this House. I say quite sincerely that I hope that members of the party to my left will examine with care and with caution what the government has done in this regard so that they will not be found guilty of being accessories after the fact.

Let me now deal step by step with the facts that I shall produce to justify the very serious charges that I have made, and which I shall substantiate with the aid of my hon. friends and colleagues before this debate concludes. The Unemployment Insurance Act, 1971 was dealt with during that year. After second reading, the bill went to committee. I have not had too much time to go through the proceedings of the committee, but I have found some very interesting comments on the particular sections with which we are dealing now. As reported in issue No. 24 of the minutes of proceedings of the Standing Committee on Labour, Manpower and Immigration for Wednesday, May 19, 1971, officials of the Unemployment Insurance Commission were questioned on the terms of the proposed legislation. At that time they were considering the proposals that brought into effect what is now section 137, and in particular section 137(4). Mr. Steele, one of the officials of the commission who was produced by this government, the sponsor of this bill, as their expert witness in this regard was being questioned by the hon. member for Hamilton West (Mr. Alexander) who conducted his usual brilliant cross-examination. From page 24:28 I read these questions and answers:

• (1600)

MR. ALEXANDER: Then there is another question. I notice in Clause 137(4) that you have struck an amount:

". . . shall not exceed eight hundred million dollars."

I am talking about advances. How did you arrive at that figure?

This is the first time I can recall, or have found as a result of examination, that this figure representing the ceiling on advances was being discussed. The answer was:

MR. STEELE: Mr. Allan can correct me if I am wrong, but the $800 million include the government advance for a year. In a year of high unemployment the government advance might reach $500 or $600 million because it would be getting on to 15 to 18 months of payment of benefits before the amounts were credited to the account.

The hon. gentleman who introduced this bill mentioned this but did not give these figures. The answer continued:

In addition, the shortfall on the employer-employee account could vary anywhere between $50 and $100 million for any given year, just as the surplus could vary: it could be as much as $50 or $100 million.

Later on, we find the following:

MR. ALEXANDER: Have the figures that you have given with respect to the total cost taken in the end result in that statement that you have made?

MR. STEELE: Oh, no. The costs which we have given you are our estimates of what the costs will be.

Then later, we find:

MR. ALEXANDER: Yes. What percentage, with respect to the unemployment rate was used in part to arrive at the $800 million?

This is the ceiling the government had seen fit to establish in respect of advances, after careful consideration and examination of this issue. We find this answer:

MR. ALLAN: Mr. Chairman, the $800 million represented, as an upper limit on the amount of advances, presumably the worst possible case we could think of in terms of a deficit. As Mr. Steele said, suppose we run 15 or 18 months behind while we wait for the government contribution, in the facts and figures which we supplied last year we estimated an excess of $400 million if the unemployment rate were in excess of 7 per cent.

That is the information given to the committee on the strength of which the committee and the House, in due course, were persuaded to pass this legislation. What utter garbage! If there ever was a case of obtaining legislation by false pretenses, that was it. I continue quoting from the report:

MR. ALEXANDER: So you used 7 per cent then?

MR. ALLAN: We used 7 per cent and then some. We later calculated a figure that could represent the worst possible case and then we added in another $100 million or so for good measure.

Then, Mr. Alexander said: "What is $100 million."

Mr. Hellyer: He was prophetic.

Mr. Baldwin: In other words, the government produced witnesses and, on the strength of their evidence, it asked the committee to accept this ceiling of $800 million by suggesting that on the worst possible projection of more than 7 per cent unemployment, in its view the highest that deficit would go was $700 million. Apparently, the government took that figure and added another $100 million. Am I not justified in saying through you, Sir, to the members of this House, that I have established beyond any shadow of doubt that in securing the passage of this legislation this government was guilty of the most flagrant kind of deception?

Some hon. Members: Hear, hear!

Mr. Alexander: The committee was shafted.

Mr. Baldwin: I then go on to the final answer by Mr. Allan, and he was taking into account the element of inflation. He said:

Inflation has affected everything. If the unemployment rate not only implied a high government contribution, which we were waiting on at the rate of $400 million or so for a year—and we were waiting for more than a year of contributions, say $500 or $600 million—and if in addition the unemployment rate had brought some slowing of the rate of growth in the wage and salary base, then the premiums that we would have got when we related the 4 per cent cost—plus the sickness, the maternity and the administration—to the insurable earning pace for the previous three years, would mean we were lacking $100 million. If the insurable earning pace then slackened off because of a real recession, then we thought we could be, as Mr. Steele mentioned, lacking 100 million dollars or more on that side. So, if we were to take 500 or 600 million dollars from the government account or if we were to be lacking that and 100 million dollars or more from the employee-employer account, we could be in the neighbourhood of 600 to 700 million dollars. That is that we put 100 million dollars in for good measure.

Mr. Woolliams: Some measure.

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

Mr. Baldwin: I am developing my case, and I am trying to make these interesting points. The minister may foul them up as I go along.

The government underestimated sadly its capacity to create not only unemployment, but conditions under which this fund got into the sickening state it is in at the present time.

Let me go on from there. In 1972, at which time the estimates of the department were before the Standing Committee on Labour, Manpower and Immigration, no information or figures had been produced, but as usual my earnest, inquiring and indefatigable friend, the hon. member for Hamilton West was there seeking information. In Issue No. 18 for Tuesday, May 30, 1972, at page 18:37 we find that the then Minister of Manpower and Immigration, who has since retired to a much less odourous position than being associated with this government, was being questioned. Mr. Alexander said:

While he is looking at that, will you still claim that the scheme is actuarially sound, Mr. Minister?

MR. MACKASEY: Yes, much sounder than the other scheme. The other scheme had no actuarial basis at all. Perhaps Mr. Third will get those figures. But in the meantime, this plan is actuarially sound and our predictions are pretty well on.

These are the predictions which were made before the committee which was considering this bill in the first place.

Mr. Andras: And before the amendments were brought before the House.

Mr. Baldwin: To repeat, the minister said:

. . . our predictions are pretty well on. We are paying out, perhaps, a little more than we had anticipated and $63 is slightly higher. On the other hand, other areas are a little lower.

That was the minister's view and he was obviously speaking for the government in May 1972.

Let me refer to the same committee minutes of an earlier date, April 25, 1972 at page 2:20. Mr. Steele, apparently not very contrite, was being examined by Mr. Downey. Mr. Downey stated:

I believe there were some figures that came from an accountant in Toronto to the effect that there might be a possible deficit—

My goodness, someone dared to suggest there might possibly be a deficit in this account. He went on to state:

. . . there might be a possible deficit in the account at the end of the current fiscal year, something like $700 or $800 million.

Mr. Steele replied in part:

Any deficits—and it may be a small one this year—on the employers and employees can be amortized over three years,—

• (1610)

So, back in April and in May, the then minister said that the plan was actuarially sound. I realize what he means by

that because, so long as he has the taxpayer into whose pocket he can dig, and so long as he has the legal means to extract from it, the plan continues to be actuarially sound. Mr. Steele said that the deficit may be a small one for that year.

I am not finished yet, Mr. Speaker. The then minister, the hon. member for Verdun (Mr. Mackasey), was being further examined. He is a very pleasant fellow. He kept on coming back to the committee.

Mr. Nielsen: He's a sucker for punishment.

Mr. Baldwin: On September 1, 1972, the date when that parliament was dissolved,—and I shall establish later that the Prime Minister (Mr. Trudeau) must have known what the situation was—the date on which the right hon. gentleman dissolved the parliament and plunged this country headlong into a general election—

Mr. Andras: How do you plunge into an election?

Mr. Baldwin: Hon. members opposite did plunge, and they have not stopped plunging yet.

We heard from the minister, and now I intend to tell the House what the facts are. At page 3936 of *Hansard,* again we find that the hon. member for Hamilton West (Mr. Alexander) took part in the debate.

Mr. Alexander: Yes, I was busy but I was being deceived all the time.

Mr. Whelan: You were the only one who was.

Mr. Baldwin: He might have been deceived at first but then he realized that something was wrong, that something was smelling pretty bad. The question reads:

MR. LINCOLN M. ALEXANDER (HAMILTON WEST): Mr. Speaker, perhaps this is a related question in that it involves the Unemployment Insurance Commission. During the debate on the Unemployment Insurance Commission the minister continually advised the House that the plan was actuarially sound and he staked his reputation on that.

Of course, we know what happened. He staked more than his reputation, he staked his job. The question goes on:

I ask the minister whether, now that he has had an opportunity to review the facts, particularly in the last week, he can in fact now state that the plan is actuarially sound?

HON. BRYCE MACKASEY (MINISTER OF MANPOWER AND IMMIGRATION): Mr. Speaker, I will explain it again and I will be glad to stake my reputation on my statement.

During the course of the proceedings of the Standing Committee on Miscellaneous Estimates, which was sitting recently, Mr. Cousineau appeared. The minister has already opened up this matter and thus allowed us to take advantage of it. At that time, Mr. Cousineau made a categorical statement, which will be referred to by my colleagues later, that at least in August of that year it was quite obvious that the limit of advances of $800 million was in danger of being exceeded. Those were the facts. If that was the knowledge of the officials, it had to be the knowledge of the minister. If it was the knowledge of the minister, it must be taken that it was the knowledge of the government. That was in August, before the right hon. gentleman dissolved the House and called the election.

I suggest, Sir, that from the evidence I have quoted,—and I could go on to quote the evidence given yesterday by the Auditor General, although I will not do that because it will be done later—it is absolutely certain that it must have been within the knowledge of those members of the government who held responsibility that this fund was sliding disastrously into bankruptcy. During the period from May to September, the public and parliament, as proven by what I have read, were being expressly and by implication told that the scheme was all right financially, everything was going according to plan. The minister even said on that day that it was "actuarially sound".

In fact, however, if we apply in the House the standards that reasonable people should be entitled to use in the conduct of their own everyday affairs, the fund was sliding into bankruptcy, was disastrously, shockingly, bankrupt. The commission had run so far behind they had just about used up the statutory lending limit of $800 million at the time the House was dissolved. They knew then that they were so close to it that it would not take too long for the warrant to be required. On October 5, Order in Council number PC1/1972 2487 was issued for a special Governor General's warrant for $234 million for the Unemployment Insurance Commission. You do not get Governor General's warrants in five minutes. My submission is that there must have been consultations, discussions and telephone calls for some time before that Governor General's warrant was obtained. The government must have known what was happening to the fund, and they must have known it on September 1.

As a matter of fact, on October 5, the same day the Governor General's warrant was formally obtained, the then minister was interviewed by the press and the following appeared in the *Globe and Mail* of that day:

At a press conference yesterday, he also promised that Prime Minister Pierre Trudeau would give a detailed accounting of the financial operations of the Unemployment Insurance Commission. He refused to indicate when, except to say that it would be "at the appropriate moment" and—

Obviously, what he meant by that was that it would not be made before the election. He went on to say:

—"in ample time before the election."

No such statement was ever made. The voters of this country were allowed to go to the polls suffering from the deliberate deception which had been practiced upon them, as it was practiced upon this House, by this government which sits opposite and now says that on that record it should be entitled to govern this country.

The press report reads:

Looking very tired, he repeatedly tried to explain that there is no deficit in the insurance fund because there is no fund.

Some hon. Members: Oh, oh!

Mr. Baldwin: The report continues:

There is a cost to the government in operating the scheme because above a 4 per cent unemployment rate workers' premium for the insurance are supplemented by the Treasury—

The following words are significant.

—up to $800 million a year.

This statement was made on the very day the Governor General's warrant was being secured for an amount

which would permit this $800 million ceiling to be increased. The minister was making statements which, in effect, intimated that $800 million was the limit to which the government was entitled to go.

I want to say that I disagree to some extent, and in some ways, on various issues with the minister. I admire him. At least he had the courage of his conviction. He stayed with his case, whether or not it was a good case. The case he made, which was the case of the government, was that all of them must share the responsibility. As the Minister of Finance (Mr. Turner) told me the other day in response to a question I asked him on this issue, he shared in the decision; it was a collective decision of the cabinet. What happened then? The former minister was made a scapegoat; he was ditched; he was discharged. He was the man who had the courage, rightly or wrongly, to stick up for his principles. I give him credit for having the best motives, and he made a very good case. I disagree with part of it, but not all of it. But the responsibility for this case was shared by his friends opposite. When this disaster came about, what do we find with respect to him? He is ditched. He is made the scapegoat, and he is thrown out.

• (1620)

I suggest to you, Sir, that there was a meeting of minds between different members of the government before this magic date of September 1 was picked. They knew what the situation was. They knew what they faced with regard to this fund. They knew the honest, the honourable, the decent, the only method which should have been or could have been employed by a responsible parliamentary government, which predicates its life on the basis of financial responsibility to the people of this country and to the members of this House. Such a government would have said, "Here is the situation. We were wrong. We miscalculated. We now ask this House to help us put it right." And, Mr. Speaker, the House was in session at the time. We were brought together for a special purpose. That was the time when the government, as any proper government would have done, should have beat its breast, told the truth and said, "Because of these facts we ask for an amendment to this legislation, or we are bringing in a supplementary estimate to cover this amount."

Such a course might have meant a delay in the election, but I assume that what happened was that members of the government who were aware of this, and there was certainly a collective awareness, said, "If we disclose these facts, if we tell the truth—" of course that comes hard for them in any event, politically speaking I want to add because, Mr. Speaker, I am putting this on a political basis—"in the light of what we have said before, and in the light of the facts it would be disastrous for us politically." So, they saw fit to hide the facts, to hide the truth, to call the election, and to allow members of this House to depart. They saw fit to allow the electors of the country to go to the polls without an awareness of what the true situation was. Any government which embarks upon a course of conduct of that nature has an awful gall to come into this House, as the minister did today, and now ask to be given a blank cheque. That is precisely what the government is asking.

If any rational, intelligent and unbiased jury were asked about this situation, they could bring in no other verdict than that the government was guilty of incredible stupidity or deceit, or both. I suppose this was probably one of the reasons which tipped the scales in favour of the Prime Minister (Mr. Trudeau) calling the election. Otherwise, if he had seen fit to come back later last fall, to meet the House again in the last parliament, these facts by then would have been known and he would have had to face that situation. Instead he said, "We will call an election and the election will be over and done with before any of this becomes known." That is virtually what happened. The election was over before the government was compelled to tell the truth—or part of the truth. I do not think we have got it all yet.

Some question also arises on the issue of legality. I want to conclude this part of my remarks by saying that this cynical, devious government wanted an election on the most favourable terms it could get. If the government had acted legally, it would have meant full disclosure of this financial debacle; it would have meant telling the press, the public and the people that they had badly miscalculated and were guilty of the most scandalous incompetence. So, the government and the establishment which surrounds it, have become increasingly authoritarian and have discovered smooth and adept ways of ignoring all financial guidelines.

Not so long ago I was discussing this with someone who should know well what the score was. We were talking about the situation some years ago when the precedessor of this government had substantially exceeded or was going to exceed by some tens of millions of dollars, a program which had a statutory limit laid down by parliament. This official said to the person involved, who knew about the excess and in fact was responsible for it, "Don't you think you are going to get caught in this? Don't you think that at some time or other this will be brought back to you"? And that person turned his thumb in the direction of parliament and replied, "Who is going to catch us—those fellows up there?" That is the position, that is the attitude we now find increasingly in the government and in those who work for the government at the highest levels. We can ignore the guidelines, ignore parliament, ignore the financial responsibility; we can do what we want to do, and they will never catch up to us.

Perhaps I belong to an old fashioned school, Mr. Speaker, but I believe there is a strong case to be made for the fact that the taxpayers of this country are entitled to have the most scrupulous adherence, in matters of finance and taxation, to the guidelines laid down by this parliament,—

Some hon. Members: Hear, hear!

Mr. Baldwin: —and that anybody, government or not, who exceeds those guidelines deliberately must be brought to trial by public opinion.

What about the question of Governor General's warrants and legality? Yesterday the Auditor General, in a very full and complete statement, went back into the history of how this particular process had evolved. He particularly dealt with the situation from 1958 on because the present—

Mr. Deputy Speaker: Order. The Chair is in difficulty, and I think many members of the House realize whence

the difficulty comes. It relates to the reference of certain estimates to a committee of the House. There is a long standing rule—I will read it from Beauchesne, citation 324—which states:

Until the report and evidence have been laid upon the Table, it is irregular to refer to them in debate, or to put questions in reference to the proceedings of the committee.

The Chair is also aware that to establish the timetable of events as to when facts became known, which is important to the argument of the minister, to the hon. member for Peace River (Mr. Baldwin) and to other hon. members who will be taking part in the debate, one cannot leave chronological blanks. So, when the minister made the first reference, and the hon. member for Peace River made the second reference to evidence in the committee, I did not raise this point of order then. But I think that at least I would be content at the moment, without giving a detailed ruling, if the evidence were used simply to provide the chronology of events leading up to the legislation we are now considering, rather than getting into a discussion of the evidence itself in the committee. The hon. member for Peace River.

Mr. Baldwin: Thank you, Mr. Speaker. As a matter of fact I did have a number—

Mr. Deputy Speaker: Order. Is the hon. member for Verdun (Mr. Mackasey) rising on a point of order?

Mr. Mackasey: Mr. Speaker, I am raising a point of order in order to seek clarification for my participation in the debate which, I can assure you, will be very soon. In view of your admonition with respect to past practice, will I now be denied the right to make reference to the proceedings of the committee that is presently functioning? For instance, the hon. gentleman has made some rather serious charges against me personally—

Mr. Baldwin: No, no.

Mr. Mackasey: —which could, so far as I am concerned, place my seat in jeopardy because I, too, will have charges to make. They are based on allegations made today and on statements made before the committee by Mr. Cousineau, and I wonder if I will have the same opportunity in reply to refer to the same extent to the hearings of the Committee presently constituted.

• (1630)

Mr. Deputy Speaker: This is precisely the point at which the Chair finds itself in difficulty. My suggestion is that the allegation, other than the particular time schedule of which I spoke, should not be referred to in debate at this time. This leaves the hon. member for Verdun (Mr. Mackasey) free to pursue his remedy, if he feels himself aggrieved, in the committee where the allegations have been made. I was not aware that matters which arose strictly in that committee were put on the record here. If I am wrong, then the hon. member will have a chance to correct that and make his own defence when he is recognized.

[*Translation*]

Mr. Leblanc (Laurier): Mr. Speaker, I rise on a point of order.

[Mr. Deputy Speaker.]

It is my intention to reply to the previous speaker because I was present at all the proceedings of the standing committee to which he made frequent reference. He told us things that are not quite accurate about the statements made by Mr. Guy Cousineau, the Chairman of the Unemployment Insurance Commission and he also put his own interpretations on statements of the auditor general. I feel we should have the same privilege when we take part in the debate, namely be able to refer to the same sources as the others, and to reply.

[*English*]

Mr. McGrath: You are supposed to be the impartial chairman of the committee.

Mr. Nielsen: On the point of order raised by the Chair, Mr. Speaker, I have listened very carefully to the hon. member for Peace River (Mr. Baldwin) and I have not heard him, contrary to the remarks of the hon. member who has just spoken, make any reference that was in any way not in keeping with the evidence adduced before the committee. The minister was the first offender in that regard. Perhaps Your Honour did not hear me at the time the minister commenced referring to the committee evidence. I asked for order and the Chair did not intervene. I mean no disrespect when I suggest this, Mr. Speaker. At the time that I called for order and since, the minister was given full latitude to discuss the evidence of the committee at his pleasure. While I appreciate the difficulty of the Chair, I think the door is open now in this regard.

Mr. Deputy Speaker: Order, please. The point that the Chair was trying to make was that the references by the minister, as I recall it, and the references by the hon. member for Peace River (Mr. Baldwin) again as I recall it, arising from the evidence given in that particular committee were to supply information to fill in a timetable of events leading up to the legislation we are dealing with at the present time. Perhaps some of the references went a bit too far, but I am now asking for the co-operation of hon. members not to refer to evidence given in a committee that has not reported to the House. It is a very elementary rule of our Procedure that this is irregular.

Mr. Nielsen: Curtail the minister, then.

Mr. Baldwin: I shall be glad to make my point with a simple reference to facts within my knowledge. There may be some facts which have been referred to in the committee, but they are facts which I know as well. I want to say right away, however, that as far as the hon. member for Verdun (Mr. Mackasey) is concerned, no personal allegation was made against him. There were statements made that the government was responsible.

Mr. MacEachen: Is deceit not a personal allegation?

Mr. Baldwin: The government was responsible for deceit. The government is a corporate body—I think it is a dying body but the government was deceitful.

Mr. Alkenbrack: Our last respects to the deceased.

Mr. MacEachen: You can't weasel out of it that way. The charge was deceit against the minister personally, and members of the government.

Mr. Baldwin: I am charging the government with deceit.

Mr. MacEachen: You do not have the courage to do that personally.

Mr. Baldwin: I will repeat, I am charging this government with deceit in their practices in relation to this matter.

Mr. MacEachen: Why don't you have the guts to make the charge directly? You don't have the courage to do it directly.

Mr. Baldwin: I have made it directly, Mr. Speaker, and I have proven it.

Some hon. Members: Hear, hear!

Mr. Baldwin: Mr. Speaker, with regard to this question of financial responsibility, not only with regard to evidence taken before this particular section of the Miscellaneous Estimates Committee—and I will adhere to your ruling—but at a time when I had the honour to be chairman of the Public Accounts Committee, this question arose about the question of Governor General's warrants. The Auditor General made statements in 1962, 1963 and again I think in 1968 which were virtually the same as he has made in other meetings which are now not to be referred to in this House.

At that time the hon. gentleman pointed out, and he was supported by the Public Accounts Committee, that this was an exceedingly iniquitous practice. The first time that the Auditor General had occasion to refer to it, to my knowledge, was when dealing with the Governor General's warrants issued by a government which was of another party. It is not a question of a political issue; it is a question of belief as to the purity and sanctity of the manner in which the finances of this country are managed. In 1957, for example, Governor General's warrants were issued and complaints were lodged by hon. members now sitting on the other side of the House. As a result, the then minister of finance, Mr. Fleming, introduced legislation for the purpose of amending the Financial Administration Act.

I have read the proceedings of that debate. At that time, an amendment was introduced and passed by parliament and what is now section 23 of the Financial Administration Act was inserted in place of the former section 28 and became section 28. In reading the debates, it is interesting to note that the minister admitted that the purpose of the amendment was simply to put in more modern and conventional form the wording of that section of the Financial Administration Act which gave this power to a government. The wording of the then section 28 was:

> Where an accident happens to any public work or building when parliament is not in session and an expenditure for the repair or renewal thereof is urgently required, or where any other matter arises when parliament is not in session in respect of which an expenditure not foreseen or provided for by parliament is urgently required for the public good,

That makes perfectly plain what, prior to 1958, was the intention and the circumstances under which Governor General's warrants could be used. No one can seriously disagree that succeeding governments have invaded that principle. It is true that the act was changed and the wording reduced to "urgently required for the public good". Mr. Speaker, it was surely never intended to permit any government, particularly this government with its record of illegality, to be free to legislate by Governor General's warrants. But that is what they are doing, Mr. Speaker, there is no question about it.

There was a statutory limit of $800 million. I know that my friends opposite are seeking ways and means of evading this particular limitation. They are now saying that they do not proceed under section 137 when there is a statutory limit, they simply proceed by way of an appropriation. I call to the attention of the House, Mr. Speaker, that in the order in Council they used words that made it quite plain that it was an advance. The wording in the Governor General's warrants and the wording in the Order in Council was:

> such advance to be repaid in such manner and such terms and conditions as the minister of finance may prescribe.

• (1640)

How can that be deemed anything but a loan or advance to be made to the Unemployment Insurance Commission by the government. Of course, it is an advance; there cannot be any other interpretation. The contention that the government was not proceeding under section 137 but was proceeding, instead, in some airy fairy way which it cannot describe, is simply an attempt to circumvent the positive restrictions in section 137, subsection 4. There is no way at all by which the government can extricate itself from this dilemma. It obtained, by governor general's warrants, the alleged right to advance to the Unemployment Insurance Commission an additional $454 million over and above the $800 million set as a statutory limit. That was to be repaid on such terms and conditions as the Minister of Finance (Mr. Turner) may prescribe. Those words were included, in contemplation that the government would come back to this House and attempt to make legal what is illegal. It was an attempt to bring the government back under section 137 of the act. Mr. Speaker, section 137 reads:

> (1) Where the amount standing to the credit of the Unemployment Insurance Account in the Consolidated Revenue Fund is not sufficient for the payment of benefits and costs of administration under this Act, the Minister of Finance, when requested by the Commission, may authorize the advance to the Unemployment Insurance Account from the Consolidated Revenue of an amount sufficient to meet the payments required to be made in the operation of this Act.
>
> (2) An advance made under subsection (1) shall be credited to the Unemployment Insurance Account and be repaid in such manner and on such terms and conditions as the Minister of Finance may prescribe.

The government made a barefaced attempt to evade the provisions of section 137 by saying, "This is simply a grant; we will use the same words as are used in section 137 but come back to parliament later on, after we have won the election, shove this bill through, and make legal what was illegal so that these moneys shall be deemed to be an advance under section 137." That is what the government has attempted and that is what it is now asking this House to do. It is asking this House to legalize an illegal action, to ratify and confirm an action which was wrong and which had the effect of evading the financial responsibility and accountability of the government to

this House. That is what the government is now asking this House to do.

As I said earlier, surely ways and means could be found of doing this properly. We have no intention, if we can help it, of countenancing the government's attempt to perpetrate this illegality. Surely, ways and means could be found, either through supplementary estimates or by other means on which there could be a common meeting ground, to arrange for the funding by way of advances or otherwise of such moneys as may be required by the Unemployment Insurance Commission to meet its commitments under the existing legislation. I object to the government using this type of blackmail and saying, "If you do not pass this bill legalizing this illegality and raising the ceiling to an unlimited amount, the unemployed will not get their money." We have made our position clear. We are prepared to meet the government in order that this may be done properly. If the government does not offer amendments, we will. This matter can be dealt with in a better way than by passing this legislation without amendment.

Mr. Nielsen: We will not ratify deceit.

Mr. Baldwin: Before sitting down, I like to think that my friends on my left, including the hon. member for Winnipeg North Centre (Mr. Knowles), believe in the financial responsibility and accountability of the government. The government is responsible to parliament. The hon. member for York South (Mr. Lewis) I believe feels the same way. My hon. friends may laugh and chortle.

Mr. MacEachen: It is the mating call.

Mr. Baldwin: If they go along with the government in all respects on this legislation, if they help the government to pass the bill in its present form and so sanction and legalize an illegality, they would be seriously inhibited, or even estopped, in future in complaining that this government is not acting as it ought to in accordance with parliamentary proprieties and its financial responsibilities. I seriously ask my friends to consider this when they state their position on this legislation.

I almost sat down, Mr. Speaker. I was so carried away with exhorting my friends to my left that I forgot to do what I came here to do, that is move an amendment. I have just made a few remarks preceding the amendment, Mr. Speaker. I would move, seconded by the hon. member for Verdun (Mr. Mackasey)—

Mr. Mackasey: On a point of order, Mr. Speaker, I think the hon. member said, "seconded by the hon. member for Verdun".

Mr. Baldwin: I did not mean the hon. member.

Mr. Mackasey: I am still the member for Verdun. The hon. member for Saint Hyacinthe had a chance to change that, but did not do so.

An hon. Member: You blew that, Jed.

Mr. Baldwin: Mr. Speaker, I was just drawing a long bow. I hoped my hon. friend would be so persuaded by my eloquence that he would say this is a great amendment. The hon. member refused to second the amendment even before hearing it. It is seconded by the hon. member for Saint-Hyacinthe (Mr. Wagner), formerly a very distinguished and honoured member of the National Assembly for Verdun. I move that all the words after "that" be struck out and the following added:

This House, while accepting the need to provide funds for payment of unemployment insurance benefits to those entitled, declines to approve a measure which, on the one hand, removes all restrictions on advances under Section 137 of the Unemployment Insurance Act 1971, and, on the other hand, seeks to legalize and ratify the improper and illegal actions of the government in making advances in excess of the statutory limit.

Mr. Deputy Speaker: I will hear remarks on the point of order.

Mr. MacEachen: Mr. Speaker, in view of the time, if Your Honour wishes to wait until tomorrow, I will be happy to present argument then.

An hon. Member: Come on, Allan.

Mr. MacEachen: If it is Your Honour's wish to deal with the regularity of the motion, I should like to raise a number of objections. There are several objections; but I will probably mention only one. If it is irregular on one point it cannot survive, even if it is perfect on all others. It really is not perfect in any aspect or from any point of view.

• (1650)

The amendment suggests an objection to the removal of all restrictions on advances under section 137 of the Unemployment Insurance Act. It is true that section 137(4) is to be repealed. Of course, this part of the amendment relates very directly to the clauses of the bill.

One of the well-know principles of moving reasoned amendments on second reading is that one cannot propose to amend on the second reading a clause of the bill. It would be open to the hon. member, once the bill were in committee and once the clauses were under examination, to deal with the matter which he has attempted to deal with in this part of the bill, namely removing all restrictions on advances under section 137. If that is the subject matter of this amendment or part of the subject matter, it can be dealt with directly when clause 1 of the bill is under discussion. That course is open to the hon. member and can be done at that stage if he wishes.

I wish to make one furtner argument. The final part of the amendment is not relevant. This part of the amendment reads:

—and on the other hand seeks to legalize and ratify the improper and illegal actions of the government in making advances in excess of the statutory limit.

Any careful examination of the two clauses of the bill would fail to find any material in either clause which is related or pertinent to the subject matter of the bill. What the hon. member has done has been to confuse this bill with the subject matter that is now being dealt with in the Miscellaneous Estimates Committee. That committee has been asked to deal with the supplementary estimates, which include the warrants to which the hon. member has taken exception. There is no effort in this bill to legalize

and ratify actions of the government in making advances in excess of the statutory limit. There is nothing in clause 1 or clause 2 which attempts to do anything of that kind. It is not there.

Mr. Nielsen: You say.

Mr. MacEachen: I suggest that a reading of clause 1 or clause 2 will sustain that. I believe the amendment is quite irrelevant. It merely strikes out the repealing section which will make it possible after the expiry of the warrants in February to make advances. It does not have anything to do with what happens up until the moment of February 8 to legalize or not legalize.

Clause 2 merely asks the House to treat the proposal that is made in the supplementary estimates as an advance rather than as an appropriation. If that is not clarified and if the supplementary estimates and the subsequent appropriation bill are approved, the advances "authorized by the warrants" will find their way into the fund. Under the section of the Unemployment Insurance Act, if they find their way into the fund, they can only be used for payment out of the fund for administrative costs because they will be thereby defined under the section of the Unemployment Insurance Act as an appropriation. This is really to remedy that. It has nothing to do with an effort to legalize and ratify any alleged improper and illegal action of the government. Of course, I do not make a political argument that can be made as to the use of this kind of pejorative language in an amendment, improper and illegal action of the government. That is not an amendment. That is florid debate. I am surprised that a lawyer of the standing of the hon. member for Peace River (Mr. Baldwin) would use such language in a purely legal framework.

Mr. Deputy Speaker: The hon. member for Yukon on the same point of order.

Mr. Nielsen: Mr. Speaker, normally when we listen to the Government House Leader, we hear a more useful contribution on points of order such as this. This amendment does not deal with sections, as he is asking hon. members to believe. It does not deal with any specific sections of the bill, as he suggests. It is a general amendment which seeks to decline approval of this House to extending the purpose of the legislation, which is twofold.

The bill before us seeks to extend the ceiling that is now imposed by section 137(4) of the Unemployment Insurance Act. It also seeks to legalize something which, on the face of it, is unlawful. The minister indicated that he does not agree with this. He placed his argument on the basis that the second part of the amendment is not relevant.

The minister has been here and in government long enough to know that what he asked members to believe a moment ago, that once the supplementary estimate is approved and an appropriation bill is passed by the House, the money, by way of advances, would find its way into the unemployment insurance fund, is not correct. He knows very well that the money advanced by that warrant has already been spent under that vote of the estimates. With regard to the money advanced by the second warrant, a portion has been spent since January 4.

The illegality lies in the fact that payments are made by virtue of payments made under section 23 of the Financial Administration Act and any future requirements. One must take judicial notice of section 23 of the Financial Administration Act. On the face of it, the action is illegal. The vote of the House referred to the Standing Committee on Miscellaneous Estimates is an ill description in terms of the law applying in terms of section 23 of the Financial Administration Act.

In my submission, what the amendment seeks to do is perfectly in order. It seeks the approval of this House to decline to ratify something which was done in a manner that was patently wrong. Let us forget about the terms illegality and impropriety. What the government has done is manifestly wrong on the basis of the existing Statutes of Canada. All the amendment seeks to do is obtain the approval of the House to reject the government's attempt, first to take away the parliamentary privilege of improving all appropriations and, second, to retroactively cure something they were not authorized to do in the first place.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wish to submit for Your Honour's consideration that this amendment does not meet the rules that normally apply to a reasoned amendment on second reading. One of the standard principles with respect to such amendments is that they cannot have it both ways. They cannot both approve and disapprove of a measure before the House. This amendment is drawn in language that suggests that the movers of it accept a certain aspect of the legislation, namely the need to supply funds, but they are opposed to what the bill actually does. I submit therefore that it falls on that ground.

• (1700)

The second point I should like to make is in support of the remarks made by the President of the Privy Council (Mr. MacEachen), although I shall bring forward a couple of citations. In looking at page 170 of Beauchesne's Fourth Edition, paragraphs (12) and (14) of citation 202, I find that paragraph 12 reads as follows:

> An amendment proposing a direct negative, though it may be covered up by verbiage, is out of order.

Then paragraph 14 reads:

> An amendment which would produce the same result as if the original motion were simply negatived is out of order.

I submit that is precisely what this amendment is. It is nothing more nor less than a direct negative. The movers of this amendment are opposed to the second reading of this bill. They can achieve the same purpose by voting against the bill. Therefore, this amendment, as a direct negative, is out of order.

The hon. member for Yukon (Mr. Nielsen) tries to say that the President of the Privy Council is talking about the clauses of the bill rather than the bill itself. I submit the only thing this bill does is remove the $800 million ceiling.

Mr. Nielsen: Oh, no.

Mr. Knowles (Winnipeg North Centre): The hon. member for Yukon says "Oh, no". That other clause he is dragging into the discussion does not do anything new. It has nothing to do with the way in which Governor General's warrants are drawn. It merely says that any money parliament appropriates by adopting the miscellaneous estimate now before the standing committee shall be treated as an advance and not as an appropriation.

Mr. Nielsen: Then, you have not seen the arguments.

Mr. Knowles (Winnipeg North Centre): The hon. member is making the same nonsense from a seat which is not his own as he does from his own seat. This bill is as clear as a bill can be. It does one thing. It deals only with that $800 million ceiling. I accept the right of my friends in the Conservative party to argue that that ceiling should be maintained, but they can do so by voting against the second reading of this bill. It is, therefore, not proper for them to try to do it by means of a direct negative.

In respect of the third part of the motion, I will merely say what has already been stated. It seems to me it is irrelevant to the bill. It implies that in some way or other the bill is legalizing what has already been done. This bill does not do that. The legalizing of the Governor General's warrants will come when the Standing Committee on Miscellaneous Estimates submits its report and the House deals with it here. Therefore, Mr. Speaker, on these three counts I submit that you should find the amendment out of order.

Mr. Deputy Speaker: The hon. member for Lotbinière, on a point of order.

[*Translation*]

Mr. Fortin: Mr. Speaker, I should like to make a few comments on this point of order. I agree with what the hon. member for Winnipeg North Centre (Mr. Knowles) said. However, I regret that the amendment moved by the hon. member for Peace River (Mr. Baldwin) has only been drafted in English—besides being contradictory, as the hon. member for Winnipeg North Centre said.

Indeed, the first part of the amendment states that benefits should still be paid because he would not want to antagonize the recipients. Yet the rest of it is contradictory and amounts to a sort of nonconfidence motion.

The hon. member for Winnipeg North Centre has quoted paragraphs (12), (13) and (14) of citation 202, on page 170 of Beauchesne's Fourth Edition. Mr. Speaker, I should like to bring to your attention paragraph (15) of the same citation, which reads as follows:

(15) An amendment approving part of a motion and disapproving the remainder is out of order.

Such is the nature of the motion moved by the hon. member for Peace River. It tends to approve part of the clause because payment of benefits is desired, but on the other hand it is a sort of non confidence motion.

However, Mr. Speaker, paragraph (15) adds, and I quote:

On the 20th October, 1932, the Prime Minister moved that the House approve a Trade Agreement entered into between Canada and the United Kingdom. An amendment was moved that the House welcomed certain terms of the Agreement and condemned several features of it. The Speaker ruled it out because (a) the portion of the amendment which approved the Agreement was useless as it suggested no change in the main motion, and also, (b), an amendment to disapprove what the main motion approves is nothing but an expanded negative.

This is why I suggest that this is not only a non confidence motion in disguise but a contradictory amendment and that, therefore, the Chair should rule it out.

[*English*]

Mr. Baldwin: Mr. Speaker, in response to the hon. member for Lotbinière (Mr. Fortin) let me say that I have never disguised my lack of confidence in this government. In introducing this legislation, the minister made quite plain that the obvious purpose of the bill in part, particularly clause (1) which removes this ceiling, is to provide that there should be an opportunity to supply benefits to the unemployed which does not now exist. There is no question about that. He said that in his introduction, and it is quite plain that this is what it purports to do. It would remove a ceiling which has already been exceeded, and there would be an opportunity to make payment of those benefits. We are now carrying on the 1973 version of the battle of reasoned amendments.

Under citation 382 of Beauchesne—which is precisely the British practice and the practice carried on here—we find the following:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a Bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill.

In the first place, we are met here in this bill with two different principles, if there are any in the bill at all, about which I have my doubts. The first of two principles, if there are any, is the raising of the ceiling. Quite unrelated to that is the question of saying that advances made under Governor General's warrants shall be deemed to be advances made under the act. I shall come to that in a moment.

We approve that principle which we find in the legislation which says that because of the incompetence of this government in administering this act it is now in a position where, after February 8, benefits cannot be paid to those who are entitled to receive them. We say that to that extent we accept the principle.

Dealing with the other aspect of the bill, a certain ruling has been made over and over again, certainly in the United Kingdom and here as well. There was an occasion last session when Mr. Speaker indicated his approval of an amendment moved by the hon. member for Edmonton West (Mr. Lambert). We were saying at that time that if we do not like all the relevant and surrounding circumstances involved in a bill, but do not want to be placed in the position of rejecting all of it, there is reason to say that we accept part but do not like the other principles involved. Our declaration of that particular fact is on record. That is what we are doing.

We say we are ready to accept that aspect of the bill which says a way must be found—the government has provided a way which might not be the right way—to make available these benefits, but we do not like the other

aspect of the principles involved. We do not like the other aspects and principles involved, so how else can we do it? I suggest this is the purpose of a reasoned amendment.

• (1710)

I have about 25 precedents before me, all of them amendments similar to mine, which were moved and accepted in the United Kingdom parliament. It may well be that this House does not want to listen any more to reasoned amendments. It may well be that we prefer to reach a yes or no conclusion, but I do not think that is a correct course of action. There should be ways and means by which hon. members can say that there are aspects of the legislation that are acceptable, but that they should be free to express their dissatisfaction with other parts of the legislation and should not have to wait until clause by clause study of the bill is reached.

These are my reasons for urging that this amendment be accepted. I do not want to take the time of the House and spoil the address of the hon. member for Winnipeg North Centre (Mr. Knowles), who is champing at the bit, but I have a number of decisions before me, which were extracted from *Hansard*, citing particular amendments almost similar to the one I have moved.

An hon. Member: Almost.

Mr. Baldwin: They deal with subject matters debated in the United Kingdom. The United Kingdom government would not engage in illegality of this kind. Since this will be an issue that will be raised over and over again, I ask the Chair to consider these, if he sees fit to do so, on the basis that I submit there is a good case to be made for the Chair to hold that an amendment in the terms of that which I have moved is one that is in fact acceptable, thus permitting hon. members to express an opinion with regard to principles contained in this bill that they do not think they can support.

Mr. Deputy Speaker: Perhaps I can indicate to the House that it is my intention to reserve my decision. Therefore, it might be helpful if the hon. member for Peace River were to give the Chair one or two examples of stronger precedents for my guidance when I sit down to make my decision on this very important matter.

Mr. Baldwin: Does Your Honour wish me to do that now or shall I send them to you?

Mr. Deputy Speaker: I think some of them should be put on the record. After all, this may turn out to be a landmark decision.

Mr. Baldwin: In the United Kingdom *Hansard* for February 9, 1970, Mr. Speaker indicated that he did not select the following amendment. I might point out that the practice in the United Kingdom is that a number of amendments are offered, and the fact that an amendment is not accepted simply means that Mr. Speaker, from among a number of amendments that have passed the test of legality, selects the one that he thinks is most appropriate. This particular amendment was moved by the hon. member for Buckinghamshire South:

Unemployment Insurance Act

That this House, while accepting the general desirability of equal payment for work of equal value, does not believe that legislation is appropriate in this field and declines to give a Second Reading to a Bill which wholly conflicts with the view of the Royal Commission on Equal Pay.

As reported on page 230 of *Hansard* for November 10, 1970 this amendment, moved by Mrs. Shirley Williams, appears:

"this House, while welcoming measures to help families in poverty, believes the Government's Family Income Supplements Scheme will assist only a tiny minority, further extend the complex system of a means-tested society which is an essential element in the policy of Her Majesty's Government, and will do nothing to encourage employers to improve very low wages in certain occupations."

A further amendment, moved on February 8, 1971, by Dr. J. Dickson Mabon, reads as follows:

"this House declines to give a Second Reading to a measure which, in rewarding those engaged in intensive animal production of a kind which can in no sense be called agricultural, penalises the ratepayers as a whole."

There are about 20 more, Mr. Speaker, but I just give those few as examples. There are others which I think are an even closer parallel to the amendment that I was persuaded to move in the House today.

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

Mr. Jerome: Mr. Speaker, the hon. member for Peace River (Mr. Baldwin) started by saying that he never disguises his want of confidence in this government. What he was disguising I suggest, was his own knowledge of the rules. Perhaps, rather than disguising his knowledge of them, what he was in fact doing was parading his ignorance of them, except that I know differently. I know that he has an extensive knowledge of the rules, so he was not being cynical or any more cynical than one can infer from the remarks that he contributed to the debate this afternoon.

Mr. Baldwin: Are you accusing me of deceit?

Mr. Jerome: Clearly what the hon. member was doing, in his attempt to criticize the government for breaking some of the rules, was that he himself was breaking the rules that he knows so well, condoning his own breach of the rules in his attempt to criticize the government. I suppose that one's judgment of the correctness and sanctity of one's actions depends on which side of the House one sits. The hon. member seems to be able to excuse breaches of the rules on his part when he wants to criticize the government for what he contends is a similar breach.

The hon. member asked how else was he able to get on the record the question contained in this motion. He has several legitimate methods of getting his viewpoint on the record. First of all, as clearly pointed out by the hon. member for Winnipeg North Centre (Mr. Knowles) the effect of the motion is not in any way to amend the bill before the House but is simply to negative it. The reasons for so doing are properly a subject matter for commentary and debate.

What the hon. member is seeking to do, through what in no way can be dignified by being considered an amendment, is to do nothing more than to suggest that the

members of the House vote against the government and give a reason for so doing. As he knows, that is the function of debate, and this is one way that he can place his viewpoint on the record without putting forward what I suggest is an illegal amendment.

The second thing he can do is to move that the bill be not read the second time now, but that it be read some other time. He can also put forward a different principle from that urged by the government in its handling of this particular situation, since he does accept that it is a problem that has to be handled.

Another thing he can do—and there are many others—is move a motion that the matter be given further consideration and study in order to determine whether the principles that he wishes to put forward should gain support from some other committee or group already designated. All of those methods would give the hon. member, as he well knows, the legitimate right to put forward his views.

What the hon. member is attempting to do by quoting precedents to the effect that members are entitled to give their reasons for being opposed to second reading in an amendment is to attach a privilege to the giving of reasons in an amendment, thereby legitimizing any amendment that contains such reasons. If one were to follow that argument, then I suggest it would be a trap that would lead one to the curious situation where any amendment put forward that happened to contain a paragraph taken from any other accepted amendment would have to be accepted by the House, regardless of how many other ways it offended the rules that are before us.

I submit that clearly the interpretation of those precedents is that an hon. member is entitled to give his reasons for objecting to second reading at this time, provided his amendment on second reading stage is in order. This is the very point to which the hon. member refused to address himself during the course of his remarks. I suggest that obviously the amendment that he has put forward is nothing more than the negation of the motion and therefore is not in order. The fact it attaches reasons makes it all the more offensive and in no way supports his argument.

Mr. Deputy Speaker: The Chair would like to thank those hon. members who have taken part in the discussion of this interesting point of order. My decision is reserved. I now call on the hon. member for Winnipeg North Centre.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I earnestly hope that in my contribution to this debate I shall be able to avoid participating in the charges and countercharges that have marked a good deal of the discussion that has taken place this afternoon. Indeed, I want to thank the hon. member for Peace River (Mr. Baldwin) for giving me a cue for the opening of my remarks. He said at the end of his speech, at the point where he had forgotten to move his amendment, that he hoped I would demonstrate my belief in the rule of law or my belief in the accountability of the government, or whatever the phrase was, and that is exactly the point I want to make.

[Mr. Jerome.]

• (1720)

We believe in the rule of law. The Unemployment Insurance Act is a law of this land, passed by this parliament. That act provides very clearly that the benefits set out in the act shall be paid to those who are entitled to receive them. Lest there be any doubt on that point may I draw attention to Section 135(1) of the Unemployment Insurance Act which reads in part as follows:

> There shall be paid out of the Consolidated Revenue Fund and charged to the Unemployment Insurance Account
>
> (a) all amounts paid as or on account of benefits under this Act; and
>
> (b) the costs of administration of this Act.
>
> (2) Notwithstanding the *Financial Administration Act*, amounts referred to in paragraph (a) of subsection (1) shall be paid by special warrants drawn on the Receiver General, issued by the Commission, and bearing the printed signature of the Chairman and Secretary of the Commission.

That is part of the fundamental law of this land, that unemployment insurance benefits are to be paid. I submit that if the government found itself in some difficulty because of misleading estimates, because of bungling here and there, or what have you, it still had an absolute responsibility to keep that law and to pay those benefits. If there were any difficulties that stood in the way it was bound to find a way to get around those difficulties.

I say to you that if because of a negative amount in the unemployment insurance account the government had broken that law by refusing to pay unemployment insurance benefits, I do not know what the Tories might have done—

Mr. Nielsen: You know very well.

Mr. Baldwin: We would have done it legally.

Mr. Knowles (Winnipeg North Centre): —but we would have raised the roof and the people of this country would have said it is up to the government to keep the law. The government, as I say, had a clear responsibility to pay these benefits, and when it discovered there was not enough money in the unemployment insurance account, or perhaps I should say enough credit in that account to pay them, or when it found there was going to be a negative figure in due course, it had a responsibility to find a legal way to put that account into a position so that those benefits could be paid. Therefore, Mr. Speaker, I submit that it was only doing its duty when it relied on Section 23 of the Financial Administration Act.

A short while ago the hon. member for Peace River pointed out, as I intended to do for a different reason, that the terms of the Financial Administration Act were altered in two or three respects around about 1958. The hon. member for Peace River earlier today quoted that section of the Financial Administration Act as it used to read. It implied that it was to be used mainly in the case of an accident to a bridge, a building or a public work. The hon. member said that the change in the wording dropped that and put it in general terms.

I submit that dropping that miniscule sort of provision in respect of a bridge, a building or a public work, and putting that sanction in broad general terms, had the effect of giving the government the power to cope with

any financial emergency that might face it. That is precisely the effect of Section 23(1) of the Financial Administration Act in its present form. I should like to put it on record as it now reads:

> Where a payment is urgently required for the public good when Parliament is not in session and there is no other appropriation pursuant to which the payment may be made, the Governor in Council, upon the report of the President of the Treasury Board that there is no appropriation for the payment and the report of the appropriate Minister that the payment is urgently required for the public good, may by order direct the preparation of a special warrant to be signed by the Governor General authorizing the payment to be made out of the Consolidated Revenue Fund.

How anyone can argue that the terms of that section have been violated is beyond my comprehension.

It is crystal clear that the time came when the unemployment insurance account was running into a deficit position. The Unemployment Insurance Act says that benefits must be paid. That law had to be kept. I submit that if anything ever met the definition of "public good" it is that. In the name of the public good, these unemployment insurance benefits had to be paid. At the same time, there was no other appropriation on which the government could draw to put credit into that unemployment insurance account. It had used up the $800 million the Minister of Finance could extend by way of advances. He could not advance any more money that way. There was no other appropriation on which the government could draw.

Therefore, I submit that the Minister of Manpower and Immigration at that time, the present hon. member for Verdun (Mr. Mackasey), and the President of the Treasury Board were quite within their legal rights. In fact, they were only doing their duty when they took before the Governor in Council the need to pass the appropriate Governor General's warrants so the law which required the payment of unemployment insurance benefits could be kept.

If we are going to talk about keeping the law and maintaining financial accountability, I suggest we put it on the proper basis. It would have been a case of breaking the law if the government said it had no money in the fund and could not pay these benefits. What would have happened in this country if that had taken place in the middle of the election period? I submit it would have been a lot more serious than what happened because of the backlash against unemployment insurance which was fanned and developed during the election period.

I submit that for time to be spent in this session trying to accuse the government of breaking the law is missing the point altogether. That is what Section 23 of the Financial Administration Act is for. It does not follow the wording of 100 years ago, that you can draw special money only to repair a bridge that has been hit by lightning. It is there for any emergency in which the public good has to be met and where there is not an appropriation on which the government can draw.

I may point out, although it is not completely relevant to the point I am making—yes, maybe it is—that another change was made in 1958 by the Conservative government at that time, and I give that government full credit for it. Prior to 1958 the Financial Administration Act, and before that the Consolidated Revenue Act as it used to be called, permitted Governor General's warrants to be used when parliament was not in session. There was no necessity for those warrants to be confirmed later by parliament. I remember, when we were going out of here for the 1958 election, I put the question to the then prime minister, the right hon. member for Prince Albert (Mr. Diefenbaker), as to what he was going to do about Governor General's warrants during that election period. He made the promise, either here in the House or out on the hustings, that if his government came back, it would amend the law to require that Governor General's warrants be confirmed by a succeeding session of parliament. I give him full marks. He kept the promise, and the law was changed.

• (1730)

So now, we have the benefit of that change. It is now in the law. It is there in later subsections of section 23 that the money obtained by a warrant must be approved by a supplementary estimate. That is what is happening in the Miscellaneous Estimates Committee right now. I am not a lawyer as is the hon. member for Peace River. I have to look at these things in a very practical, commonsense, way. But as I read the law, it seems to me that the members of the government, faced with the tremendous social problem of unemployment insurance benefits having to be paid—granted, because they had no plans, no policy to deal with unemployment—found a legal way to do it, and it is now going through the further legal process of getting parliament to approve those warrants that were passed at that time. I submit that the roasting or the shadow boxing to which they are being subjected now is nothing compared with the opprobrium that would have been heaped upon them if they had not kept the law and paid the benefits as they should.

Because I have some memory of these things around here, I also find it strange that members of the Progressive Conservative party are complaining about executive action when parliament is not in session. I happen to remember very well the events of June, 1962, just after the election of that year. As hon. members will recall, everything was rosy just before the election of June 18, 1962, but right afterward there was a dollar crisis, a crisis in trade, and so on, between this country and the United States. So the minority government of that day passed by order in council a surcharge on imports, order PC 1962-902. The effect of this was to increase import duties. This was done by executive action. How did they do it? The law of the land does not permit the members of the cabinet to raise duties on imports or to pass an order-in-council for doing something which does not have statutory basis. However, they were pretty smart in those days. They passed a double-barrelled order in council.

On the one hand, they looked into the Customs Tariff and they found that although they could not raise duties, they could transfer categories of goods from one column to another and that this could have the effect of increasing the duties charged on those goods.

An hon. Member: That is called cooking the books.

Mr. Knowles (Winnipeg North Centre): So, they transferred certain categories of goods from one column to

another. But the trouble with that was that it raised the duties by too much. It raised them by 20 per cent or 25 per cent in some cases, and they did not want to do that; they wanted them raised by only 5 per cent, 10 per cent or 15 per cent. So they looked in the Financial Administration Act—this Bible which is now being quoted—and they found in a section which is now section 17 the power to remit or to forgive taxes or charges. So they passed a blanket provision that these duties, which they had raised by transferring them from one column to another, were to be forgiven to the extent necessary so that they would be brought down to duties of 5 per cent, 10 per cent or 15 per cent for the various categories listed in that order. This is about as devious and unusual an order in council as we have ever had. I remember being at home in Winnipeg just after the election and hearing about it on television. I just could not believe it.

Well, we came down here that fall for the session. Some hon. members from the Liberal side, or one or two of them who have gone to their reward—in some cases it is to another world, in some cases it is to another place—picked up the cue from us. We were sitting over where the Social Credit party now sits. They fought this order bitterly. They said it was an illegal order in council. The right hon. member for Prince Albert said no, that they had the opinion of the law officers of the Crown, they had the opinion of the Department of Justice, that this was a perfectly proper order in council. We fought hard, the Liberals and our party, but we got nowhere with them. In due course the session ended, there was an election, and the Liberals came to power in 1963.

An hon. Member: What's the difference?

Mr. Knowles (Winnipeg North Centre): In the meantime, of course, some pretty big companies in this country which were affected rather seriously by these higher duties of 5 per cent, 10 per cent or 15 per cent, decided that they would go to court claiming that the order in council was invalid.

So the Liberal government, which was by then in power, went to the same law officers of the Crown, to the same people in the Department of Justice, and asked: What is your opinion now? These were the very same law officers of the Crown who had told the Tories that the order in council was legal. Now, they told the Liberals that it was not and that they had to do something about it.

Mr. Jamieson: Same old gang!

Mr. Knowles (Winnipeg North Centre): So the Liberals brought in a bill. In this situation big sums of money were at stake. I want to say that if the 1972 election had gone the other way, the Tories, who are now complaining about these Governor General's warrants, would have got them themselves, in order to pay unemployment insurance claims. Or if they had found warrants already there that had been passed by the Liberals, as probably would have been the case, they would have brought in supplementary estimates approving what the Liberals had done. They would have had no other course.

So let us not have this nonsense about getting legal opinions. I am not going to use the man's name, but the actual official in the department who one year said it was legal was the same official who the next year said it was illegal.

An hon. Member: He got his reward.

Mr. Knowles (Winnipeg North Centre): No, he did not. He is now in the academic world somewhere.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Let us not get lost in this argument about what is legal and what is illegal. The basic fact so far as the law is concerned is that the unemployment insurance benefits had to be paid, and that there was a provision in the Financial Administration Act that enabled the government to cope with the crisis which, I admit, had come about because members of the government bungled the administration. They had received poor statistics from the Department of Finance, Statistics Canada, or somewhere else, and fundamentally they had not really come to grips with the problem of unemployment. If they had not allowed unemployment to become so high this whole problem would not have arisen. The hon. member for Verdun (Mr. Mackasey) is perfectly right when he points out that that is the real issue, and not the Unemployment Insurance Act.

• (1740)

When people talk about the law and make these complaints about whether it is being kept or not, I want to refer to something else. When Mr. Benson had before us that big bill amending the Income Tax Act, which I think we passed in December, 1971, it provided a change with respect to the income tax exemption for senior citizens. The provision in that bill was that at age 65 every taxpayer would get an extra $650 exemption. That became law effective January 1, 1972.

That is still the law, Mr. Speaker. It has not been changed. That is the law for 1972, that the extra exemption for taxpayers 65 years of age and over is $650. But last May 8 the present Minister of Finance (Mr. Turner) in his budget speech proposed that that figure of $650 be raised to $1,000. No bill to make this change was ever introduced, but it was promised, and the promise was that it would be effective as at January 1, 1972.

This got thrown around a lot during the recent election campaign. In fact, it was even mentioned in the literature that went out with the old age security cheques. You know, Mr. Speaker, the government never puts propaganda into the literature it sends out, but there it was. It said, "We have asked parliament for this increase to $1,000 and, if parliament agrees, this will apply as of January 1, 1972." It is a good provision. I like it and welcome it. But, Mr. Speaker, it has not been passed. It is not the law of the land. The law of the land is $650.

I wonder if any hon. members have looked at the income tax forms that have recently been issued. The new income tax form says that at age 65 the exemption is $1,000. Why don't my Tory friends get up and raise the roof about the fact that the government is breaking the law, that it is letting the Department of National Revenue put out an income tax form that is at variance with what the law says? Like all of us, they are the friends of the old

age pensioners. They wanted us to adjourn for a day a while ago. What good that would do for the old age pensioners I do not know. But in any case the Tories are not saying a word about this departure from the law, or maybe they are not aware of it.

Some hon. Members: Oh, Oh!

Mr. Knowles (Winnipeg North Centre): Is it not a fact, and I put this forward for a purpose, that some time this year whatever government is here—Liberal, Conservative or New Democratic—

Some hon. Members: Oh, oh!

An hon. Member: Or Social Credit.

Mr. Jamieson: Or a combination thereof.

Mr. Knowles (Winnipeg North Centre): I want to show my impartiality and so I had better mention Social Credit too—is it not a fact that that law will be passed, and that at some point that change from $650 to $1,000 will be confirmed? I cannot imagine that the government, after our older people have all filed their income tax returns according to that form, would send out a notice saying, "You have to pay so much more because you did not conform with the law." No, Mr. Speaker, parliament will make the law conform with the form. This goes on all the time. We complain about it, but it goes on. Money gets spent before it is actually approved. Taxes are imposed as of midnight on the day the Minister of Finance makes a budget speech, subject to their being approved later.

I am glad that that exemption is there on the income tax form for the old age pensioners, in the knowledge that this parliament will approve it, as we shall certainly do. I think that with respect to unemployment insurance the situation is parallel, that what the government has done has been to find a way to pay that money, knowing that this parliament would approve of that action.

I submit that even my hon. friends in the Conservative party, who want to lambaste the government for what it is doing, have shown by their very motion that they do not dare vote against the approval of the money that was used to pay unemployment insurance benefits. That is what it is all about, Mr. Speaker. For those reasons it is our intention to endorse the course the government has taken in this respect, and to vote for this bill, Bill C-124. This does not mean that we approve of the way in which the government has handled unemployment insurance, and I give notice to the government that Bill C-125 is a different kettle of fish. We don't like that bill at all. Don't look to us for support on that. If you want support on that one you will have to get it from the Tories.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): If anything, that bill is an appeal to the Tory backlash. So, if you want support on that get it from them.

This bill, Bill C-124, as I pointed out when we were on the point of order, really does just one thing. It removes the $800 million ceiling. Frankly, I think it ought to be removed. I don't think it should ever have been put in there.

This afternoon the Minister of Manpower and Immigration gave good arguments as to why it should be removed. I noted his arguments as to why it was put there. He said it was put there in the belief that it might exercise some form of control. Of course it did not do that at all. I do not suppose we will ever really know why it was put there, but I have a suspicion of why it was put there. I think that figure was put there so that the then minister of finance would not have to give any estimate of how much he would have to pay out in unemployment insurance benefits. In other words, he would not have to give any estimates of what future unemployment might be. So, he protected himself, as he thought to the limit, by giving the figure of $800 million as a limit on advances at any one time. But it did not work, and now we are in this trouble.

I submit that if the Unemployment Insurance Act, the law of the land, says that if people meet certain conditions then they get unemployment insurance benefits, there should not be any law anywhere else, or any $800 million ceiling, or any other provision that could have the effect of denying them the right to draw those benefits. I call on my hon. friends in the Conservative party to support that position, that whatever benefits are provided to our people should get through to them without any question of financial limitation. Therefore, Mr. Speaker, we think that this bill should be passed quickly and sent to the Standing Committee on Labour, Manpower and Immigration, so that it can come back here and become the law, and so that we do not have to worry about that $800 million ceiling. Remember, all we are talking about is advances, which for the most part get paid back in due course.

We also think that the other transaction, the Governor General's warrants, should be approved quickly so that there will be no question along about the 8th or 9th of February about the government running out of money to pay unemployment insurance benefits. Parliament is sitting here now, and under the terms of the Financial Administration Act Governor General's warrants cannot be sought. The government has to depend on parliament. I hope parliament will realize that it has a responsibility to see that this law is upheld, to see that the commitments in the contract involved in the Unemployment Insurance Act are kept so far as the people of Canada are concerned.

We know that there are other changes that might have to be made to the act, perhaps some rather sweeping changes. But they are not the changes that are in Bill C-125. They are not the changes my hon. friends to my right would like to see. We think there should be more guarantees as to the rights of the people who come under that act. We hope that when Bill C-125, or its subject matter, gets to committee we will be able to go fully into this question. As it stands, we cannot and will not support Bill C-125.

However, that is not before us at the moment. We are on Bill C-124, and what is before us is simply the question of the $800 million ceiling. I could join in the lament about the bungling, about the lack of sufficient statistical information, about the fact that the Minister of Finance and the Minister of Manpower and Immigration were probably getting their statistics from different sources, and about the fact that there was a lot of confusion and

inefficiency. I could talk about the ways in which they yielded because of the backlash during the election campaign, but we can sort all that out later. What I insist on right now is that we have had enough of this playing with the unemployed by suggesting that it was illegal for the government to get their payments to them when, in point of fact, the law required that this be done. Let us now tell the government to get on with the job of coping with unemployment itself. That is the real problem.

• (1750)

[*Translation*]

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I do not want to waste the time of the House because I feel that the bill now under consideration is a mere joke.

During the debate on the Address in Reply to the Speech from the Throne, I stated that I was surprised by the cheekiness of the government members who said one thing, but acted otherwise.

Today, once again the government shows its inconsistency. When I compare the comments of the President of the Treasury Board (Mr. Drury) in his statement before the Committee on Miscellaneous Estimates with the bill now under consideration, I am disgusted.

A press release dated January 17, 1973 and entitled "Comments on proposed amendment to the Unemployment Insurance Act concerning total advances" reads in part as follows:

> This bill recommends the elimination of the $800 million ceiling on total advances. Such a ceiling is not realistic since it is based on unstable factors such as national and regional unemployment rates, average income rates and labour force expansion.

In committee the necessity of ceilings is confirmed while in the House it is denied. One could believe that the government is taking us for clowns or more exactly for chickens. It is intellectual indecency or unconsciousness on the part of the government. Perhaps you think that I am joking but I will quote the President of the Treasury Board.

On page 25 of issue No. 2 of the Minutes of Proceedings of the Committee on Miscellaneous Estimates you will find the following question from the member for Yukon (Mr. Nielsen) and I quote:

> MR. NIELSEN: There seems little purpose in having a ceiling at all in the act under those conditions.
>
> MR. DRURY: No, Mr. Chairman, I suggest there is a very good purpose in having a ceiling. This particular ceiling, I suggest, was put in in order that Parliament would have an opportunity to examine the reasons for the circumstances surrounding any sums in excess of this, which is precisely what we are engaged in now.

It was precisely what we were also engaged in at that time. This is what we were doing. We were trying to determine why the $800 million ceiling had been exceeded. But those lines were hardly printed when the government rejected any studies of this kind. They want to establish an arbitrary system, without ceiling and intended mainly to prevent parliament from looking into the matter. And I further quote the minister:

> I do not want to make a great thing of this. Parliament would have an opportunity . . .
>
> . . of inquiring into the operation of the fund if the amount of the advances exceeded $800 million. If the ceiling had been set at a hypothetical figure, $5 billion, there would have been no occasion for the issue of Governor General's warrants. There would have been no occasion for a parliamentary examination of the operations of the fund or the commission. By placing this limitation, the executive is required to come before Parliament to explain how and why it happened and what changes should be made.

Mr. Speaker, what is the purpose of all this? Why should a minister who claims to be responsible bring forward such an argument when his own party suggests the opposite? Is that cabinet loyalty? No wonder problems are never solved. Are government members striving to get us mixed up or are they themselves so mixed up that they don't know what to do?

Overnight, ceilings are removed and the worst of it is that, although there is no money, they are promising reimbursement plus interest.

To seek to remove the $800 million ceiling because it is impossible to make accurate estimates, to make an adequate assessment of the fluctuations of unemployment rates, well and good. I am even prepared to accept the minister's indirect recognition of his department's inefficiency.

In fact, whether there is a ceiling or not on the estimates is irrelevant. Workers do not want to know which measures the government intends to take to control unemployment insurance to its advantage but they do want means to be taken so that the government will fulfil its commitments on their behalf.

Even if in committee the official opposition wanted to be overcritical about the illegality of the procedure and even if today the government tries to cover up its mistake by bringing in this bill, we want action, amendments to the Unemployment Insurance Act, a speedier procedure for payment of benefits and especially deference for the right of the worker to the benefits which he has paid when he was working and which are now due to him. These are the things we ask for.

Mr. Speaker, I am quite willing to accept the proposal of the government, but why promise reimbursement plus interest when we already know the preference of the department? Once again the worker will be penalized by the accountants and employees of the state.

Mr. Speaker, has anyone ever heard of a civil servant working for the Unemployment Insurance Commission having to wait for 15 weeks to get his salary? No. The one who pays is penalized; he has to wait; he is made to play hide-and-seek. But we make sure the parasite is reimbursed, and we even pay him interest, dividends. But who pays the bill? Again as always, the taxpayer, the worker.

Mr. Speaker, is this bill going to change the worker's situation in any way? It does nothing positive. It only gives the government the guarantee of being able to dig into the pockets of taxpayers without parliament—according to the President of the Treasury Board—asking any questions.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I call it six o'clock?

Mr. Caouette (Charlevoix): Six o'clock.

The Acting Speaker (Mr. Boulanger): It being six o'clock, this House stands adjourned until tomorrow at two o'clock.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, January 25, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

[*Translation*]

COMMUNICATIONS

TELESAT CANADA—STATEMENT BY MINISTER ON LETTERS PATENT

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, letters patent issued by my Colleague, the Minister of Consumer and Corporate Affairs, in favour of Telesat Canada, were tabled in the House on January 4. These letters patent pursuant to Section 33 of the Telesat Canada Act provide for the amendment of the corporation's objects to enable it to render service by satellite to and between locations outside Canada and to provide managerial and engineering services to interested parties wherever they are located. At present the Telesat Canada Act gives the Corporation the legal capacity to provide service between locations in Canada.

The letters patent become effective on the thirtieth sitting day after they have been laid before parliament unless before that day either House resolves that the letters patent shall be annulled.

The reason that Telesat service to locations outside Canada is possible, is that the beams from the Telesat satellites, which focus on Canada, spill over and cover adjacent areas such as part of Alaska and some of the contiguous States of the South.

Telesat applied for the letters patent because early last year it saw the possibility of doing some very useful out-of-Canada business. It had been receiving repeated enquiries from American companies who were anxious to use the Telesat satellites. Telesat Canada already has entered into tentative agreements with some of its potential United States customers, and these have been reported in the press.

I would like now to turn to some of the considerations which surround the new development. The first of these are Canada's obligations under the inter-governmental agreement which controls the International Telecommunication Satellite Organization (Intelsat). One of the important provisions of the agreement is that all of the member countries are obliged to give Intelsat—and thus their own investments in it—a measure of protection against the establishment of competing satellite systems which might also be used for international purposes. Thus any proposal that Telesat may make for providing international service will require consultation with the Assembly of Intelsat prior to deciding on its implementation. Here I should explain that "international Service" is one that is rendered between locations in different countries.

[*English*]

Officials of the Department of External Affairs, of my department and of Telesat have held several discussions with their counterparts in the United States government on this question and an understanding has been reached on the precise modalities to be associated with the Intelsat consultation.

In the course of the discussions with the United States, both parties realized that it would be useful also to deal with the question of how the Telesat satellites, or future United States domestic satellites, might be utilized, in mutual assistance fashion, to provide services in or to the other country. Examples of possible service involving the United States and Canada fall into three broad categories. The first is a straightforward support to the other country in the event of a catastrophic failure in its own system. The second is the provision of a domestic service within the other country, on an interim basis, when its own facilities have not yet been established or it is temporarily short of capacity. The third is an extension of what is essentially a domestic service across the border to include points in the other country. Such an extension, which clearly is international by definition, would be no more than of an incidental and peripheral nature but it may be of long-term duration. Communications in support of pipelines could be in this category.

In all cases a particular proposal would be subject to the approval of the appropriate authorities in both countries and through this safeguard each country can be sure that its own interests are being served. These procedures and principles have been embodied in letters exchanged in November with the United States.

So far as Canada is concerned, the appropriate authority will be the Minister of Communications pursuant to his licensing powers under the Radio Act. Also, Telesat Canada will have to meet any applicable requirements of other legislation, including that administered by the Canadian Transport Commission. As Telesat moves forward to implement the expanded powers, I know that its board and its management have every intention of ensuring that Canadian interests, both present and future, will have priority consideration in system planning and use and I know that the tentative agreements already entered into so provide. However, in case there is any doubt I am prepared to state categorically that Canadian interests must have priority and that I have the power to ensure that this policy will in fact be respected.

• (1410)

Important in this matter when international communication is involved is the position of the Crown corporation, the Canadian Overseas Telecommunication Corpo-

ration. The statute under which it operates gives the corporation the legal capacity to establish and operate external telecommunication services with the telecommunications services of other nations. "External" in this context means between Canada and any place outside Canada.

In the satellite communication field the position of the COTC takes on special significance by virtue of the corporation being the signatory for Canada to the Intelsat operating agreement, thus providing Canada's representative on the board of governors of that organization. The future of international communication is complex; it will require the careful attention of all concerned to ensure that Canada's interests are being served. This in turn demands that the COTC be a strong entity, one that Canada can regard as her primary instrument in this important field.

I am sure hon. members will agree that if, as planned, Telesat expands its role to embrace international services, even though these may seem small by comparison, there should be appropriate recognition given to the position of the COTC. In my capacity as the minister responsible, I intend that this will be done.

[*Translation*]

In summary, this new Telesat development, coming on the heels of considerable success in promoting its Canadian services, should be a very stimulating one for Canada. Not only will Telesat benefit, but there may well be new opportunities for Canadian engineers and manufacturers. The opportunities for effectively using satellite communication in and around a country such as ours are virtually unlimited.

[*English*]

Mr. Baldwin: Mr. Speaker, I rise on a point of order. I am not responding to the minister's statement. That response will be made in due course by the hon. member for Annapolis Valley (Mr. Nowlan). My point of order is that I wish to bring to the attention of the House and to the attention of members of the ministry that Standing Order 15(3) provides that on motions a minister may make an announcement or statement respecting government policy but any such announcement or statement should be limited to facts. I am not going to be critical of the minister; he has simply done what other ministers have done. But I point out that this statement deals with the reasons behind the letters patent that have been filed and, as the minister said, this may be the subject of debate in the House.

There is an opportunity, within 30 sitting days after the letters patent have been filed, for the House by way of resolution to debate and discuss this issue. The minister has given reasons why, in his view, these letters patent should have been presented and why the course the government has undertaken is a fit and proper policy. Under those conditions it would be quite possible to embark on a debate at this time. I do not know what the hon. member for Annapolis Valley will say. I hope he does not involve himself in debate to which there could be responses. And so it could go, down the line. However, I think I am entitled to bring this matter to the attention of the ministers and the members who respond so that there will be proper use made of this Standing Order.

[Mr. Pelletier (Hochelaga).]

Mr. Speaker: Before calling on the hon. member for Annapolis Valley I might say that I appreciate the point made by the hon. member for Peace River. I thought yesterday that there was, to some extent, an abuse of the provisions of the Standing Order, not necessarily on the part of the minister but rather on the part of those who responded to the minister's statement. This might be an opportunity to bring to the attention of both the ministry and hon. members who respond to statements by ministers that under the terms of Standing Order 15 their statements must be brief. My recollection is that after a seven or eight minute statement made by a minister yesterday there were comments in response which were much longer. I was of the opinion that the statements were too long but, because it was such an important matter, I felt I should not intervene and I did not. I appreciate the point raised by the hon. member for Peace River. I think ministers should limit the length of their statements under the terms of Standing Order 15, and I would hope that members who speak in response to those statements will also be brief.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I certainly intend to be brief. I am glad we can honour your direction to be brief. I usually am brief.

I thank the minister for giving notice of his statement. We on this side of the House are glad to hear some communication from the Minister of Communications (Mr. Pelletier), who has been one of the more reticent ministers in the House. While some statements may be long and verbose in terms of the rules of the House, we on this side would like the minister to give more shorter and terser statements from time to time rather than sit in the vacuum of silence he has maintained for such a long time.

Mr. Turner (Ottawa-Carleton): Oh, oh!

Mr. Nowlan: I do not know whether the Minister of Finance (Mr. Turner) wants to make his statement on the budget now. We are waiting for that, and it will be terse.

The letters patent tabled by the Minister of Consumer and Corporate Affairs (Mr. Gray) on January 4 in favour of Telesat Canada represent a substantial modification of the objectives laid out in the Telesat Canada Act. The minister's statement sheds little light on the obvious implications of modifying section 5 of the Telesat Canada Act which limits the company to establishing satellite telecommunication services between locations in Canada. The possibilities of Canadian operated satellites being able to cover contiguous parts of the North American continent have always been evident.

There is some doubt in my mind concerning the propriety of effecting such an important and substantive change in the legislation passed by parliament in this way. As it stands, the letters patent tabled by the Minister of Consumer and Corporate Affairs will become effective on the 30th sitting day after they have been laid before parliament. At this time, careful consideration must be given to the implications of the changed orientation of Telesat services and it may therefore be necessary for the House to debate fully whether such letters patent should be annulled.

Certainly there is a serious question in my mind concerning the implication that providing services to our continental neighbour will enjoy a higher priority than providing telecommunication facilities to the northern parts of Canada. Until this latter question has been clarified adequately, it will be impossible for members of this party to welcome the changes as outlined by the Minister of Communications in his statement. In sharing our technology and the service that Telesat can give to North America, we want to make sure we do not sell ourselves short. I think that is important.

Some hon. Members: Hear, hear!

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I and members of my party welcome today's statement on the expanding role of Telesat Canada, a Crown corporation, in the increasingly complex and expanding role of domestic and international communications. We also thank the minister for providing the various parties with advance copies of his statement, as we do the president of Telesat for the trouble he took to inform all parties of the rationale behind the corporation's request for expanded powers. Thus we are in a position to provide something more than an off-the-cuff reply today.

It is important to say that members of my party expressed some concern that the expansion of powers through the amendments to the letters patent tabled earlier this session deleted the previous sections limiting the company to domestic or Canadian users, thereby leaving the possibility that Canadian firms might in future be denied access to channels because of contract commitments made between the corporation and non-resident firms that may offer more lucrative terms. In short, neither the Telesat Canada Act nor the amending letters patent make it explicit that Canadian interests will be served first and that any contracts made to service foreign needs will be temporary and secondary and, further, limited to our unused or back-up capacity. We are grateful, therefore, that the minister in his statement has taken the opportunity to articulate the government's position on this subject by saying, as found on page three of his statement:

• (1420)

As Telesat moves forward to implement the expanded powers I know that its board and its management have every intention of ensuring that Canadian interests, both present and future, will have priority consideration in system planning and use and I know that the tentative agreements already entered into so provide. However, in case there is any doubt I am prepared to state categorically that Canadian interests must have priority and that I have the power to ensure that this policy will in fact be respected.

Therefore we are reassured that the minister has the necessary powers, and I am certain that as long as the minister is in office he will respect Canadian interests. My party, however, would be even more reassured by a statement in the minutes of a meeting of the corporation's board confirming what the minister has told us.

We are pleased by the fact that Telesat at present is roughly 60 per cent publicly owned and we desire it to remain that way. This party opposes the provision whereby the structure is to be one-third public, one-third carriers and one-third private shareholders. We consider that the present arrangement is more democratic and more suitable to Canadian needs now and in the future.

We congratulate Telesat on being a Canadian company which has a considerable and virtually unique lead in this new field of advanced technology in global telecommunications. We congratulate Telesat on the successful launching of Anik I at Cape Kennedy last fall and express our best wishes for Anik II this spring. We appreciate Telesat's sympathetic response to Canadian manufacturers in the development of Canadian expertise in this field in the future. We believe that Telesat demonstrates that a mixed private-public corporation can be successful. Telesat is successful, and we in this party want it to continue to be just that.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the minister's statement seems to contain the necessary arguments allowing us to support him more especially as Telesat officials were kind enough to provide us with the useful information which will enable us to make a better judgment about that new policy.

That enlargement of Telesat services will be all the more beneficial if the income thus gained speed up telecommunication services in this country. We are especially referring to television services in certain remote and even in not so remote areas such as the northern part of my constituency, for example, where people are still waiting for that essential service.

We hope that this policy will benefit all Canadians.

[*English*]

* * *

FOOD PRICES

APPOINTMENT OF MEMBERS OF SPECIAL COMMITTEE

Mr. T. Lefebvre (Pontiac): Mr. Speaker, there have been the usual consultations among the parties in the House regarding the membership of the special committee on food prices. I therefore move, seconded by the hon. member for Algoma (Mr. Foster):

That the members of the Special Committee on Food Prices be Messrs. Atkey, Boisvert, Cullen, Danforth, Fleming, Fox, Gauthier (Ottawa East), Gauthier (Roberval), Gleave, Graffiey, Horner (Crowfoot), Lawrence, Leblanc (Westmorland-Kent), Mrs. MacInnis (Vancouver-Kingsway), Messrs. McGrath, Mitges, Mrs. Morin, Messrs. Murta, Penner, Roy (Laval), Saltsman, Scott, Whicher, Whittaker and Yanakis.

Some hon. Members: Oh, oh!

Mr. Baldwin: What an army! It is an NDP-Liberal committee.

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

Some hon. Members: Agreed.

Motion agreed to.

Food Prices Committee

REGIONAL DEVELOPMENT

DISCREPANCIES IN REPORTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Elmer MacKay (Central Nova): Mr. Speaker, I rise, pursuant to Standing Order 43, on a matter of urgent and pressing necessity. Several of the monthly reports recently submitted pursuant to section 16 of the Regional Development Incentives Act contain differences and discrepancies as between the versions in both official languages. Therefore I move, seconded by the hon. member for York-Sunbury (Mr. Howie):

That this serious matter be referred to the Standing Committee on Regional Development for appropriate study and action.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Central Nova. The motion is proposed under Standing Order 43 and requires unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: If there were any nays I did not hear them. I think I should indicate to hon. members that if any member objects to a motion under Standing Order 43 it should be made clear to the House. I do not think there is any obligation on the part of the Chair to assume that such a motion will not receive unanimous consent. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I think the nays were clearer that time. There is not unanimous consent. Is the hon. member rising on a point of order?

Mr. MacKay: Mr. Speaker, my point of order is that it appears there are documents before the House that are inconsistent in that they contain discrepancies. My point of order is that the minister should either make a statement on motions to clarify the matter or he should take the documents from the table and replace them with the correct versions.

Mr. Speaker: I see the minister wishes to reply, but I do not think I can accept that as a point of order. It is obviously a point of debate and the matter should not be pursued at this time.

* * *

[*Translation*]

SPORTS

MONTREAL OLYMPIC GAMES, 1976—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Roch La Salle (Joliette): With your permission, Mr. Speaker, I should like to move a motion pursuant to Standing Order 43.

Recognizing the national character of the 1976 Olympic games in Montreal, realizing it would be unfair for Montrealers alone to pay all expenditures entailed, and taking into account the financial requirements that are essential to the success of those games, I move, seconded by the hon. member for Saint-Denis (Mr. Prud'homme):

That a special debate be held as soon as possible to define the financial responsibility of this parliament with regard to those Olympic games.

Mr. Speaker: The House heard the motion proposed by the hon. member for Joliette. The unanimous consent of the House is required, pursuant to Standing Order 43. Does the House agree unanimously?

Some hon. Members: No.

Mr. Speaker: As the House is not unanimous, the motion cannot be put.

* * *

[*English*]

PUBLIC SERVICE

COMPULSORY RETIREMENT—CORRECTION OF ANSWER BY PRESIDENT OF THE TREASURY BOARD

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, yesterday in response to a question asked by the hon. member for Cape Breton-East Richmond (Mr. MacInnis) I replied that the hon. member for Winnipeg North Centre (Mr. Knowles) had not made any reference to compulsory retirement. On reading *Hansard* I discovered that I was in error and that in fact the hon. member for Winnipeg North Centre had used the term "compulsory retirement". I had understood that in his question he was referring to those who had been retired normally by reason of the regulations governing age rather than it being disciplinary retirement.

Mr. Speaker: Is the hon. member rising on a point of order?

Mr. MacInnis (Cape Breton-East Richmond): Yes, Mr. Speaker. I am happy that the minister has recognized in the House use of the word "compulsory". I would ask him at his earliest possible convenience to indicate on what authority a Crown corporation, the Cape Breton Development Corporation, can compulsorily retire miners at the age of 60.

Mr. Drury: Mr. Speaker—

Mr. Speaker: Order, please. We have not yet reached the question period. Perhaps the question might be asked of the minister then and he can attempt to reply at that time.

• (1430)

ORAL QUESTION PERIOD

TRADE

CANADA-UNITED STATES—RESUMPTION OF DISCUSSIONS—CANADIAN REPRESENTATIONS ON DISC PROGRAM—REQUEST FOR STATEMENT INDICATING POINTS OF DIFFERENCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. The publication of figures in respect of the trade deficit of the United States reminds us of the controversy between our two countries in regard to trade problems. Has the United States government requested any resumption of the discussions on the points of difference between our two countries in respect of matters of trade and, if so, when will these discussions resume?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of any formal request on the part of the United States government for resumption of the discussions. I noted the same point the hon. Leader of the Opposition has in respect of their trade deficit. I would point out to him that the United States and Canada do have similar international problems. We, too, have a deficit on current account and we are looking at those areas, to those countries, where there is a surplus on current account.

Mr. Stanfield: Has the minister made any representations to the United States recently with regard to the so-called United States DISC program with relation to the tax advantages this program allegedly affords U.S. competitors of Canadian industries?

Mr. Gillespie: Mr. Speaker, over a period of time we have made our views known to the United States government about the DISC program. Recently my colleague, the Minister of National Revenue, indicated that the monitoring measures that were introduced last fall have been successful in helping us to assess the effects of DISC on Canadian prices. So far it would appear that United States corporations have not taken advantage of DISC by lowering their prices on Canadian markets to the disadvantage of Canadian manufacturers.

Mr. Stanfield: Mr. Speaker, it is interesting but unfortunate to note that the minister is not concerned about this problem which seems to be giving great concern to the premier of Ontario. Will the minister at his early convenience make a statement to the House on motions outlining the special matters of difference between the government of the United States and the government of Canada in respect of trade and our relationships generally so that we will all be as up to date as I hope he is regarding these discussions?

Mr. Gillespie: Mr. Speaker, I would not want to indicate that I am not concerned about DISC. Of course I am concerned, and the government is. The tax measures introduced in the May budget by the Minister of Finance made very clear at that time that among other things they were aimed at offsetting the effects of DISC on Canadian manufacturers.

Mr. Stanfield: Excuse me, Mr. Speaker, I would not normally ask another supplementary question but I would like the minister to answer the question I asked. Will he inform the House as to the subject matters of the differences between the two countries in their commercial and trade relationships so that members of the House will be as up to date on the areas of difference as I presume the minister is?

Mr. Gillespie: Mr. Speaker, I would be prepared to consider that representation and report back later.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like to ask the minister a supplementary question. In view of the fact his predecessor listed a series of what he called "irritants" in relation to trade relations between the United States and Canada, which were being discussed by officials of both countries as a preliminary to a meeting at a higher level, may I ask now whether these irritants have been resolved to the government's satisfaction and, if not, why has the Canadian government not asked for further meetings to resolve these differences?

Mr. Gillespie: Mr. Speaker, I do not think that two countries doing as much trade as our country and the United States will ever remove all the irritants. From time to time there will be irritants between our two countries just in the very nature of things. As to the second point in the hon. member's question, I think it has been made clear in the past that following the vote of confidence in the House we would be sitting down to discuss some of our outstanding differences with the United States authorities and, indeed, Mr. Speaker, that is our intention.

Mr. Baldwin: Maybe you better do it pretty quickly.

Mr. Douglas: Mr. Speaker, may I ask the minister whether the Canadian government has asked for such meetings, what has been the response, and when are such meetings likely to take place?

Mr. Gillespie: There has been no formal request on the part of the Canadian government or the United States government, Mr. Speaker. I would expect, though, that there would be preliminary or exploratory meetings in a few weeks time.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Trinity on a last supplementary question and then go to the next subject. Perhaps we can return to this matter later.

Hon. Paul Hellyer (Trinity): Mr. Speaker, did the minister indicate in his answer to the first part of the question asked by the Leader of the Opposition that in our negotiations with the United States we would insist on maintaining a balance which includes not just current account but also the outflow of Canadian dollars to the United States in respect of interest payments and dividends?

Mr. Gillespie: Mr. Speaker, I would define current account to include non-merchandise matters as well as merchandise matters.

* * *

GRAIN

CONTINUATION OF GRANT TO GRAINS COUNCIL IN LIGHT OF WITHDRAWAL FROM MEMBERSHIP BY WHEAT POOLS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to direct my question to the minister in charge of the Wheat Board. In view of the decision of the three prairie wheat pools to withdraw from membership and support of the Canada Grains Council, leaving that organization largely representative only of the private grain trade, will the minister advise the House whether it is the intention of the government to continue the grant of some $50,000 a year to the council?

Hon. Otto E. Lang (Minister of Justice): Yes, Mr. Speaker, that is the government's intention. The Canada Grains Council has, of course, increased its membership over the years with other producer organizations. In addition, at the time the pools indicated to me their intention to withdraw they also indicated their willingness to continue working with the council on very important committees in order that their points of views and that of the producers would be represented there.

POSSIBILITY OF RESTRUCTURING OF ADVISORY COMMITTEE TO CANADIAN WHEAT BOARD—GOVERNMENT POSITION

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have a supplementary in connection with the grain trade. Has the minister been approached by farm organizations such as the Palliser Wheat Growers' Association to restructure the advisory committee to the Canadian Wheat Board in order to give more representation to the private grain trade and, if so, can he tell the House what the government's position is in respect of the advisory committee?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the Palliser Wheat Growers' Association and some other groups have indicated a desire to review the make-up of the Wheat Board advisory committee, but not to give additional representation to the grain trade, private or otherwise. Indeed, their representations have been in the direction that representatives of the grain trade ought not to be on the advisory committee and that we ought to find a way to have more direct producer representation on it.

PROVISION OF CARS BY RAILWAYS TO TRANSPORT WHEAT

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a supplementary question for the minister in charge of the Wheat Board. In view of the fact that at this time many country elevators are plugged and there is a lack of rolling stock, can the minister inform the House of any action to alleviate this very urgent problem?

Hon. Otto E. Lang (Minister of Justice): Yes, Mr. Speaker. As I indicated to the House the other day, at a meeting last Sunday with the Wheat Board I was informed there were still some places where congestion was serious, particularly in the region represented by the hon. member for Assiniboia. The Wheat Board has taken special steps to see that cars to move the grain from that area will be going there in very large numbers, so I think the situation will be alleviated fairly shortly.

* * *

• (1440)

[*Translation*]

NATIONAL DEFENCE

ALLEGED DISCOVERY OF ANTI-AIRCRAFT GUN IN ARMS CACHE

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to direct a question to the Minister of National Defence.

Since the Quebec police recently found a cache of firearms in which there was an anti-aircraft gun, could the minister tell us if this weapon comes from a Canadian Forces Base? In the affirmative, could he say how many of these weapons have been reported missing by military authorities?

[*English*]

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I would have to have information about the weapon before I could say where it originated.

* * *

SPORTS

MONTREAL OLYMPIC GAMES, 1976—MINISTER HAVING JURISDICTION—REPLY TO STAMP, COIN AND LOTTERY SCHEME PROPOSED BY COMMITTEE

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, my question is directed to the right hon. Prime Minister. Could the Prime Minister please tell the House whether in fact the subject of the Olympic Games has been passed from the Ministry of Health and Welfare, under whose jurisdiction the Fitness and Amateur Sport Act is administered, and, if so, why and to whom has it been passed?

Right Hon. P. E. Trudeau (Prime Minister): Perhaps I can be helpful, Mr. Speaker, with respect to the present situation. I cannot recall that it was under the Minister of National Health and Welfare. Perhaps in the previous parliament it was, but certainly when this cabinet was formed at the time this parliament was elected the jurisdiction was put under the Minister of State for Urban Affairs, and it rests there now.

Mr. Stanfield: "Rests" is right.

Mr. Trudeau: I see there is some restlessness in the ranks of the Conservative party. Both he and I have been dealing with this matter and we are prepared to continue doing so.

Mr. Jelinek: As a supplementary question I would like to ask the Minister of State for Urban Affairs whether he could explain why there has been no reply to the request made last November by the Montreal Olympic Committee to approve the proposed scheme involving special stamps, coins and lotteries, necessary to finance the games, and in view of the fact the Montreal Olympic Committee must report to Lausanne by February 2, can the minister tell the House what the decision is with regard to their requests?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, those requests and proposals of the organizing committee are still being analysed by the department.

MONTREAL OLYMPIC GAMES, 1976—DISCUSSIONS BETWEEN CITY AND FEDERAL GOVERNMENT—REQUEST FOR ASSURANCE OF NO FINANCIAL CONTRIBUTION

Right Hon. J. G. Diefenbaker (Prince Albert): As a supplementary question, Mr. Speaker, I would like the Prime Minister to let the people of Canada know what the present position is concerning discussions between the city of Montreal and the government of Canada in respect of assistance to be given by the government of Canada. Can he give the country as a whole the assurance that, in view of the tremendous expenditures being made today, Canada is not going to make a contribution to the Olympic Games?

Some hon. Members: Shame!

Right Hon. P. E. Trudeau (Prime Minister): Without commenting on the representation contained in the question, I certainly would be prepared to repeat what has been the government's stand from the outset, that there would be no special assistance, no special financial aid from the federal government to Montreal or to COJO for the holding of the Olympics. The correspondence and the discussions have always been to this effect. My statements have been to this effect. In fact, Mayor Drapeau's statements have confirmed that he understood that to be our position and he accepted it. I should add that a letter addressed to me by the Commissioner General just in the last few days is to that effect also. They understand that there is no commitment, nor do they request that the federal government make any special contribution to the holding of the Olympics. If I can go on, Mr. Speaker, there was a question of coinage which was alluded to—

Mr. Diefenbaker: The Prime Minister has made it very clear now, and I thank him. Does special assistance include loans because, if it does not, Canada will be milked again if loans are made by the federal government?

Some hon. Members: Oh, oh!

Mr. Trudeau: Mr. Speaker, the question of loans has not, to my knowledge, been brought up by either the mayor of Montreal or by COJO. I think the words should be taken to mean exactly that that if loans were to be at some cost to the Canadian taxpayer generally they would not be contemplated by the government.

I might add that there have been special requests in the area of coinage, stamps and so on. Our reply, as indicated by the minister a moment ago, has been that we did not want to give an answer, that we might be prepared to consider it sympathetically if it had the support of the other parties but we did not want to give an answer to this until we had an assurance that, if any deficit were possible, provision would be made for it to be picked up by somebody other than the federal government.

[*Translation*]

MONTREAL OLYMPIC GAMES, 1976—POSSIBILITY OF LOANS BY CENTRAL MORTGAGE AND HOUSING CORPORATION

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Will the organizing committee of the Olympic games be able at least to take advantage of what is available from the Central Mortgage and Housing Corporation concerning required funds for this purpose?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think that the answer to this question must be affirmative, as regards the normal programs of the Central Mortgage and Housing Corporation. If the City of Montreal, together with the Quebec government, intended to use the funds that we normally make available to this province, if they wanted to affect them to purposes which actually would be those of the Olympic games, we would not see any objection to this, but we do not intend to make any special contributions. These would be normal contributions which incidentally are quite substantial and paid yearly to all provinces.

* * *

[*English*]

AIR TRANSPORT

ADVANCE BOOKING CHARTER REGULATIONS—ASSURANCE THAT TRAVELLERS WILL BE PROTECTED AGAINST PRICE FIXING

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct a question to the Minister of Transport. It has to do with the recent regulations regarding advance booking charters announced by the Canadian Transport Commission. In view of the fact that the new regulations will have the effect of appreciably increasing fares on all overseas travel by charter flights, and in view of the fact such rates will be established virtually on a non-competitive basis, can the minister advise the House whether he has been in touch with the CTC and/or the airlines to ensure that the Canadian travelling public will not be victimized by price fixing by the domestic air carriers?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, it is generally known that new regulations have been enacted regarding advance booking charters and published on January 8. I feel it is somewhat premature to draw conclusions on the implementation of the new policy because when preparing these regulations we consulted the Transport Commission and other authorities involved. As and when we became aware that the risks pointed out by the hon. member can really materialize, we shall certainly review the regulations.

[*English*]

Mr. Mazankowski: Mr. Speaker, I wish to direct a supplementary question to the Minister of Consumer and Corporate Affairs. In view of the fact there is some suggestion that the rates are being established on a non-competitive basis, could the minister advise the House whether his department has undertaken any steps to ensure that the charter air traveller will be getting a fair deal as a result of the new ABC regulations?

ADVANCE BOOKING CHARTER REGULATIONS—
ASSESSMENT OF IMPLICATIONS BY TRANSPORT DEPARTMENT

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is also directed to the Minister of Transport. Does he have someone in his department assessing the implications of these new air charter regulations so that he will be able to come into the House and say they are in the public interest and not in the interests of the carriers?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, that is precisely what the department is for and we are watching the situation very closely. We hope the new regulations will benefit the public in general and not a limited number of private interests.

[*English*]

Mr. Nowlan: In that assessment will the minister please take into consideration existing or intended fare schedules which discriminate against Canadians travelling to England in that an Englishman taking the same Canadian charter flight, travelling on the same route and with the same air crew, can come to Canada for $100 less?

Mr. Marchand (Langelier): Yes, Mr. Speaker, I will take that into consideration.

• (1450)

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker . . .

Mr. Speaker: I apologize to the hon. member for Richmond, but the hon. member for Vegreville (Mr. Mazankowski) is rising on a point of order.

[*English*]

Mr. Mazankowski: On a point of order, Mr. Speaker, I do not believe the Minister of Consumer and Corporate Affairs was listening when I addressed my question to him, and I wonder if I might be permitted to repeat it?

[Mr. Mazankowski.]

Mr. Speaker: I will return to the hon. member shortly. I had noticed that he wanted to ask a supplementary.

[*Translation*]

ALLEGED REFUSAL OF MINISTER TO SUBMIT TO AIRPORT SAFETY CHECK

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a supplementary question.

There is the question of rates as well as that of security. I would like to ask the Minister of Transport if he can tell the House whether the bill he has now introduced is important because, according to information obtained lately, he refused to submit to a security check as everybody else does in the interest of passengers?

Mr. Speaker: Order. The hon. member will admit that such a question is out of order.

[*English*]

ADVANCE BOOKING CHARTER REGULATIONS—
INVESTIGATION BY COMBINES BRANCH TO ASSURE INTERESTS OF PUBLIC PROTECTED

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to repeat the question I directed earlier to the Minister of Consumer and Corporate Affairs. Has his department undertaken to look into the new regulations and their impact on the air charter traveller with a view to ensuring that such persons will have a fair deal and that the interests of the public will be upheld?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I shall be happy to have this matter looked into to the extent that it comes under the jurisdiction of my department as distinct from that of the Canadian Transport Commission.

* * *

COMMUNICATIONS

BELL CANADA—SUGGESTED HALTING OF GRANTS TO SUBSIDIARIES AND REFUND OF AMOUNTS PAID

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the fact that the Canadian taxpayer appears to be at least indirectly subsidizing research and development costs of the American Telephone and Telegraph Company, according to unchallenged evidence adduced before the Canadian Transport Commission recently, is the minister considering the halting of all grants to Bell subsidiaries, and is he considering asking for the refunding of all or part of the sum $43 million paid to Bell subsidiaries since 1965-66?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I do not accept the premise on which the question was asked so my answer is no.

Mr. Grier: In that case, Mr. Speaker, may I ask the minister whether he will consider investigating the allegations with a view to assuring the House that such funds have not been put to improper use?

HEALTH

DISCUSSION OF COST OF DRUGS TO SENIOR CITIZENS AT CONFERENCE ON OLD AGE PENSIONS

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of the meeting scheduled for next Friday between the minister and his provincial counterparts to discuss the long overdue increase in old age security pensions, may I ask whether drug care will be discussed having in mind the difficult problem posed by the cost of medication for ailing senior citizens?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): No, Mr. Speaker.

[*English*]

Mr. Rynard: A supplementary question. I wonder whether the minister would put this on the agenda for discussion?

* * *

CANADIAN NATIONAL RAILWAYS

REPRESENTATIONS RESPECTING ABOLISHING OF CERTAIN TELECOMMUNICATION JOBS

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, I should like to address a question to the Minister of Transport on the very urgent matter of job abolishment by Canadian National Telecommunications. The CN Telecommunications union has been informed that their public telegraph service members are to suffer severe job abolishment in their respective trades. I wrote to the minister on this matter—

Mr. Speaker: Order, please. Would the hon. member resume his seat? The hon. member has the floor for the purpose of asking a question and should ask it as quickly as possible.

Mr. McKenzie: I am at the question now, Mr. Speaker. Would the minister assure the House and the union that these lay-offs will not take place? Also, is the CNR trying to get out of the telecommunication business?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think the hon. member would receive a faster answer if he addressed the question to the proper minister, the Minister of Communications.

An hon. Member: Oh, come on!

Mr. Speaker: Order, please.

[*Later:*]

ABOLISHING OF CERTAIN TELECOMMUNICATION JOBS—PRIORITY FOR EMPLOYMENT IN POST OFFICE TELEPOST SERVICE

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is supplementary to the one asked by the hon. member for Winnipeg South Centre and is directed to the Postmaster General. Is it the minister's intention to establish a telepost service within the Post Office department and, if so, will the employees who are laid off by CN-CP Telecommunications be given priority in filling these new positions?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, the telepost is only used to complement the present mail and telegram services. Hence, I cannot accept the hon. member's statement that employees of the Canadian National would be laid off because of this service since it is only offered to people who are already using Telex.

[*English*]

Mr. Dinsdale: A further supplementary, Mr. Speaker, this time to the Minister of Communications. In the event of the lay-offs referred to by the hon. member for Winnipeg South Centre, can the minister give the House an assurance that job security, no matter how it is accomplished, whether through the new branch being contemplated by the Post Office, will be assured to the employees affected?

Mr. Speaker: Order, please. It seems to me that this question is hypothetical.

* * *

SOCIAL SECURITY

OLD AGE PENSIONS—POSSIBLE LOWER AGE OF ELIGIBILITY—PROVISION OF PENSION FOR WIFE UNDER 65 WHOSE HUSBAND RECEIVING PAYMENT

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, my question for the Minister of National Health and Welfare is related to the meeting next week between the federal and provincial ministers of health. Is the government considering lowering the eligibility age for the old age pension and, second, is the government considering providing a pension for the wife of a husband who receives the old age pension even though the wife has not reached the age of 65?

Mr. Speaker: Order, please. I have serious doubts about this kind of question. The hon. member will appreciate that it anticipates a bill to come before the House.

* * *

ROBERT BURNS

ANNIVERSARY OF BIRTH

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question for the attention of the right hon. the Prime Minister. Is he aware of the fact that today marks the anniversary of the birth of the world's greatest poet, Robert Burns?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I perhaps would like to qualify on the grounds of poetry, but I have on my left a man who can qualify by having the

ethnic and cultural background, so perhaps he should reply.

An hon. Member: He hasn't got a kilt on.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, we are alive to the day and its significance as the feast day of Robert Burns whose immortal memory will be celebrated throughout the world today. Members of this House, many of whom have Scottish blood in their veins—

Some hon. Members: Hear, hear!

Mr. MacEachen: —including such unlikely gentlemen as the right hon. Prime Minister and the right hon. gentleman from Prince Albert, will want to associate themselves with the many tributes that will be paid to the genius of Robert Burns today.

I congratulate the hon. member for Kingston and The Islands (Miss MacDonald) and the hon. member for Hillsborough (Mr. Macquarrie) on their elegant and beautiful garb. I had intended wearing the kilt myself today but I decided against it. I thought that as House leader of a government in a minority situation I was sufficiently exposed!

Some hon. Members: Hear, hear!

* * *

MAIN ESTIMATES, 1973-74

INQUIRY AS TO TABLING BY FEBRUARY 15

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the President of the Treasury Board on a much more mundane subject. Would the minister advise if it is his intention to table the estimates for the new fiscal year by February 15, and in so doing will he follow the usual custom of tabling the estimates before the budget?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I can say that we should be tabling the main estimates for 1973-74 around February 15, but whether this will be before the budget or after the budget I cannot answer.

* * *

[*Translation*]

SOCIAL SECURITY

OLD AGE PENSIONS—POSSIBILITY OF REDUCING AGE OF ELIGIBILITY TO 60

Mr. René Matte (Champlain): Mr. Speaker, I should like to direct a question to the hon. Minister of National Health and Welfare.

Are the officials of his department at present looking into the possibility of lowering the age of eligibility from 65 to 60?

Mr. Speaker: Order, please. This question is very similar to one that was asked a few moments ago and that was ruled out of order by the Chair.

[*English*]

LABOUR RELATIONS

ELEVATOR WORKERS STRIKE—ASSISTANCE BY MANPOWER DEPARTMENT TO PERSONS FACING LAY-OFFS—ACTION TO ACHIEVE SETTLEMENT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, my question is for the Minister of Manpower and Immigration concerning the elevator strike which certainly has national consequences. Is he aware of the fact that as a result of the elevator strike Otis Elevator in Hamilton is contemplating laying off 500 people? If not, will he look into the circumstances in order that his department may assist in this very grave matter?

• (1500)

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will ensure that the department is in communication with the company in question and that all possible action is taken.

Mr. Alexander: May I direct a supplementary question to the Minister of Labour, Mr. Speaker. In view of the fact the elevator strike has reached national proportions, and even though it may be under provincial jurisdiction, has the minister determined if there is any way in which he can be involved? Has he been approached by his provincial counterparts? If so, what has been the result of any discussions?

Hon. John C. Munro (Minister of Labour): No, Mr. Speaker, I must advise the hon. member that I have not been approached. However, being equally as concerned as the hon. member over how serious the situation is, I contacted the provincial Minister of Labour, or his department, within the last couple of days. There is some hope, I understand, that the parties will come together again in the near future, hopefully leading to a settlement. It seems to be quite clear that the federal government has no jurisdiction in the matter.

Mr. Alexander: A final supplementary question, Mr. Speaker. As the minister has shown some initiative in this regard—

Some hon. Members: Hear, hear!

Mr. Alexander: I give him credit. Don't get excited. In view of the national effect of the strike in terms of inconvenience and financial loss, will the minister continue to stick his nose into this area in order that he can report to the House day by day or week by week?

* * *

FISHERIES

REQUEST FOR FEDERAL ACTION TO PROTECT SALMON SPAWNING STREAMS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, my question is for the Minister of Fisheries. In view of the indicated interest in the preservation of salmon spawning streams on the part of the government of British Columbia as evidenced by the suspension of logging in at

least one salmon stream, is he prepared to request the approval of parliament for a beefed-up appropriation in order to catch up with the longstanding backlog of neglected salmon spawning streams in the province of British Columbia?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, we certainly welcome the newfound interest of the government of British Columbia in salmon streams on the west coast. We have included more money in the budget to clear these streams.

* * *

POWER

PROPOSED JAMES BAY HYDRO DEVELOPMENT—ALLEGED RECALL OF REPORT ON FEDERAL INTERESTS IN PROJECT

Mr. John A. Fraser (Vancouver South): Mr. Speaker, my question is for the Minister of Fisheries. Can the minister advise the House why all copies of a government study entitled, "An Analysis of Federal Interests Affected by the Proposed James Bay Hydro Development", have been collected from members of his own department who had such copies and why copies of this report are now being kept secret.

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, copies of this report are not being kept secret. They were prepared by a summer student in 1971. There is a disclaimer on the front to the effect that this report does not represent departmental or government policy.

Mr. Fraser: Can the minister advise the House whether such copies are still drifting around the department or have they all been collected and taken out of circulation?

Mr. Davis: Mr. Speaker, I have collected a number. If hon. members want copies, I will be glad to let them have same.

* * *

TRADE

CANADA-UNITED STATES—URGENCY OF RESUMPTION OF DISCUSSIONS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, may I return to the question asked by the Leader of the Opposition—

An hon. Member: Which one?

Mr. Grafftey: If I may return to the question relating to imminent trade meetings with the United States, may I ask the Minister of Industry, Trade and Commerce whether, because of Britain's recent entry into the Common Market and the obvious effect on Canadian trade patterns, he does not regard those meetings with the United States as being of extraordinary urgency?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, of course they are important, but the point with respect to the EEC raises another issue, that of our multilateral negotiations under GATT which we expect to be entering into during the course of this year.

Mr. Grafftey: Has the minister specific statistics relating to trade with the United States and trade with the United Kingdom, especially as it affects the province of Quebec? This is one of the reasons, apart from national considerations why it is extraordinarily urgent that these meetings be called with the United States, in view especially of the effect on the province of Quebec—

Mr. Speaker: Order, please. It seems to me that we are entering the field of debate.

Mr. Grafftey: Mr. Speaker—

Mr. Speaker: Order, please. Will the hon. member kindly resume his seat? He has asked his question and the minister has replied, and the subsequent question he asked is much the same as the one which was asked in the first instance. If the minister can reply briefly, he may do so. I will then recognize the hon. member for Gander-Twillingate who also has a supplementary.

Mr. Gillespie: Mr. Speaker, we are concerned about the effects of the enlargement of the EEC from the standpoint of all provinces of Canada, not just from the standpoint of one province of Canada. I think it might be worth while saying that our trade with the EEC has been expanding at a more rapid rate than it has been with the United Kingdom, so we are hopeful that the enlargement will provide a very much larger market for Canadian goods in years to come.

CANADA-UNITED STATES—INQUIRY AS TO RECENT COMMUNICATION FROM UNITED STATES

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. May I ask the minister if he has received, in the last 48 hours, any response or inquiry from his American counterpart or from any other United States official relating to trade relations between Canada and the United States? If so, can he tell us the nature of that communication?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am not aware of any special communication within the last 48 hours.

* * *

[*Translation*]

AIR TRANSPORT

SCOPE OF APPLICATION OF SAFETY CHECK AT AIRPORTS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, with your permission I would like to repeat the question I asked earlier.

Can the Minister of Transport tell us if the legislation authorizing air companies to search every person boarding a commercial aircraft in Canada will apply to all

Canadians who travel by air or if some exceptions are provided?

Hon. Jean Marchand (Minister of Transport): There are no exceptions, Mr. Speaker. If the hon. member refers to the information published yesterday in *La Presse* it is baseless because Friday I was not in Montreal, at Dorval or at the airport. I was here in Ottawa and *La Presse* has promised that it would retract and apologize for what it has published.

* * *

[*English*]

AGRICULTURE

SUGAR BEETS—POSSIBLE REDUCTION OF IMPORTS AND SUBSEQUENT INCREASE IN DOMESTIC PRODUCTION OF SUGAR

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct my question, if I may, to the Minister of Agriculture. It is based on his very commendable efforts to reintroduce a sugar industry in southwestern Ontario. Can the minister indicate to the House that the government, by reason of negotiation or conversation, has reason to believe that Canada's present commitments under the international sugar agreement can be terminated and a new restriction on cane sugar imports imposed so as to increase the percentage of sugar produced from domestic sources?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have every reason to believe that we can increase the domestic production of sugar in Canada.

Mr. Danforth: Mr. Speaker, the minister missed the purport of my question. I know we can increase our domestic production. Is there reason to believe that we can change the agreement on the importation of cane sugar to the degree that we can supply more of our market for this sugar from domestic production?

Mr. Whelan: Mr. Speaker, I am still confident that we can do that, too.

SUGAR BEETS—POSSIBLE INCREASE IN ALLOCATION TO WESTERN PROVINCES

Mr. Jack Murta (Lisgar): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture. As the minister has said that a new sugar policy would increase the percentage of the market reserved for domestic sugar, would the minister indicate how much of that increased percentage would be allocated to the western provinces?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I have met the chairmen of the Alberta Sugar Beet Growers Association, of the Manitoba Sugar Beet Growers Association, of the Quebec Sugar Beet Growers Association and the national sugar beet growers association. They are all agreed that this matter can be worked out in a proper manner between the different areas.

SUGAR BEETS—APPROXIMATE NUMBER OF ACRES NEEDED FOR EFFICIENT OPERATION OF REFINERIES

Mr. J. R. Holmes (Lambton-Kent): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture. On the basis of the minister's assertion regarding the promotion of the sugar beet industry in southwestern Ontario, can the minister say if the 40 per cent committed acreage is the absolute minimum or will a lower figure of, say, 25,000 acres encourage the minister to take action?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, according to my discussions with interested people, specialists in sugar beet refineries and operations, it is estimated, roughly, that an efficient operation would require approximately 30,000 acres. It may be of importance for hon. members to know, Mr. Speaker, that growers pledged over 15,000 acres during the meeting which was held in Chatham last Saturday.

Mr. Speaker: Order, please. We are nearing the end of the question period. Perhaps the Chair might be allowed to recognize a few hon. members who have not had an opportunity to ask questions.

* * *

• (1510)

HEALTH AND WELFARE

DAY-CARE SERVICES—FEDERAL SHARE OF COST

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is addressed to the Minister of National Health and Welfare. In view of the report just released by his department that federal expenditures on day-care services may reach $8 million this year, does the government intend to take more vigorous steps to implement the full cost-sharing program of $400 million proposed by the report of the Royal Commission on the Status of Women?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, this matter is essentially under provincial responsibility. It is being discussed with provincial welfare ministers on a consulting basis.

Mrs. MacInnis (Vancouver-Kingsway): Is the minister aware that if the federal government's share of this $400 million program were to be $200 million, at the rate the government is now proceeding with increases of $4 million each year—

Mr. Speaker: Order, please. That is argument.

* * *

POST OFFICE

BELLEVILLE, ONTARIO—POSSIBLE INTERVENTION BY MINISTER IN DISPUTE WITH EMPLOYEES

Mr. J. R. Ellis (Hastings): Mr. Speaker, my question is addressed to the Postmaster General. Will the Postmaster General advise the House whether he intends to intervene

in the local postal strike in Belleville, Ontario, and meet the reasonable request of the employees so that regular service can be restored?

Hon. André Ouellet (Postmaster General): Mr. Speaker, I will look into the matter.

* * *

AGRICULTURE

SUGAR BEETS—REQUEST FOR ALLOCATION TO ATLANTIC AREA

Mr. Fred McCain (Carleton-Charlotte): Mr. Speaker, my question is to the Minister of Agriculture. If there is to be an increase in domestic production of sugar, is consideration being given to an allocation of this production to the Atlantic area?

Hon. E. F. Whelan (Minister of Agriculture): As far as I know, Mr. Speaker, at the present time there is no production of sugar beets in the Atlantic area for commercial use. If there is, we will certainly investigate it. As the Minister of Agriculture for Canadian producers, I will do what I can to help them.

* * *

GRAIN

WHEAT—REQUEST FOR ASSURANCE RAILWAYS CAN TRANSPORT INCREASED VOLUME

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is to the Minister of Agriculture. In light of the minister's recent statement with regard to exports of wheat for the next crop year, can the minister inform the House whether he has received any assurance from the railroads that they will be able to transport such volumes promptly and, if not, is he going to seek such an assurance?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I think the past record of performance of the railways in increasing their carriage of grain proves that the railroads can do even better if they so desire. With all the hopper cars now being provided, I am confident we can now do more than we have done in the past.

Some hon. Members: Hear, hear!

* * *

MANPOWER

LOCAL INITIATIVES PROGRAM—REQUEST FOR ADDITIONAL FUNDS

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, this question is addressed to the Minister of Manpower and Immigration. In view of the high unemployment in Canada and the fact that only one-third of the LIP projects have been approved, will the minister consider assigning more money to this program so that areas like my own can employ people?

Mr. Speaker: Order, please. That question has been asked and the representation has already been made.

Mr. Alexander: A supplementary question.

Mr. Speaker: Order, please. The Chair has allowed an extra two or three minutes, taking into account that we have spent some time on poets, to try to recognize some of the members in the back rows who had not been seen previously. I appreciate that during this time some of the frontbenchers and parliamentary secretaries have not been recognized. We will now call orders of the day and try to give the hon. member for Edmonton Centre and the hon. member for Cape Breton-East Richmond an opportunity to ask their questions tomorrow.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I rise on a point of order. Can the government House leader indicate the business for the rest of this week and next week, particularly with respect to Bill C-125, the second unemployment insurance bill, which the minister implied last Wednesday would follow the present debate? Is it the intention of the government to stand or withdraw that bill for further change in light of the fact that yesterday the New Democratic Party indicated it could not support it in its present form?

Mr. MacEachen: Mr. Speaker, we will continue with the present debate today and continue it until it is completed. When it is completed, today or tomorrow, the next item will be the amendment to the Criminal Code, capital punishment.

Some hon. Members: Oh, oh!

Mr. MacEachen: I wish to advise hon. members that I would like to call very early the bill on the order paper relating to pilotage.

Some hon. Members: Oh, oh!

Mr. Baldwin: See what influence you have, Stan.

Mr. MacEachen: After reading the bill, hon. members will understand that it has a certain relevance to the first of February because certain regulations expire unless action is taken by the House. That is why this bill is being brought forward. With regard to the final part of the hon. member's question, if he will just tell me where he stands on that bill, maybe I will be able to decide when to call it.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, with regard to the order of business, may I ask the government House leader to tell us what priority or lack of priority he gives to Bill C-132, the bill having to do with foreign investment. Is that on the list for early consideration—

Mr. Paproski: Only if you want it there, Stan.

Mr. Knowles (Winnipeg North Centre): —or will the government consider referring the subject matter of the

bill to committee so that some inprovements might be made before we proceed with it?

Mr. MacEachen: Mr. Speaker, the government attaches a high priority to this bill. It will be called in the orderly process of events.

Mr. Lundrigan: On a point of order—

Mr. Speaker: Order, please. I will recognize the hon. member in a moment. The hon. member for Cape Breton-East Richmond wishes to rise on a question of privilege.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I apologize for raising this question of privilege. I have exhausted every possible means to find an answer. My question of privilege involves the integrity of the House and the welfare of the Cape Breton miners. I may say that the former Minister of Regional Economic Expansion and I were beginning to find a way in the maze of problems. The present minister is doing likewise. A question of legality arises. It is the question of legality that is the basis of this question of privilege, since I want consideration given to the recent federal court case. I wish to ask the President of the Treasury Board if Treasury Board can authorize the compulsory retirement of any person prior to the normal retirement age of 65.

Mr. Speaker: Order, please. The hon. member may wish to ask the question of the minister. Perhaps the minister wishes to give a legal opinion or reply in some way to the hon. member. However, that matter certainly cannot be raised by way of a question of privilege. I appreciate how important the matter is, particularly to the hon. member for Cape Breton-East Richmond, but I do not think that our Standing Orders and practice make it possible to seek information, relevant and important though it may be, under the heading of privilege.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a point of order. I ask the guidance of the House or anyone in the House who can give me an answer. With regard to the good legislation that was passed in this House in June, 1967, how does the government make this work?

Mr. Speaker: Order, please.

Mr. MacInnis (Cape Breton-East Richmond): I ask the guidance of any member of this House who can give it to me.

Mr. Speaker: I understand very well the matter being raised by the hon. member. It has been raised from time to time in the House. It has been considered in committee. There is an awareness of the situation on the part of a number of hon. members. Again, I doubt whether the difficulty can be solved, or the problem settled, either on a point of order or a question of privilege.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a further point of order. I do not wish to continue arguing this point. I want to get rid of it. How do I get a legal opinion when I seek it from the Crown? Who will give me that legal opinion? If the Federal Court of Canada withdrew this authority from treasury, how can it be applied to the miners in Cape Breton?

• (1520)

Mr. Speaker: Orders of the day. I apologize to the hon. member for Gander-Twillingate. He wishes to raise a point of order. I recognized first the hon. member for Cape Breton-East Richmond. He was entitled to priority for his question of privilege.

Mr. Lundrigan: Mr. Speaker, I hope I am in order in asking the government House leader if he can give us some indication of the position in the government's structure of priorities of the Family Income Security Plan which was alluded to in the Speech from the Throne and about which I am sure many members are getting hundreds of inquiries. Is the government planning to bring in this bill?

Mr. MacEachen: Mr. Speaker, the government is definitely planning to bring in this bill. I am not certain I can assure my hon. friend that it will be brought in shortly. I do not expect it will be brought in in the early part of the session.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

The House resumed from Wednesday, January 24, consideration of the motion of Mr. Andras that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No 1), be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration, and the amendment thereto of Mr. Baldwin (page 620).

[*Translation*]

Mr. Speaker: Does the hon. member for Charlevoix (Mr. Caouette) wish to complete the remarks he began yesterday?

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, to follow up yesterday's remarks, I must say that I quite appreciated the speech of the member for Winnipeg North Centre (Mr. Knowles) who spoke before me.

I said I was astonished by the government about-face but I gradually learned that this is common policy for Liberal and Progressive Conservative members. The hon. member clearly illustrated the whims of the old parties.

But despite the accusations and the comments made on the bill under debate, I cannot find in this legislation any corrective to the problems posed by the Unemployment Insurance Act. As I said yesterday, this is only a cover for the incompetence of the minister and of his department.

They prefer delaying and perpetuating the farce by introducing new legislation such as Bill C-125.

But as a Conservative member said this bill is in fact a blank check for this government and nothing else. Why should we lose our time? On the one hand the government tries to justify its attitude and on the other the official opposition obviously wants to replace this government, though it would probably act in the same way.

What course would the Progressive Conservative party have taken in similar circumstances? Exactly the same as this government, which in fact amounts to saving one's face or saving one's skin.

Saving their face is more important than solving problems. Why not once and for all stop pursuing an ostrich policy and introduce a bill serving the interests of the Canadian people instead of those of the political schemers.

The important point is to give justice to the people but, generally speaking, the Unemployment Insurance Act is nothing more than a palliative for the sores caused by backward administrations.

They still persist in playing at being inquisitors. Indeed, even unemployment insurance officials are fed up with that legislation and they are the first to say that the problems keep growing from day to day since this new act came into force.

Above all, let us not question the workers. I know some who have already proferred threats and who are ready to clean out the local offices. I am prepared to cool or restrain their temper a bit, but never, Mr. Speaker, shall I defend the present system of inquisition under which individual integrity is jeopardized. Why wouldn't the government introduce a bill on a guaranteed minimum salary for all people or on that national dividend advocated by the Social Credit party?

Mr. Speaker, such a formula would not cast doubts on a person's integrity but would ensure a living to the worker, despite disruption of his employment, and that at the very moment he has no work.

The unemployment man would not be forced as he is now to wait for ten, 12 or even 15 weeks to obtain what he is entitled to, what is his due, what today a silly legislation takes away from him or makes available to him only after delays accountable to lack of funds, as now is the case.

Mr. Speaker, I will go even further. The national dividend formula would not put the government in the situation where it is now because it would be possible to do the estimates, which would be better than using variables and imponderables as a basis. The junior experts of the government would evaluate real data such as population, production, and the consumers' purchasing power. On a quarterly basis, these data would indicate the amount available for each individual. Willingly or not, whether it found funny or not our requests for higher old age security pensions in 1962, 1963, 1965, 1968 and again today, the government will have to use this solution. I believe of course that it might prefer to be mentioned in history as an expert in concealment. But I think, for its information, that the time has come to find modern solutions to modern problems. Unlike some of my colleagues, I do not think that the government is responsible because I do not consider it intelligent enough to cause the problems. It is satisfied with justifying its errors by introducing legislation such as Bill C-124.

Mr. Speaker, it is infortunate to say so, but have we ever seen anything more stupid than a man who refuses to understand? Let us look at the group of members to my left and we will understand. Take them individually, and speak to them. They are intelligent, they accept our points of view, they suggest theirs but when they get together, no dice. It is impossible to get the tiniest spark of intelligence out of them.

Frankly, it is frustrating to see the inability of the government to get off the beaten path. Perhaps we should tell them about Henry Ford's technique when he was confronted with a problem that appeared insoluble. For example, when he wanted to install a one piece windshield on automobiles, he consulted his engineers and his experts who mathematically proved the impossibility of realizing such a dream. Mr. Ford then went to students, non-experts, and he ordered them to solve the problem by organizing contests and he finally got the results we know of. Why such success? Merely because Henry Ford applied the first major principle in administration: when you are faced with a problem, don't limit yourselves to the particulars. Wider the scope. Get off the beaten track. Stop patching the inner tube and invent the tubeless tire. That is the solution.

The government should stop introducing bills to excuse itself and bring forth legislation that really meets the needs and the rights of the individuals: then and only then it will respect its mandate as the people's representative instead of the financiers' who prefer to take advantage of the poeple.

Mr. Speaker, in conclusion I would like to bring up the subject again and ask hon. members how much interest they pay when they take a $1 bill from their right pocket and change it for four quarters which they put in their left pocket? I am sure that you would all answer: Are you crazy? Why should I charge myself interest? I therefore ask them to read carefully clause 2 of the bill and to transpose my question. Then they will understand the spirit of the bill and the Social Credit argument.

Anyhow, Mr. Speaker, since the funds provided under the warrants which the bill seeks to bury are already spent or will soon be, I think that it is advisable to let bygones be bygones and let it pass as an administrative experience, hoping that the government will learn one day to introduce realistic bills.

[*English*]

Mr. Deputy Speaker: Before I recognize the Minister of Justice (Mr. Lang), perhaps I could deal with the point of order which arose yesterday. The point of order arose concerning the amendment presented by the hon. member for Peace River (Mr. Baldwin). In technical terms, this is a reasoned amendment and most reasoned amendments present extraordinary difficulties to the chair. This one fits that category of difficulty.

The amendment proposed by the hon. member reads as follows:

This House, while accepting the need to provide funds for payment of unemployment insurance benefits to those entitled, declines to approve a measure which, on the one hand removes all

restrictions on advances under section 137 of the Unemployment Insurance Act 1971, and, on the other hand, seeks to legalize and ratify the improper and illegal actions of the government in making advances in excess of the statutory limit.

• (1530)

Various members have made arguments to me, either to support its validity or to ask that it be rejected. One point of objection is that the motion is really an expanded negative; that is, an attempt to defeat the motion for second reading by giving reasons why the bill should not be proceeded with. If this were so, the motion of the hon. member for Peace River would have to fail, because it is very clear that, to quote from Beauchesne:

An amendment proposing a direct negative, though it may be covered up by verbiage, is out of order.

Page 170 of Beauchesne's Fourth Edition contains that statement, as well as other sentences making the same point, and the point is quite clear. I then had to ask myself whether, in fact, the proposed motion was an expanded negative. The recommendation which is printed in the bill sets forth the principle of that bill. Actually, there are two principles. The first would remove the ceiling on advances under section 137 of the act, and the second would provide that an amount authorized under manpower and immigration vote L30a shall be deemed an advance under section 137.

It seemed to me upon reading the motion that it did indeed deal with these two principles. The question then arose, did it do so in such a way as to be given the protection that the rules relating to reasoned amendments will give? Hon. members will find this protection dealt with shortly in citation 382 of Beauchesne as follows:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution; or otherwise opposed to its progress; or seeking further information in relation to the bill by committees, commissioners, the production of papers or other evidence or the opinion of judges.

My initial reaction upon reading this citation, studying cases dealt with thereunder, and studying the more elaborate references in the 18th edition of Erskine May on Parliamentary Practice as set out at page 487 and 488, was that the protection given to a reasoned amendment would apply in this case. The point about the restrictions on advances, to me, clearly was declaratory of a principle differing from one of the principles of the bill.

That being so, and having some doubt about the whole issue, I would have been inclined at that point to leave the motion up to the judgment of the House. But I was disturbed by the opening lines of the motion of the hon. member for Peace River which read:

—while accepting the need to provide funds for payment of unemployment insurance benefits to those entitled—

The use of these words, in my opinion, takes the motion outside the purview of the bill now before the House, though it does seem relevant to Bill C-125. While I dislike making a ruling on narrow, technical ground, I feel that this must be done if reasoned amendments are to be meaningful, and I accordingly rule the one presented to be out of order.

[Mr. Deputy Speaker.]

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I rise this afternoon to address myself to several fairly straightforward questions and not to repeat the arguments in the presentation made by my colleague the Minister of Manpower and Immigration (Mr. Andras) in connection with the short and straightforward bill that is before the House. Some suggestions have been made, in their usual intemperate manner, by some members opposite to the effect that there has been some illegality or taint in connection with the action of the government in recent days in relation to the Unemployment Insurance Act. I should like to have an opportunity of dealing briefly with those points.

Hon. members are well aware that the Financial Administration Act has for many years been an instrument by which urgent and important matters could be dealt with by a government when parliament was not in session, a time, therefore, when money could not be provided by parliament in one of its usual ways of so doing.

The provisions of the Financial Administration Act, which have been referred to by other hon. members, are fairly broad in their terms. Section 23 refers to situations of this character:

Where a payment is urgently required for the public good when Parliament is not in session—

Mr. Lambert (Edmonton West): Mr. Speaker, may I rise on a point of order?

Mr. Deputy Speaker: The hon. member for Edmonton West on a point of order.

Mr. Lambert (Edmonton West): I would draw to the attention of the Chair and the House that we are presently engaged upon an argument or on a course of debate that is in two forums. The present bill is drawing forward certain arguments about the legality of orders in council, a matter which incidentally has been referred by this House to a committee, where it has also been the subject matter of discussion, debate and opinion over the past two or three weeks. It seems to me that this House will stand frustrated in this debate in that it will be unable to refer to what is said in the committee until the committee reports. Similarly, the committee will be frustrated since the members concerned will have made their statements in this House, and the opinions given in this House will not be part of the record of the committee.

Therefore, I put this problem to the Chair. As has already been pointed out, we have before us a short bill, one part of which seeks to make an amendment to remove a financial limitation. That has nothing to do with orders in council. The other part of the bill seeks to deem such appropriations made under warrants advances. I put it to Your Honour that at this moment there is a problem here, and it may be that the Chair will have to consider the question of relevancy, or may have to direct the House that, having taken the action of referring the matter to committee, it cannot refer to the matter in debate here at this time. I am disturbed about this matter because I suggest there is no way that a debate can go on in both places at the same time.

Mr. Deputy Speaker: Order. This point was dealt with by the Chair yesterday. I would have to say to the hon. member for Edmonton West that, in his contribution so far, the Minister of Justice has stayed within the rules of relevancy as they relate to debate in this chamber. Perhaps I should note for the record, since I noted for the record yesterday, the dilemma in which the Chair finds itself. This morning I checked over the contributions which were made yesterday and there was a reference by the sponsor of this bill to remarks made by the hon. member for Hastings in the committee. Those references might have been out of order and perhaps should not have been referred to in the House.

The Chair realizes that when matters are dealt with both in committee and in the House we do run into extraordinary problems, but I shall do my best to observe the rule of relevancy when I think that relevancy needs to be mentioned. However, so far I rule that the Minister of Justice has stayed within the relevancy rule in his contribution.

• (1540)

Mr. Andras: Mr. Speaker, I rise on a question of privilege, although I regret the necessity, to draw Your Honour's attention to the fact that in my comment on the remarks of the hon. member for Hastings (Mr. Ellis) I, in fact, indicated the page number and the date of *Hansard*, the record of debates in this Chamber and not in the standing committee.

Mr. Deputy Speaker: I thank the minister for drawing this omission to the attention of the Chair.

Mr. Lang: Thank you very much, Mr. Speaker. I have noted the discussion of yesterday, and I will certainly try to be sure that I do not refer to matters being studied elsewhere.

I was quite intrigued by the hon. member for Edmonton West (Mr. Lambert) rising to make his point of order at this particular point in time. He talks about the frustrations in this place or another place. Of course, it is quite frequently a key tactic on the part of members of his party to frustrate both places by rising on the same matter of nonsense in both places at the same time. I took particular note of the fact that he objects to me making reference to any part of this subject matter, yet we listened to his colleague from Peace River (Mr. Baldwin) rail and rant about it at some length in this House yesterday.

I was speaking about the clear words of the Financial Administration Act empowering the use of warrants where a public good is to be served and there is an urgent requirement when parliament is not in session. Hon. members know the history of the use of this section which has been the subject matter of debate during parliamentary history for many years. It has been the subject of comment by authorities, writers and auditors general, yet during that period it has been seen by members to be a fundamental requirement for the purposes of government in those circumstances when parliament is not available to deal with urgent matters.

The early history of the section, as was indicated in the House yesterday, shows that its use was fairly narrowly restricted to the repair of public buildings, the kind of things that probably were the types of emergencies seen in days long ago. Since that time, with the growth of government and its complexity in serving the public in many different ways, a similar kind of requirement to meet public need was seen to be clear in this House of Commons over the years, and Section 23 as it now stands is the result of that understanding and that realization. Indeed, the House had occasion to look at the section from time to time, with these comments from writers and auditors general in mind, and in the course of these years left these words intact. In 1958, however, it was looked at specifically by the House and a provision was added, which is the reason or the main part of the reason, for Clause 2 of the bill before us. A provision was added which required that warrants which were issued pursuant to Section 23 should become part of a subsequent supplementary estimate so they would, in that fashion, be before the House for discussion and comment by members; and that is significant.

Mr. Nielsen: Would the minister permit a question? Is he saying that Clause 2 is there because of the 1958 amendment only?

Mr. Lang: Mr. Speaker, I said it has a part to play in it, and I will enlighten the hon. member further later on this afternoon.

The clear need, therefore, for this kind of power was recognized by the House of Commons and by governments, not only for the maintenance of the section but in the use of it. Its use has been very wide. The words themselves are wide and, therefore, they support that use, yet governments and members, conscious of the desirability for parliamentary control over spending, realized also that there was a need for governments to be in a position, when parliament was not available, to meet these urgent requirements for the public good. Therefore, this is a section which stands broad in its application, and the action taken is subject to examination by parliament in subsequent estimates. It is very broad, indeed, as a basis for action in those circumstances where parliament is not in session and where the basic words of the section are complied with, as was done in this case, about which there has been very little argument in this House.

There have been some suggestions in some quarters, and I must say not by lawyers and I am not even sure there has been this suggestion by the partisan, pettifoggers opposite who plead cases sometimes in this House, that in some fashion the word "payment" referred to in Section 23 of the Financial Administration Act requires payment to be made in relation to specific, direct debts rather than payment to a body which thereby will perform certain functions and carry out certain obligations imposed upon it for the public good. I know of no reason to think that is the case.

In the case before us the payment which was urgently required was a payment of funds to the Unemployment Insurance Commission so it could carry out its obligations under the Unemployment Insurance Act to meet the just and legal claims of persons who are entitled to benefits under that act. That is what the warrants did. The public good which was being served and the urgent requirement surely cannot be questioned by hon. members of this

House looking at the situation with any reasonable mind at all.

Hon. members opposite have pointed, however, to Section 137(4) of the act to suggest that this changes the situation. I think it is clear that this is a complete misreading of the situation and the basic purpose and intent of warrants. Certainly, Section 137(4) would not have been less strong if it had constituted an appropriation or statutory allocation of $800 million or some other similar fund to the commission. The fact that an advance technique was used a technique that allowed advances up to a certain limit, meant only the use of a method of allowing money to be transferred to the fund up to that point.

The point is that the Financial Administration Act is used time after time where the amount of money available has been limited. In fact, its only point of use is when money which may be available for a purpose or a variety of purposes is limited, and when there is not enough money to provide for special circumstances which have arisen. So a limit is practically always to be found associated with the use of warrants where money additional to that which has been limited or appropriated by parliament is, in fact made available.

In this particular case Section 137(4) allowed the Minister of Finance (Mr. Turner) to make advances up to that limit. I was clear that when advances had been made up to that limit there was no further power in that section to accomplish a transferring of money to the Unemployment Insurance Commission. At that point when the Unemployment Insurance Commission needed money, it had to obtain it from some other source. That is where the warrant came in, and the use of them within the terms of Section 23, to provide that money.

The money which was provided under warrants was not provided under the authority of Section 137 and that is completely clear. This, then is the simple proposition, and, indeed, I do not think hon. members opposite thought otherwise or even began to say anything to the contrary until about the time Bill C-124 was being presented to the House and the recommendation appeared on the order paper. That recommendation lead them to think—

An hon. Member: We were saying it in the committee.

Mr. Lang: —some things, and though they really understood rather more clearly when Bill C-124 came before the House,—

Mr. Lambert (Edmonton West): It was said a lot earlier than that.

Mr. Alexander: Mr. Speaker, perhaps the minister would allow me one question to set the House straight. I am a little confused now about his interpretation of the law. As I read Section 137(4) the words state "shall not". I was wondering whether he had another interpretation of those two words. I am sorry to interrupt at this time, Mr. Speaker.

Mr. Lang: Yes, Mr. Speaker, I am glad to repeat what I said for the hon. member's benefit. The essential point of those words is that the advances empowered under section 137 are by subsection (4) limited to the $800 million. I would refer the hon. member to the words in this section. Section 137(4) reads:

• (1550)

> The total amount outstanding at any time in advances made under this section shall not exceed eight hundred million dollars.

As I indicated to the hon. member whether there has been an appropriation of $800 million straightforwardly into the fund, or advances to be repaid, the authority of that section was exhausted when $800 million was paid into the fund.

Hon. members opposite would not be objecting to the use of warrants if it had been an outright appropriation, but when they found it was an advance up to a certain limit they suggested that this made it less possible to use warrants. I suggest that the only way that section could be read in that fashion would be if it explicitly said it was overriding section 23 of the Financial Administration Act, and so that even if money were required for the public good that section could not be used. That is the only way in which that section could be read to limit the power under warrants of giving further moneys or payments to the Unemployment Insurance Commission for its purposes. As the hon. member for Winnipeg North Centre (Mr. Knowles) said yesterday, the money was urgently required to meet legal obligations which the commission had to meet, and the payments to it were made under section 23.

Hon. members opposite have said that we should hire a good lawyer. I suggest to them that it would be very difficult indeed for them to find a reasonable, non-partisan lawyer who would take their view or would stand with them for one moment after he read those sections and after he saw the report.

Mr. Nielsen: Would the minister accept a question?

Mr. Lang: I would like to conclude my remarks before I deal with questions. In the time I have available to me I would like to deal briefly with clause 2 of the bill. It was clause 2 of the bill which, as I said, intrigued hon. members opposite and may well have innocently led them astray, particularly when they read the recommendation without having read the clause itself. And having taken a position they are not likely to move from it upon reading the clause. That would not be in keeping with their practice in this place.

Clause 2 is technical in its nature, and there may be a certain amount of extra caution provided in connection with the manner of raising and the using of money provided under the warrants which are being included in the supplementary estimates. There are a couple of sections in the Unemployment Insurance Act which make it desirable to make clear that the money which was put into the hands of the commission for the purpose of paying its obligations, in that period when parliament could not appropriate money to it, are charged then to the account as an advance.

With respect to advances under section 137; it was appropriate, it seemed to us, that the moneys put forward in this way should be treated as advances, in the sense of being made accountable out of the fund subsequently, and not treated as a special or extraordinary appropria-

tion to the fund. There was a question of whether the fund could in fact repay the moneys made available to it under warrants. If there were to be any doubts about this it was reasonable to clarify it so that it would be open to the fund in future days to repay the money put into the hands of the commission under the warrants which have been described and discussed.

In addition there is the fact that the warrants are included in supplementary estimates, as a result of the amendments which were made in 1958, to bring them before parliament at an early opportunity. When a supplementary estimate is passed or approved in the form of an appropriations act, the Financial Administration Act indicates that at that point in time the amount thus approved in the appropriations act is treated as an appropriation and not a duplication of other amounts. This, read together with section 33(d) of the Unemployment Insurance Act again could have raised some argument about whether a further credit to the fund was in fact required at this stage. That of course was not intended.

Clause 2 says in laymen's language that it would be well to treat the moneys put into the hands of the commission under the warrants in the same way as though they had been, in fact, advances made under section 137, for the purposes of repayment, for accounting and so on. This then will be done in an orderly fashion, and there will be no question about how those moneys are to be treated, and about the obligation or power of the commission to repay the amounts put into its hands under the warrants. That is the sum and substance of the situation before us.

The key and substance of the bill is the removal of section 137(4) in order, at this particular point in time, that more money may be put into the hands of the commission to meet the obligations that will be pressing upon it in the carrying out of its functions under that act. It seems to me that it is important that this money be made available to the commission. There is still a public good which is to be served, a public good about which there is urgent requirement. I urge hon. members to get on with this business, as well as other business in the House, by moving this legislation forward to committee so that we can be sure the unemployed who have legitimate claims under the Unemployment Insurance Act may indeed receive their benefits in a regular fashion.

Mr. Erik Nielsen (Yukon): Mr. Speaker, yesterday the Minister of Manpower and Immigration (Mr. Andras), as recorded at page 611 of *Hansard*, said:

> I hope to find all members of that committee—
>
> Referring to the Miscellaneous Estimates Committee
>
> —and, indeed, all members of this House in agreement that we should not arrive at a situation where benefits to the unemployed of this country would be cut off.

We on this side in this party endorse that statement wholeheartedly. You will not find us, either here or in committee, conducting ourselves in any way so as to impede parliament from dealing with these matters; so that anyone who is legitimately entitled to unemployment insurance benefits will be able to claim and obtain such benefits.

However, I have a few things to say about the legality of what was done. Before embarking on that, I want to deal with a few comments made by the hon. member for Winnipeg North Centre (Mr. Knowles) yesterday. I have sat here for quite a number of years and listened to that hon. member extolling the virtues of the maintenance of parliamentary privileges. He has been referred to by the media and other sources as being one of the great watchdogs of parliament. Yet yesterday, by his remarks, he prostituted all those great principles which he has been espousing in this House over the years for the political expediency of justifying what his party intends to do in the vote on this bill.

I do not attribute this motivation to him and to those who sit behind him to my left as being wilfully brought about because it may well be, and I believe it was, that the hon. member does not appreciate one or two of the refinements of the argument. Perhaps it is because the responsibility has not been his to carry the matter in the committee or in the House. There are one or two things that the hon. member has overlooked, and I hope to be able to convince him that there has, in fact, been illegality here. I also hope to be able to convince hon. members behind him, and perhaps raise some doubts even in the heads behind the minister.

• (1600)

The hon. member for Winnipeg North Centre said yesterday "We believe in the law of the land" indicating himself and his supporters. Mr. Speaker, who does not? Who would be so sanctimonious as to think that he is the only person in the House who believes in the law of the land? We all do. We know that benefits must be paid and we are going to see to it that they are.

Some hon. Members: Hear, hear!

Mr. Nielsen: There is a difference between paying them legally and paying them illegally, and I hope to make a case to support the assertion that they are being paid illegally here.

I want to clear up something that the Minister of Justice (Mr. Lang) said a moment ago. He said, "It is important that money be made available to the fund". He was speaking on clause 2 of the bill, I presume.

Mr. Lang: Clause 1.

Mr. Nielsen: All right, clause 1. We cleared that matter up in discussions in another place because clause 2 of the bill, if it does not pass, will not impede payments in any way, shape or form to unemployed persons having legitimate claims and entitled to benefits. Those moneys are already available. They are in the UIC fund in order that payment may be made up till February 7.

The government had to find a legal way to pay these benefits because, as the hon. member for Winnipeg North Centre says, unemployment insurance legislation places an obligation on the government to make those payments. We agree, but it had to be in a legal way. They said there was no other way to do it, because parliament was not in session, than by the use of Governor General's warrants. Rubbish, Mr. Speaker. The officials of the Unemployment Insurance Commission knew as early as mid-August that they were going to run out of money and

exceed that ceiling. Now, it is a fact that parliament convened at the end of August and could have dealt with the matter by way of a supplementary estimate at that time or it could have dealt with the matter by way of a grant at that time. Parliament could have been convened in December to deal with the matter. These are three legal alternatives that were available to the government without the use of warrants. Even if they had to have access to warrants, they could have used the warrants properly and not improperly as they did.

The Minister of Justice says that we on this side are engaging in partisan pettifoggery by taking the position that the word "payment" in section 23 of the Financial Administration Act has some meaning. The Auditor General certainly thought that it had meaning. He said the situation with respect to the use of those warrants was unique. No other single instance had occurred in the last 15 years where a warrant had been used to exceed a statutory limit—

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

Mr. Deputy Speaker: The hon. member for Nipissing rises on a point of order.

Mr. Blais: Mr. Speaker, with reference to the last comment made on this subject, I thought the ruling of the Chair was that any comments that may have been made in committee or any dealings that may have taken place in committee were not to be dealt with in this particular debate nor in this House. The hon. member for Yukon (Mr. Nielsen) is trying to get in through the back door what he could not get in by the front door by making mention of evidence that he alleges has been given in committee.

Mr. Deputy Speaker: Order, please. I was not aware that the hon. member for Yukon (Mr. Nielsen) had brought out anything that occurred in committee, so I shall ask him to continue.

Mr. Nielsen: Thank you, Mr. Speaker. I may point out to the hon. member who raised this spurious point of order that he should perhaps keep up with his reading of the press, because it certainly was dealt with extensively in the press the other day. I say that no amount of squirming, no amount of wriggling on the part of the New Democratic Party can disguise that what they are doing here is abdicating their responsibility as Members of Parliament to insist that every appropriation must have the approval of this House.

Some hon. Members: Hear, hear!

Mr. Nielsen: They are quite happy to give this government a blank cheque by removing the ceiling entirely, but even more serious in my view, they are quite happy to ratify something that this government has done illegally. Section 23 of the Financial Administration Act is very specific. It is broad in the sense that a fairly broad interpretation can be applied to the term "urgent and public good". However, the use of the word "payment" is specific. Surely, the minister does not suggest that a warrant can be obtained for the purpose of meeting future requirements. If the law had intended that, then the word would not have been used. The word "payment" I suggest to the minister means a current obligation, a debt. Surely, that section does not permit and surely the minister does not suggest that it should be interpreted so broadly as to enable a warrant to be obtained for six months' supply. That is what he would have us believe.

Mr. Lang: It is not that word; it is the other words.

Mr. Nielsen: "When parliament is not sitting". I might say it has been done. I could cite a precedent that occurred in 1958, but I do not like citing that because we were in office. However, it was wrong and everybody, including the member for Winnipeg North Centre, said it was wrong. Apparently what was wrong then is right now, simply because his party wants to support the government.

I should like now, Mr. Speaker, to get into a point of order which I am embodying in my remarks. It is a point of order which I have to leave with Your Honour because of the likelihood of the result being a bad precedent in the *Journals* of this House if it is not raised and dealt with. I have not raised it sooner in the debate because I did not want to appear to be impeding the progress of the bill or to be opposed to the general principle involved in making moneys available for payment to unemployed persons.

On January 8, the government referred Supplementary Estimates (A) 1972-73 to the Committee on Miscellaneous Estimates. The committee held its first organizational meeting on January 11. These estimates, at page 28, include the following and I shall read from the description of the estimate itself. The heading is "Non-Budgetary, Vote L30a":

> Advances for the purpose of the Unemployment Insurance Act, 1971, to be applied by the Unemployment Insurance Commission toward the payment of benefits and costs of administration under that act, such advances to be repaid in such manner and on such terms and conditions as the Minister of Finance may prescribe.

That is the description, Sir, and I draw the attention of the House specifically to the words in the title "Non-Budgetary" and to the use of the term "advances" in the vote. My submission is, quite apart from other minor imperfections in what has been done—for instance the description in that non-budgetary item so-called not tallying with the words of the Order in Council on warrant—that there are other very serious defects which give rise to this point of order.

In the bill before us, Bill C-124, Your Honour will note that the first line in clause 2 reads "The amount authorized for the purpose of the Unemployment Insurance Act" and so it goes on. I draw Your Honour's attention to the use of the word "authorized". The word is being used in the past tense. I also draw Your Honour's attention to the fact that Vote L30a has not been authorized by the standing committee. I hope the hon. member for Winnipeg North Centre is listening, because I would be grateful for his support, knowing his vast knowledge of the rules of this House.

• (1610)

We are being asked to pass a bill which refers to a vote that has not been authorized in committee. Mr. Speaker, that vote has not been authorized. In effect, if we were to pass this bill now we should be authorizing something

that has not been authorized. On that basis, but not only that, Sir, I submit the bill offends against the rule regarding anticipation. I will be glad to give Your Honour some references and citations in that regard in a minute. At present, the effect of this proposed amendment would be to provide that the supplementary estimate of $454 million is a loan to the Unemployment Insurance Commission and not an outright grant.

I again seek the attention of the hon. member for Winnipeg North Centre, in view of what he said yesterday. This is the second point I wish to make, a point he may have overlooked in his remarks yesterday. The amendment if passed would provide that the supplementary estimate is a loan to the fund and not an outright grant. I am sure the hon. member is aware that section 23 of the Financial Administration Act stipulates that whatever moneys are obtained by virtue of that section are deemed to be an appropriation. The effect would be that these moneys, being an appropriation, would come out of general revenues. The effect of the amendment, if passed, is that it would alter the situation; it would convert the appropriation to an advance, thereby requiring the blue collar workers, the people who draw unemployment benefits, to repay the fund.

Some hon. Members: Shame!

Mr. Nielsen: Is that what my hon. friends to my left want?

An hon. Member: Absolutely not!

Mr. Nielsen: But that precisely would be the effect of it.

Mr. Andras: Nonsense!

Mr. Nielsen: If the party that calls itself the party of the lunch bucket set—

Mr. Brewin: Discuss the bill.

Mr. Nielsen: —supports the government, the party that purports to support the man with the lunch bucket will be imposing on that man a burden in future of $454 million. It is that simple.

There is another point to this. If this amount of approximately half a billion dollars given to the Unemployment Insurance Commission is a grant, and that is what it would be if this amendment does not pass, the Minister of Finance (Mr. Turner) must include that amount in his figures when he casts his accounts and announces the fiscal or budgetary position of Canada for the 1972-73 fiscal year. This would bring consequent changes in the 1973-74 fiscal year. On the other hand, if the amount is a loan to the Unemployment Insurance Commission, then the minister need not account for the sums when giving the fiscal or budgetary position of the country, except to report under "Loans and Investments" that this sum was given to the Unemployment Insurance Commission by way of a loan. What does this mean? What would be the effect, Sir?

It means, Sir, that the government, by using this device, has $454 million with which to woo more parliamentary support from NDP members, because that amount comes off the deficit in the budget and the minister can say to the House, "Look we are $454 million richer than we would be if we had not passed that loan." Hon. members to my left are being sucked into this device. Not only are those hon. members imposing a burden on the working man who must repay the loan; they are being sucked into a charade, because the minister can come along with all his goodies and say, "This is not costing us any more money; I do not have to raise taxes because we now have this windfall of $454 million by virtue simply of passing clause 2 of this bill."

A further result would be this, Mr. Speaker. I am still speaking on the point of order. If the amount is a grant, then the contributors to the Unemployment Insurance account benefit accordingly and do not need to make up that amount by any increase in contributions. The amount is paid for out of general revenues contributed by all sources of taxation. If it is a loan, then, of course, the contributors must pay the loan back by increased contributions or by decreased benefits, or by a proportionate adjustment of the ratio of contribution to benefits, or by a restriction on eligibility. There are no other possible results than those. That is the burden we are placing on the working people. That is the burden my friends to my left would place on them by supporting the second clause of this bill.

Mr. Andras: Nonsense.

Mr. Nielsen: Mr. Speaker, if the hon. member has something to say, I wish he would stand up and say it. I do not like remarks I have not heard being smuggled on to *Hansard.*

Mr. Andras: Mr. Speaker, will the hon. member permit a question?

Mr. Nielsen: Certainly.

Mr. Andras: Mr. Speaker, I am sure the hon. member is not totally ignorant of the fact that the advance will include the government's share of the cost of this program, and that will not be calculated or even known until the main estimates and votes are introduced more than one year after the fact.

Mr. Knowles (Winnipeg North Centre): He knows that.

Mr. Nielsen: Fair enough; but it still does not excuse the action. The government is still placing the burden on the contributor. The whole amount still has to be repaid.

Mr. Andras: But the act called for that in the first place.

Mr. Nielsen: There must have been some reason for the words "any sums obtained by warrant shall be deemed appropriations" to be included in section 23.

I now wish to quote, in support of the point of order, from May's most recent edition, the eighteenth. I shall read brief excerpts from pages 364 and 365.

A motion must not anticipate a matter already appointed for consideration by the House . . . whether it be a bill or an adjourned debate upon a motion. . . .

Stated generally, the rule against anticipation (which applies to other proceedings as well as motions) is that a matter must not be anticipated if it is contained in a more effective form of proceeding than the proceeding by which it is sought to be anticipated . . .

but it may be anticipated if it is contained in an equally or less effective form. A bill or other order of the day is more effective than a motion; a substantive motion more effective than a motion for the adjournment of the House . . . A matter already appointed for consideration by the House cannot be anticipated by a motion . . .

There is a matter that has been appointed for consideration, namely, the referral by this House of vote L30a with which clause 2 of this bill purports to deal. It has been referred to a standing committee of this House; there is no doubt about that. A motion is before us; there can be no doubt about that. Therefore, Sir, the rule that a matter already appointed for consideration by the House cannot be anticipated by motion applies, in my submission. Anticipating some possible advice to Your Honour, let me read the sentence at the foot of page 365:

The reference of a matter to a select committee does not prevent the consideration of the same matter by the House . . .

It might be argued that vote L30a is the same as the matter we are dealing with in this bill. In my submission a distinction must be drawn, because this bill deals not only with L30a but also with section 137(4) of the Unemployment Insurance Act, a matter that we are precluded from dealing with in the committee. On the basis of that citation, I suggest that we cannot possibly proceed with further discussion of this measure until one of two occurrences take place; either there must be a vote in committee that item L30a be referred back to this House for further consideration or, second, that the item is approved. I do not think it is any secret that we have set a date for reporting finally to this House. That date will be February 2.

• (1620)

However, I am afraid until the report comes out, it will be against the rule prohibiting anticipation for us to proceed with the debate. I make the submission, Mr. Speaker. Because of its complexity, Your Honour might wish to take it under advisement. There is some urgency to bringing down a ruling on this rather than having the debate continue. We are in a rather impossible position with the minister being required to be here in the conduct of this debate and in committee in the conduct of a debate on the same item. It makes things a little difficult, to say the least.

Now that I have made those points, I have another matter which Your Honour probably expects. I am going to introduce an amendment at this stage based on the points I have raised in this debate. I move, seconded by the hon. member for Hamilton West (Mr. Alexander):

That the motion be amended by deleting all the words after "that" and substituting therefor the following: This House, noting that by clause 2 of Bill C-124 the government proposes to change the law so as to burden the present and future workers of Canada and their employers with the payment of the sum of $454 million to the detriment of the unemployment insurance plan; and further noting that the government thereby would avoid having to account for this sum in its statement of budgetary revenues and expenditures for the present fiscal year; and further noting that the government thereby would avoid having to seek supply for this sum from Parliament as a budgetary expense and to propose ways and means by which this sum might be raised by additional taxation upon individual and corporate taxpayers, as the law presently requires, resolves that Bill C-124 be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Miscellaneous Estimates.

[Mr. Nielsen.]

That is the third alternative to the point of order I have raised and with which Your Honour is now seized. Either the estimate has to be authorized so that we can proceed with the bill, the committee has to report to the House or this bill can go to committee and both of them dealt with at that time. To proceed in this way is not only offensive to the rules, but it is an impossible practice for members to be confronted with this kind of situation. In my submission, that is precisely the reason for the rule. I leave that point of order with you, Sir, and hope that we can have an early ruling on it.

Mr. Deputy Speaker: The House has heard the motion moved by the hon. member for Yukon, seconded by the hon. member for Hamilton West. The hon. member has also raised a point of order with which the Chair will have to deal. At this time, perhaps the Chair could ask for any comments upon the motion before making a ruling on that as well. I propose to give a ruling on the other matter at eight o'clock.

Mr. Alexander: Mr. Speaker, I rise to speak in favour of the motion. It is very evident what has happened in this instance. Bill C-124 was drafted in such a way that it anticipated the passing of Vote L30a which is presently being discussed in the Standing Committee on Miscellaneous Estimates. We are dealing with Vote L30a, but unfortunately and to the embarrassment of the government, as I will shortly point out, that has not been passed, nor has it been dealt with completely. If I am correct in that statement, the moneys referred to, $454 million, have not been authorized. The only place the authorization can come from is the committee which is now dealing with this matter. This is the basis of this bill, particularly clause 2.

On the merits, there is a prima facie case that has been built up. In my opinion, the ultimate conclusion is that this bill is an anticipatory bill and we have no rules nor authority to deal with it. In order to substantiate my point, I refer Your Honour to clause 2 of the bill, and I note the first line for your edification. I quote:

The amount authorized for the purposes . . .

I place great emphasis on the word "authorized". The only proper interpretation with respect to the word "authorized" is that it has been passed and approved. Without being repetitious, if I am correct in those statements, surely we must be out of order at this time. The only way this defect can be cured is that it is in the competence of this House to amend the bill in such a way that it will be in conformity with what we are dealing in the Miscellaneous Estimates Committee. I do not think we can.

What is the other alternative? The only alternative, I respectfully suggest, is to send this bill, regardless of what we may think of the preamble, to the committee or we cannot deal with it at this time. Surely, we cannot deal with a bill that is asking us to pass something which is authorized, as stated in this bill, but which in fact has not been authorized. If I am right in my submission, the answer must be that we cannot deal with this bill at this time.

In no way do we on this side advance our arguments to the detriment of those who are entitled to benefits after having paid into this fund. This situation results from the trickery and the devious methods of both the government and my friends to the left, because we are attempting to uphold the law. I would think that anybody involved in parliament or even those who are acquiring benefits would want us to uphold the law. We are in no sense developing these arguments because we are trying to hoodwink someone or in any way trying to deprive those who are rightly entitled to payments under the Unemployment Insurance Act. But we must follow the law. I say there are two laws involved here. Perhaps I am getting away from the subject now.

• (1630)

Some hon. Members: Oh, oh!

Mr. Alexander: Hon. members should not laugh. I am developing an argument because I heard hon. members saying that there was one law to ensure that those who are entitled to it receive their benefits. I say there is another law which indicates that the ceiling should not be broken. However, I am getting away from the matter at hand.

Some hon. Members: Hear, hear!

Mr. Alexander: Hon. members should show some patience. I know they would like to rise and express their views in the way that I can articulate mine. However, since they know they do not have the opportunity to do so at this time, they are straining at the bit.

Let me say in conclusion that the point is certainly well taken. We are dealing with a bill that is unlawful in the first place because it states that what we are dealing with in the Miscellaneous Estimates Committee has been authorized. I state respectfully that it has not been authorized and has not been approved. Therefore, let me say with all due respect that the motion of the hon. member for Yukon (Mr. Nielsen) must be accepted in the way it is drafted. I hope sincerely that hon. members will be able to approach this matter in a non-partisan way and that they will accept the motion in order to ensure that we proceed in an orderly fashion. I see that the hon. member for Winnipeg North Centre (Mr. Knowles) is here. I hope he can appreciate the argument which has been placed before the House by the hon. member for the Yukon.

Mr. Deputy Speaker: I should like to hear contributions from as many hon members as possible on the point that has been raised, but first I should like to ask the hon. member for Yukon if he would confirm to the Chair whether I am faced with one request or two requests. Am I faced simply with making a ruling upon the amendment that has been presented or is there also a suggestion, previously made by the hon. member for the Yukon, that the Chair should withhold further proceedings on this measure because of the point of anticipation that he had made? Is he asking for a ruling by the Chair on both points, or simply on the amendment that has been presented?

Mr. Nielsen: I thought I had made that clear, Mr. Speaker, and this is the reason that I raised the point of order in the sequence that I did before presenting Your Honour with the amendment. As far as I am concerned, my participation in the debate is concluded.

In speaking to the point of order, I suggested to Your Honour that now the Chair is seized of it the House may be disposed to accede to the suggestion of Your Honour that you will wait until eight o'clock before handing down your ruling and that in the meantime the debate will proceed to fill in time. But if Your Honour agrees that the point I raised is a valid one and comes to the conclusion that we are out of order in discussing the measure, then of course that time would be wasted time by the House.

On the point of order, may I say that there was one matter to which I omitted to refer Your Honour and which might be of assistance. I would ask Your Honour to note that estimate L30a in Supplementary Estimates (A) is misleadingly entitled "Non-Budgetary". This classification anticipates that a proposed amendment to the Unemployment Insurance Act will be passed, which proposed amendment is in itself an admission that the vote is budgetary. Section 137 of the Unemployment Insurance Act authorizes the government to make non-budgetary advances to the Unemployment Insurance Commission up to $800 million. Any amount in excess of that amount is a budgetary appropriation under section 133 of the Unemployment Insurance Act. Here we have the item entitled "Non-Budgetary" in the Supplementary Estimates, which leads me irresistably to the conclusion that we are anticipating that the amendment will be passed.

I suggest, for the consideration of the Minister of Justice (Mr. Lang) as well as that of the well noted expert on the rules from the NDP, that the proper order should have been first, to deal with the supplementary estimate item L30a, second, the passage of an appropriation bill to support that item, and lastly, the passage of Bill C-124 with which we are dealing now, because I cannot conceive how the second clause in Bill C-124 can be passed in its present form without the estimate having been approved and an appropriation bill having passed parliament.

Mr. Baldwin: The government is like the rabble retreating from Moscow.

Mr. Deputy Speaker: The Chair will make a ruling on the two points of order and will now ask for contributions.

Mr. Lang: Mr. Speaker, I simply want to say, particularly in response to the last remarks of the hon. member for Yukon, that the Supplementary Estimates are very frequently anticipatory in the sense that items are described in the way they will be at the conclusion of the passage of those estimates. If the hon. member will look at the item in the Supplementary Estimates to which he refers as being described as non-budgetary, he will see that, in itself, it contains a reference to a requirement to be repaid. In that sense, it is non-budgetary in its nature. As I indicated to the House in my earlier remarks, clause two of the bill may clarify a situation in relation to obligations, permissions and powers of the fund to make the repayment if such a clarification were necessary but hardly changes the characterization of the amount being voted which, in the terms of the appropriation in the estimates, is described as being repayable.

The same can be said about the other points the hon. member made in his first point of order. I have some difficulty in knowing how to understand his point of order described in the form of an amendment. Clearly one is simply a repetition of the other and they should fall together. He spoke about the question of whether or not the item was a budgetary or a non-budgetary item in relation to the requirements of the government to raise revenue. This surprises me, coming as it does from the hon. member who has been reading the budgets and statements of the ministers of finance both in this government and its predecessor and the clear indications that total cash requirements, rather than the simple, rather old-fashioned, view of budgetary and non-budgetary items, are the key to the requirement of the government in the way of taxation. In the course of putting his amendment to the House, he made reference to this material. I suggest that it would be rather bad practice to allow the hon. member to include such allegations in an amendment which, if kept in a much simpler form, would be in order. In that simpler form, it would disclose the desire of hon. members opposite, perhaps, to stop the bill from proceeding in an orderly fashion.

Mr. Nielsen: Would the minister permit a question with regard to the discussion on the first point of order? He heard me deal with the matter of the use of the word "authorized" in clause two of the bill. Surely, he must agree that the use of that word anticipates the authorization of that item in the Supplementary Estimates by the committee, and if that be so, it is clearly anticipatory.

Mr. Lang: I thank the hon. member for drawing my attention to it. In view of the existence of the words in the Financial Administration Act which require that matters contained in warrants be contained in subsequent supplementary estimates, there is a need to deal with them in this fashion in certain circumstances in relation to a bill such as the Unemployment Insurance Commission bill. It could not happen in most cases, but I think that is a fair explanation of that word in this case.

• (1640)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I should like to make a brief but serious contribution to the discussion of both of these points of order. However, before I get serious I wonder whether I could make the remark that if my hon. friend's point of order about the House having no right to continue with this debate is sustained, then we cannot even consider his amendment. So perhaps Your Honour would be saved the problem of ruling on this amendment if you were to rule that we cannot continue with the debate at this time.

I may say also that I support the contention of the hon. member for Yukon that it might be a good idea for the debate to continue until five o'clock, leaving Your Honour the opportunity, between five o'clock and eight o'clock, to do some homework. I am sure that the gentlemen at the table who serve us so well are used to going without their dinners; I can see that they will have some homework to do this evening.

Mr. Speaker, with regard to the point as to whether or not we should proceed with this bill, I confess I have been wracking my brain trying to recall something that has happened in this area, but I am sure that the gentlemen at the table will be able to find it. I believe there have been rulings that would support the contention of my hon. friend to this extent, that it would not be procedurally correct for the House of Commons to give the bill third and final reading—in other words, not possible to pass the bill finally—if it contained in it a reference to something that was not at that point a fact. I do not think we could give third and final reading to the bill until the House had authorized the supplementary estimate referred to therein.

However, it seems to me that that does not interfere with the right of this House and of the committee, if the bill is referred thereto, to proceed with the earlier stages of this legislation. I make that assertion because I am quite confident that a similar ruling has been made a number of times in the past. All you have to do, Mr. Speaker, is to ask your able assistants to find those precedents and then you can give a learned ruling from the Chair tonight at eight o'clock, just as if you had poured over the matter yourself for three hours.

If I may turn now to the amendment proposed by the hon. member for Yukon, it does pose some difficulty for the Chair. However, on balance, relying on that old cliché about giving an hon. member the benefit of the doubt, I think you will have great difficulty in ruling it out of order.

If this amendment merely read that this House—missing out all that verbiage—resolves that Bill C-124 be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Miscellaneous Estimates, then there would be no question that it would be in order. To use a phrase that I used the other day, if the pith and substance of this amendment were simply that the subject matter of the bill be referred to the committee, then of course that is in order. But I wonder whether it is in order to import between the first two words and the pith and substance at the end all of the argument and debate contained in the many words in this amendment?

I would differ very strongly with the assertions that are contained in the verbiage of the amendment. That does not bother me, because I do not think that the bill should be delayed in this way and I shall vote against the amendment, if it is in order, because I think that instead of referring the subject matter to the committee we should pass the bill itself. However, I do not think it is good form to import into what is otherwise a proper amendment a couple of paragraphs of argument and debate.

I often give this advice to some of my colleagues when they are drafting motions to present under Standing Order 43, although no matter how one drafts them there seem to be difficulties. The problem is where you draw the line between what is debate or preamble and what is the actual motion. In this case I think the hon. member has put too much debate and argument, which I refute, into his motion, although I concede that that may not invalidate it. If it does, then all the hon. member has to do is to ask to strike out all the verbiage, and simply move that this House deny second reading of the bill and refer the subject matter thereof to the committee. As I say,

there is certainly no problem in all of this for us because we would vote against such an amendment whichever way it is put.

So these are my two suggestions: first, that with regard to continuing the debate Your Honour should find it is appropriate for us to do so, but that we cannot give third and final reading to the bill until the estimate has been passed; and second, I think it might be a good idea if the Chair were to give some avuncular advice to his former colleague and suggest that amendments should be amendments and not full dress speeches.

Mr. Baldwin: Mr. Speaker, I agree with my hon. friend to my left that we might usefully employ the time between now and five o'clock to continue this debate, but I should like to make a very brief point. I recall the difficulty that this House was in about two years ago, I think it was, when the government introduced the grain stabilization bill which contained a provision repealing a certain section of the Temporary Wheat Reserves Act providing for payment of certain funds. At that time my hon. friends to my left saw the value of the point we were making, the hon. member for Crowfoot and myself, and supported us. They agreed that, despite the fact that the grain stabilization bill purported to repeal a section of the Temporary Wheat Reserves Act which provided for certain payments, it was nevertheless incumbent upon the government to maintain its position in law and make these payments. Indeed, the party of my hon. friends to my left—not the federal party but the Saskatchewan offshoot—took action in the Supreme Court of Saskatchewan asking for a mandamus, and I say quite rightly since it was a valid point that they made at that time.

The point made by the hon. member for Winnipeg North Centre is that we should proceed with our debate of this bill up to third reading stage, and then wait until this particular estimate passes the miscellaneous estimates committee. I suggest that should not be the case, sir, because we would then be anticipating its passage. We would be anticipating that the committee report will come into this House, will be attached to an appropriation bill and that that bill itself will be passed. I say there is no reason to assume those things.

It may well be that because of the rather close relationship that exists at the present time, my hon. friends may be convinced in their minds that the bill is going to be passed because they will add their numbers to those of the government party to ensure its passage. But the Chair cannot take judicial notice of that fact. Rather, I think the Chair can take judicial notice of the fact that this House would be in a very precarious position in that, up until yesterday, the government was planning to introduce Bill C-125 following this measure. The President of the Privy Council (Mr. MacEachen) may shake his head, but that is certainly the impression we have had all along. Just because the hon. member for Winnipeg North Centre frowns and says they are not going to support Bill C-125, we immediately see the government in rout, confusion and retreat.

• (1650)

An hon. Member: Are you going to vote for Bill C-125?

Mr. Baldwin: In spite of the loud noise in the House from my left, Mr. Speaker, there is no assurance that can be given to Your Honour that the appropriation bill upon which is based the estimate before the Miscellaneous Estimates Committee is going to be passed. I urge the Chair to take that into account when a decision is being made.

May I call it five o'clock, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question before he sits down?

Mr. Baldwin: Yes, I would love one.

Mr. Knowles (Winnipeg North Centre): Would the hon. member tell us where his party stands in respect of Bill C-125?

Mr. Baldwin: Whenever the government has enough guts to introduce it, it will then find out what we are going to do.

Mr. MacEachen: Mr. Speaker, I should like to make a few brief remarks about the point of order that has been raised that this discussion should be terminated. It seems to me that it is a well established practice of the House that if a point of order is to be raised it must be raised promptly, and it must be raised at the moment the irregularity takes place.

An hon. Member: That is a privilege.

Mr. Stanfield: When did Robert Burns ever say that?

Mr. MacEachen: In Beauchesne's Fourth Edition, Citation 74 we find it stated that a point of order against procedure must be raised promptly.

Mr. Baldwin: I raised it.

Mr. MacEachen: Here we have a situation in which the official opposition is of the view that this bill should not be proceeded with, but nevertheless, confident of its own irregularity if not confident of the regularity of the bill, it proceeded yesterday to debate the issue, to move an amendment and to ask the House to deal with a point of order and the Chair to rule on it. After that happened and after the debate has gone on for a day, they come in and say to Mr. Speaker that we are out of order.

I submit that, in the first case, if a point of order was to be taken it should have been taken yesterday when the bill was moved for second reading, and should not be taken today. I further suggest that it is quite invalid to argue that because the bill before the House refers to supplementary estimates we should not proceed with it. If the officers of the House take the advice of the hon. member for Winnipeg North Centre (Mr. Knowles), I am sure they will find ample precedent to justify that course of action on the part of the House.

I agree in respect of the amendment which has been made to Bill C-124, that if it had been confined solely to the last part, that the bill be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Miscellaneous Estimates, probably it would be a proper amendment which could not be contested. The amendment does not appear in that form

but is loaded with argument and fabrication which is irrelevant to the motion before the House. Because the hon. member has imported all these irrelevancies into the amendment, it must fall and cannot be accepted.

On April 28, 1953, during the debate on the National Housing Act, the Chair laid down very clearly that an amendment could not be partly in order and partly out of order. If it is partly out of order it is totally out of order. If another precedent is required I would refer you to a ruling the Chair made in 1971. A motion was made to refer the subject matter of a bill to a committee. That was ruled procedurally improper because, in addition to the actual moving of the subject matter to the committee, the motion contained additional material that was quite irrelevant to the main motion. The Chair ruled the amendment out of order on the ground that the amendment was irrelevant because it imported into it a considerable number of other matters. I suggest, without making any long argument about it, unfortunately this amendment is also out of order. However, we anticipate that the official opposition can do better.

Mr. Baldwin: Like Governor General's warrants, they cannot be a little bit in order and a little bit out of order.

Mr. Deputy Speaker: I gather that contributions, for which the Chair is grateful, are concluded. A ruling or rulings will be made at eight o'clock. Perhaps we can now agree that it is five o'clock.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on a point of order, should you not also express gratitude on behalf of those at the table?

Mr. Deputy Speaker: Some will be at the table over the supper period, but I am afraid those at the table will not.

Some hon. Members: Hear, hear!

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order No. 40, to advise the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Dartmouth-Halifax East (Mr. Forrestall)—External Affairs—Viet Nam—Proposed peacekeeping force—Source of funds to cover cost of Canadian participation; the hon. member for Winnipeg North Centre (Mr. Knowles)—Old age security—Inquiry as to increase in basic amount and lowering of age of eligibility; the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Beatty)—Communications—Bell Canada rate increase application—Inquiry as to opposition by government.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely private bills, notices of motions and public bills. There are no private bills or notices of motions listed on the order paper, so the House will proceed to public bills.

PRIVATE MEMBERS' PUBLIC BILLS

ADMINISTRATIVE DISCLOSURE

MEASURE TO PROVIDE FOR PUBLIC'S FREEDOM OF ACCESS TO DOCUMENTS AND INFORMATION ABOUT GOVERNMENT ADMINISTRATION

Mr. Barry Mather (Surrey-White Rock) moved that Bill C-9, to better assure the public's rights to freedom of access to public documents and information about government administration (administrative disclosure) be read a second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, this is the fourth time I have put forward this particular bill in this place. On previous occasions hon. members have talked the measure out, and I have but little hope that anything other than the same fate awaits it this evening. I do urge hon. members to give serious thought to at least sending the subject matter proposed in the bill to the appropriate committee which was indicated by Mr. Speaker.

• (1700)

In the interval since 1965, following successive re-introduction of the bill, the government took two or three tentative steps in the direction proposed by the bill, the aim of which is that the public should have the right to know, without hinderance, how the government and parliament conduct the public's business. I will refer to those two or three tentative steps later, but first I would like to read the two clauses of the bill. Its title is:

An Act to better assure the public's rights to freedom of access to public documents and information about government administration (administrative disclosure)

Clause 1 reads:

Every administrative or ministerial commission, power and authority shall make its records and information concerning its doings available to any person at his request in reasonable manner and time.

Clause 2 states the exceptions to that general rule. It reads:

Section 1 does not apply to records or information

(a) affecting national security;

(b) concerning matters that are exempted by statute from disclosure;

(c) concerning trade secrets, and commercial or financial matters of a privileged or confidential nature, obtained from private persons;

(d) concerning any matter of private interest to the degree that the right to personal privacy excludes the public interest.

If this proposal were endorsed and legislation along this line enacted, it seems to me the appropriate administrative authority would be the Federal Court of Canada. My bill puts into words a basic parliamentary principle that public affairs should be conducted publicly. I think that

the exceptions listed in clause 2 provide adequate safeguards to the state.

In support of the bill the *Globe and Mail* editorialized as follows at its first introduction:

> One bad side effect of the prodigious growth of government in this century is that it has become exceedingly difficult to keep track of. Not only are governments themselves much more deeply and widely involved in the life of the people, but their tasks have become so numerous that they have had to delegate much of their authority to boards and commissions. Accompanying this governmental growth has been a disinclination on the part of governments and their creatures to keep the public informed about what they are doing.
>
> A private bill has been presented to the House of Commons which could do much to open these many closed doors and keep the public informed about what is, after all, its own business . . . . The bill would require that "every administrative or ministerial commission, power and authority shall make its records and information available to any person at his request in reasonable manner and time."

The editorial then listed the exceptions contained in clause 2, and concluded:

> The government should put its blessing on the bill and ensure its passage.

I said earlier that the government had taken one or two tentative steps in the general direction proposed by this bill. One of those steps was taken in 1969 when the Prime Minister (Mr. Trudeau) announced a policy which, he said, was to make available for research and other public use as large a portion of Canadian government records prior to July 1, 1939, as would be consistent with national interest.

He said that the cabinet secretariat and the departments and agencies of government were being asked to transfer to the Public Archives official records which were more than 30 years old, and to make them available to the public. In other words, classified documents were to be declassified after 30 years and their contents made available to journalists, students and other interested persons. In April, 1972, the Prime Minister announced that the minutes of the war cabinet from the start of 1942 until the end of the Second World War had been turned over to the Dominion Archivist for public examination.

I understand that in regard to the departments and agencies of government being encouraged to make their documents and records available to the Archives, a special committee drafted regulations to govern that procedure, but the documents in large measure are still not on the shelves in the Public Archives. I urge that the government take steps to speed up the passage of these documents to public view. That is one aspect of the situation which this bill seeks to rectify.

Another aspect, of more practical and political interest, relates to the difficulty experienced by Members of Parliament, the representatives of the public, in securing access to information on government data on the basis of which government departments and agencies have made their decisions, which decisions in turn affect the lives of the people of the country. On the order paper there are 34 notices of motions for the production of papers. As hon. members know, they may remain on the order paper for a long period of time, and in fact may die on it. Very few of them will be effectively answered, and very few of the records will be turned over for examination. It is quite common for the hon. member answering on behalf of the government to say that for this reason or that reason—in fact it seems to many of us for no particular reason—it is impossible to provide the information sought by a representative of the public. I believe that this is wrong, Mr. Speaker.

The situation in Canada is quite opposite to that which has prevailed in Sweden where everything which is not specified as being secret is available to the public for its information and examination. Here the reverse is the case. Here everything is secret unless it is specified as being otherwise.

I believe that real good could be achieved if the papers and data upon which the government makes its decisions were made available to the members of this chamber who are the representatives of the people affected by the government's decisions. I find it a particularly strange situation at present when the public is paying scores of millions of dollars annually for Information Canada and departmental information agencies to produce and distribute the sort of information which the government wants the public to get. This is at a time when information that the public wants to receive from its elected representatives is not available. There are obstacles in the way. I think a much healthier situation would be for the government to take steps to make this information available to the public, within reason.

• (1710)

I know that hon. members are likely to find faults in the details of the clauses in which my proposals are couched. I can understand that, Mr. Speaker, and I make no claim that the bill is perfect. However, I would urge hon. members, when considering the clauses, to view this as a matter of considerable importance to all Canadians. It deserves study and referral to an appropriate committee. I think the Standing Committee on Justice and Legal Affairs would be the most appropriate one.

The last time this bill was before the House, April, 1970, the hon. member who is now the Secretary of State (Mr. Faulkner), said that it did not go far enough. It may well be, Mr. Speaker, that the bill still does not go far enough but I would urge the House to at least let it go somewhere, and I think that should be to a committee.

[*Translation*]

Mr. Jacques Olivier (Longueuil): Mr. Speaker, concerning the legislation proposed by my hon. colleague, I do not feel that one may object to the public having access to any information that should be released to them.

However, making available to the public all documents of the various departments might perhaps not be in line with security rules. I think we must also ensure that this bill is not misleading or does not prevent any initiative on the part of officials.

I should like to give a few examples. If, for some reason, we ask a public servant to make an analysis of a given project, which would lead him to give details concerning his work or express his view, I think that the immediate release of this information, without the thoughtful consent of the government, might be detrimental to the public and give them the wrong impression that this government

or Parliament, or yet a small group of officials or a study commission, are in favour of such or such idea. I think it is extremely dangerous—and this is the point I want to make—to seek to publish everything that is done in departments.

You remember when newspapermen published a few details on the famous Gray report which however was not a government policy. What happened is that everybody imagined that it was government policy.

Indeed, whether the government or the opposition are concerned, such things are prejudicial to the administration and are apt to prevent civil servants from dealing with the public weal or to voice such or such view liable to influence a decision.

I think that when we ask the officials to express their views, the security of the state is perhaps not implicated. It would be advisable to allow public employees to state their opinions, without running the risk of annoying the government or the opposition members. I believe this is exceedingly dangerous.

We already have a tremendous apparatus in the public service and if we intend to publish every study made in a department, we might reduce the efficiency of the public servants and this, in my opinion, will not serve the public interest.

I should like to quote an excerpt from a manifesto entitled "Freedom of Information" which gave rise to lots of criticism. It was signed by reporter Claude-Jean de Virieux who was commenting on accessibility to information—information per se being an intellectual approach—as follows:

> To get information, one must first of all long for it, and therefore the information must draw attention and rouse interest. Information must be attractive.

If public servants prepare a study, they need not add comments to make information attractive. Now, the public will get acquainted with lots of information on which they will pass judgment and which they will not necessarily find attractive, and that information will not either necessarily help understand the position taken by a government or a political party.

I resume the quotation:

> In Spoken news, information will be made attractive by broadcasting, by music used, by audio or visual presentations . . .

One must also realize that if information is to be made public, a whole procedure is at stake. Is it to be made public in the current style or recorded on a sound track in order, if necessary, to make it available to people, especially if questions deemed important are involved?

However, if it is a case of communications between departments, for instance about the construction of a sewer in a parish or a constituency, or else about deals between a municipality and a department, then, no doubt the documents can be said to be public, according to the provisions of the bill now before the House. I see no useful purpose in treating such documents as confidential.

I believe there should be a selection of the type of information intended for publication. First of all, it is extremely difficult to decide what is actually information. The type of information the public expects should be determined. Does the public expect to receive the tons of documents published day after day by public servants? Are the documents intended for publication of interest to one particular province or to Canada as a whole?

If information is geared to Canada as a whole, people in Quebec, for instance, will say: Look here, you publish piles of documents, but we in Quebec are not necessarily concerned with what is happening in Nova Scotia. And Newfoundlanders will probably say the same.

The potential danger of the bill lies in its adverse effect on initiative. I come back to this time and again and I am referring to the initiative of public servants in their quest for ideas, in their effort to help the government to operate. In future, such people, for fear of being quoted on radio or television, will no longer readily express working hypotheses which might well some day become the law of the land. I rather feel that giving too much information at that stage, as called for in the bill, would be extremely dangerous.

I suggest, Mr. Speaker, that a careful assessment of the public's information requirements be made. What do the people want to be informed of? This could be done through various channels. Information Canada has a definite function and it would be interesting to have the statistical data related to requests for information received by the agency from the Canadian public.

I suggest, Mr. Speaker, that before passing such legislation we should seek the answers to several questions. In my opinion, the final goal of this bill would not be achieved. On the contrary, it could be harmful because objective information would no longer exist. Whenever departmental officers would be asked to write something, they would say: Sir, I must think twice about it because this will be published. Then, we shall no longer have real objectivity from our public servants. And what are they going to do? They will use only the telephone and at worst, there will be no more correspondence.

I suggest, Mr. Speaker, that this kind of thing is extremely dangerous. It is essential—and I agree with the sponsor of this bill—that some documents be made public because the Canadian people have elected us. If the people wish to examine certain documents, hon. members must rise in the House and ask: Could you table such document? I do not know whether it would be a service rendered to the public if everything were to be published.

I call the attention of this House to the fact that one should be cautious as regards the secrecy of information, and above all to be careful not to put an end to personal initiatives in this area.

That is all I had to say, Mr. Speaker.

• (1720)

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I congratulate the hon. member for Longueuil (Mr. Olivier). I do not agree with him but think he said the best that could be said against the bill proposed by the hon. member for Surrey-White Rock (Mr. Mather). He disagrees, and he spoke eloquently. I disagree with him. I do not know

whether his speech was his maiden contribution; it was a very good speech and I thoroughly enjoyed it. I intend to support the proposal.

On a collateral aspect, I would remind the House that it is my hope that private members' public bills, which for many years have not been as effective as they might be under present practices because the private members' hour is limited to one hour and because it has been the practice of all governments to talk them out, will be more effectively dealt with. I think we should look at the present practice. I will put before this House some suggestions which hon. members might consider and which the committee on procedure might also consider.

I would like to think that during the course of this parliament, or the next parliament, a minimum of 20 bills will be placed on the order paper through a system of draws or otherwise, and that these bills shall be heard between 9.30 and eleven o'clock during the early part of the session. The Standing Orders could be amended to provide that all questions would need to be put with regard to those 20 bills so that they would come to a vote in the House. That does not mean the government would need to accept them. If the government does not like them, the government has a safety salve, inasmuch as no private member can bring forward a bill for the spending of money. That can only be done by a minister of the Crown with the recommendation of His Excellency. I am not dealing with the case of money bills. Of course, if a private member's public bill contains a principle repugnant to the policies of the government, the government has every right to call its members to vote against it. I think the idea of new members bringing fresh ideas and new bills forward is excellent and valuable because those very bills ultimately become government policy. The period of gestation is fairly long, several years perhaps, but I think it would be accelerated if my proposal were adopted.

The Acting Speaker (Mr. Boulanger): Order, please. As I understand it, the hon. member is talking about the way the procedure for private members' hour ought to be improved. To stay in order the hon. member once in a while should mention Bill C-9; then, I suppose, hon. members and the Chair will tolerate the hon. member's remarks. He must stay within the subject matter of the bill as much as possible.

Mr. Baldwin: Mr. Speaker, I recognize the correctness of what Your Honour is saying, and I will mention Bill C-9 right away. I have mentioned it already. I will mention it at least once in every three or four sentences. I recognize that hon. members can call me to order. I bring this proposal forward now since this may be a short lived parliament, and this may be the only chance I shall have for mentioning this subject. Let us take Bill C-9 as an example.

If my views were to prevail, Bill C-9 might have had the luck of the draw and been before the House between 9.30 and eleven o'clock on some day fixed by the Standing Orders. Then, all questions would have to be put on the bill and possible amendments thereto so that a decision could be taken on second reading. The bill would then go to committee and come back for the report stage. The changes in the Standing Orders that I envisage would provide that on ten instances at the report stage, and at third reading, all questions would need to be put with respect to the bill. That would bring a bill like C-9 to a vote on the report stage and on third reading. I submit that on at least ten occasions during a session ten bills would stand the chance of passing this House and being considered in the other place. I am speaking of ten bills of a public nature sponsored by private members. Before dealing with the bill before us, may I say that I trust my suggestions will come to the attention of the appropriate members on the procedure committee. Such a procedure I think would be of great value.

One might say that Bill C-9 is a typical bill. I am sponsoring a bill as well, Bill C-52, which in some ways is very much like Bill C-9. There, Mr. Speaker, I have mentioned the bill again.

Mr. Knowles (Winnipeg North Centre): The hon. member will be all right now for ten minutes.

Mr. Baldwin: I am saying this for the benefit of my hon. friends to my left, hoping they see the error of their ways. Nevertheless, I support the bill.

Mr. Knowles (Winnipeg North Centre): You have to be right once in a while.

Mr. Baldwin: As I say, I support the principle of the bill. I cannot allude to Bill C-52. The bill provides for sanctions and for machinery by way of the court acting as intervenor to see if the type of information and document requested should be disclosed to the public. As the hon. member sponsoring this bill supported mine in the previous session, so do I support his now.

I support it for another reason. It is known that my leader during the course of the election campaign made a categorical commitment that if and then he should form the government he would provide for better and fuller disclosure. The government would disclose more fully documents and information. That was a firm commitment. It is one I support and which many members of the House will support notwithstanding their political leanings.

I support the bill for a third reason, and I think the debate we have witnessed recently will illustrate my reasons for that support. If a bill of this nature or in the nature of the one which I have not yet brought to the attention of the House, Bill C-52, were to be in effect, anybody wanting information about the condition of the unemployment insurance account, say, would only need to apply and obtain it. We would have known on September 1, 1972, the condition of that fund. I do not want to rub salt into wounds and exascerbate the feelings of hon. members.

My final reason for supporting it is this. Two days from today we expect that a formal truce will be signed ending one of the most savage and vicious wars of recent decades. It is interesting to note that at the same time as the war is ending there is taking place in the United States the trial of a man known as Daniel Ellsberg. I think there are other defendants with him. These men are charged with stealing and disclosing documents from the Penta-

gon. The documents disclose a good deal of the factual and background information dealing with the acceleration of that war some six or seven years ago. I am talking about the Pentagon papers case. I expect hon. members probably know about it. I do not have to take sides on the merits of it, although I can say this: At the time in question the forces of the United States in viet Nam were quite limited in number. An incident took place known as the Gulf of Tonkin incident. It was made to appear that vessels of the United States of America had been attacked by units of North Viet Nam forces, that damage had been inflicted and casualties caused. Because of that, the Congress of the United States armed the president with power and authority to continue and wage that war, to the extent to which it accelerated over the next few years. That war now appear to be over.

It is quite possible, and it will only be known after the trial has ended, that many of the incidents, many of the factors involved in the incident to do with the Gulf of Tonkin, were fabricated. It now appears possible that many of the incidents and factors involved in the Daniel Ellsberg case were fabricated in order to provide an opportunity for the executive branch of the United States government to vigorously prosecute that war and ultimately send to Viet Nam several hundred thousand members of the armed forces.

• (1730)

I do not want to go into the merits of that case. However, if the documents of the Pentagon which were apparently taken by Daniel Ellsberg and his co-defendants and published in United States newspapers had been within the knowledge of the American people in 1964 and 1965, it is very likely that that conflict would never have reached the stage to which it ultimately grew. Those are the facts. I am not going to pass judgment in advance of the trial because nobody knows what will be its result. However, I have a great deal more respect for the public than most governments have. Governments work themselves into positions of anonymity and secrecy; they have no confidence in the people.

The public may make errors. Sometimes people make mistakes in the members they send to this House. However, in the final analysis the ultimate decision of all the people in the country is a sound, rational and good decision. Such a decision cannot be properly taken unless the public is armed with the facts. Speaking as a Member of Parliament, we do not get many more facts than the public; we do not know all the facts. For that reason I support the proposal of the hon. member and I think all hon. members should support it.

We cannot have good, sound, democratic government unless the public is informed of the facts in issue. Failure to do this causes tragedies such as the Viet Nam war. Possibly a settlement could have been brought about six or seven years ago which would have been not very different from the settlement made recently. Thousands of casualties, countless sorrows and tragedies of war could possibly have been avoided.

I hope that before this parliament with a minority government is concluded serious attention will be given to this very difficult problem. The public has the right to know all the connotations and facts in order to make an adequate decision. The public has a right to the facts so that its representatives in this House and in the legislative assemblies are able to proceed under pressure with instructions from constituents who are fully informed. For that reason, Mr. Speaker, I am most happy to support this motion.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like first of all to congratulate the hon. member who introduced this bill and submitted valid arguments to convince the House of its usefulness.

I am pleased to see that this bill is truly objective, that it wants the public to be well-informed on the different activities of the departments, commissions and boards working under the authority of the Canadian government. However, the bill already makes exceptions which are truly valid since in certain cases it is quite reasonable to have information kept confidential for a better guarantee of the security of our territory, our population and our country.

However, I noted on several occasions that it is really difficult to obtain information that would be very useful to us to enable us to fulfill our responsibilities more effectively vis-à-vis the population that we represent.

Unfortunately, what happens is that information is not always very accurate and I am referring to things that are published, facts that are reported. We had a good sample of this today in this House when an hon. member put a question to the Minister of Transport (Mr. Marchand) and the Minister of Transport in his reply categorically denied being where he was alleged to have been in the news reported in a leading Montreal daily newspaper. So this is what I call bad information. Facts are falsified to incriminate those in power and if the public does not see the other side of the information coming directly from an authorized source, it thinks it is being wronged, treated differently from those who are in a position of authority.

I think that the bill should be passed by this House in order to authorize the government and commissions to publish information when Canadians request it and are interested in getting it. This would certainly be to the advantage of our society.

Mr. Speaker, I listened very closely to the speech given by the hon. member for Peace River (Mr. Baldwin). He quoted very eloquent facts that urge us to support this bill in order to better inform the population.

I can knowledgeably say that the better informed the population is, the easier it becomes for those responsible for the administration and those who are in a position of authority to run the county effectively.

When I was secretary-treasurer in my own community, I often noticed that when the people were informed of the proceedings of the municipal council and when the decisions made by the council were published, the people would co-operate because they knew about the decisions. Conversely when the municipal authorities tried to work in a rather underhanded fashion, many questions were asked and the rate payers were not willing to co-operate with the municipal council because they were not sufficiently informed. I think that if these problems exist at the

local level of municipal or school administration, they also exist at the federal level.

That is why I support the bill, in order that we the people's representatives be not always in a difficult position where we are asked information by our electors and we cannot always answer their request because we ourselves have not been provided with information which should be available to us.

We must submit motions for papers which are sometimes satisfied reluctantly by ministers; these papers are often absolutely essential to ensure good administration in the areas of particular concern to us.

Mr. Speaker, I examined the bill with peasure. It is very short but significant.

I support it wholeheartedly because I think it is a step towards true democracy.

• (1740)

[*English*]

Mr. Jim Fleming (York West): Mr. Speaker, in discussing the private member's bill before us I would like to refer to the comments of the hon. member for Peace River (Mr. Baldwin) on the entire role of private members' bills. Of course, not having been here as long as the hon. member I cannot approach this matter with the same depth of knowledge and authority as him. However, I would like the opportunity of sponsoring something that would in time become legislation. Surely this is the practice we carry on every day through caucus and other activities; either supporting or opposing government legislation. To have bills sponsored by members of the opposition passed, and the type of information referred to made known to the public, would take away a basic responsibility of the government, upon which it will be judged in the next election.

With regard to the bill put forward by the hon. member for Surrey-White Rock (Mr. Mather), in principle I support it. I think any member of the House would find it difficult to oppose the principle of access to public documents and information about government administration so that people can better understand just what the government is doing and how well or how badly it is handling its affairs.

In these times when bureaucracy has grown so large it is especially important for people to be secure in the knowledge that they have access to information from and about the government, as well as information referred to in the bill of the hon. member for Surrey-White Rock. He said that the Prime Minister (Mr. Trudeau) had made a move in this direction back in 1969 when some research was made available for the years prior to 1939. While it is frustrating when one hopes for much more, there should be some satisfaction in knowing that a move has been made in this direction.

Historically, there can be some tracing of what stood behind government moves, and a better understanding of what powers and pressures brought about legislation or the direction of events which the government controlled at the time. However, I do have very serious reservations about this bill because it is not a simple matter when you start to deal with the various types of information available to the government.

The hon. member asked us not to be too specific and not to argue too long or hard on particular points in the legislation. I appreciate what he means by that. I am worried that when you say some information may be released by the government in order to give people confidence and an understanding of what is happening, you are still left with a judgment decision as to what shall or shall not be made public. There is an element of censorship that remains. I am worried about the constitutionality of such action without agreement from other levels of government, because so many of our records are duplicated by them and are shared records, not ours alone.

In the private sector the provinces have more control than we do. I know the province of Ontario has taken some initiative, or at least has expressed a desire to do so, by suggesting legislation in order to provide public protection in areas where private information about individuals can be very misleading and wrong but the individual concerned is not aware of it.

We talk about government making this kind of information available. I think, for instance, that where the Department of External Affairs is concerned there should be limitations on disclosure. The hon. member who sponsored this bill agreed that there should be limitations. However, in discussions also there are new angles, leanings and particular postures taken in order to bargain for a position internationally. Much of our style and the approach of the Department of External Affairs, which I believe has quite a high reputation in the world, might be damaged if it were possible to trace a particular stance and approach by having access to all the records, even though it might not be a matter of endangering national security. So there is this danger.

This comment would apply also to national defence. I am sure the other parties would love the opportunity to have information on such fiascos as the *Bonaventure*; that certainly is an embarrassment to me as a member on this side. But that type of thing does happen, and if we have warning we can take action and avoid it happening in the future. What the hon. member proposes would give us further power in checking out the possibility of such fiascos and ensuring that they do not take place. But wanting a particular piece of information at a particular time and demanding that it be made public, when you put all the pieces together some information might be divulged that would be damaging to our security.

I think we must be very precise in the information that we divulge about businesses because of the competition which exists between one business and another. In making certain statistics public, we must be careful that damage to another company does not result.

People are very frustrated when they have to deal with the massive bureaucracy which exists today. Of course, the great majority of civil servants are well meaning, talented people. Nevertheless, they form a massive wall which many people find hard to penetrate. It is important for people to know that they can obtain knowledge and information, find out about government action and what is going on so as to have a better understanding of what the government is doing. This would make the House a better place; it would give us better understanding and would give the opposition greater ability to criticize and to

attack. Surely that would make for better government no matter which party sat on this side of the House.

However, this is not such a simple matter that we can set it out in a bill such as the one before us. While this matter is being aired now, nevertheless I would be loth to see the bill passed in this form without a great deal of in-depth consideration being given to the whole question. I know I am not supposed to refer to future legislation, but the hon. member for Peace River (Mr. Baldwin) said he had something more exacting in mind that he might bring out at a later time. I think a great deal more should be done in the private sector. I think the problem is not so much misinformation as fear of misinformation; therefore action in this direction may be beneficial.

I do not think I need debate issues that we cannot act upon here, such as credit bureaux, and so on. We live in an age when our privacy is seriously hampered by all sorts of mechanical devices such as personnel agencies, detective agencies and credit bureaux which can find out about us and make reports. Sometimes we fear them much more than is warranted. If action such as that proposed in this bill were taken by the federal government, followed through provincially and legislation passed at the appropriate levels to affect business as well, we could make public information to which people have a right especially when it involves themselves. This would be beneficial to us all. However, I do make the reservation that it would have to be well thought out and after it had received thorough debate.

• (1750)

In conclusion, although I am aware of the exercise we go through in private members' hour, I nevertheless most sincerely appreciate the principle put forward in the hon. member's bill, even though I have expressed serious reservations about it. When he finds support for it from all sides of the House, moving to a point in time where it has been thought out and fully discussed, then I think we may well see such legislation before the House.

[*Translation*]

Mr. Raynald Guay (Parliamentary Secretary to Minister of Justice): Mr. Speaker, Canada has inherited democratic parliamentary traditions which she cherishes and, at the same time, administrative secrecy which constitutes one of the major barriers between the citizen and the federal government and to a great extent conditions the spirit in which the latter discharges its information duties. Canadians scholars are aware of this basic conflict which exists between administrative secrecy and the need for information services in participatory democracy.

At the top of our political system decisions are made, within the cabinet, by ministers who have taken the oath of office to keep as absolute secrets all matters considered, discussed in and disposed of in the Privy Council.

The press, the public, the opposition parties, even the ordinary members of Parliament, often find they are unable to get some information which affects the administration of the country.

No legislation in Canada, except the Official Secrets Act, prohibits or authorizes access to official files. An order-in-council is being prepared to establish procedures

permitting access to those files. On May 1, 1969, the Prime Minister of Canada (Mr. Trudeau) announced that our country was also getting ready to initiate a policy to make available for research and other uses as many records of the federal government prior to July 1, 1939 as national interest will allow. The Prime Minister further indicated that this new policy shows the government's desire to stimulate interest and participation by Canadians generally in the affairs of the State. It was stated in the House of Commons that this was a pretty poor measure and it was suggested outside that it did not go far enough. The Royal Commission on National Security has proposed to remind departments and officials on a continuing basis of the advisability of lowering the security classification of documents. However, it has also added that the minister concerned must be allowed to exercise discretion as far as possible.

For instance, access to public documents, either directly or through government publications, has always been easier in Canada and in the United States than in most other western democracies.

Sometime in June 1967, in a memorandum on the application of the act on public disclosure, the Attorney-General of the United States said, and I quote:

> ... public disclosure of information must be the rule and not the exception, all citizens have equal rights of access to information and the burden of justifying the secret nature of a document rest with the government and not the claimant.

For the first time the new act will provide judicial procedures to enable the citizen who feels wronged to lodge a complaint against the agency that refuses, without cause, to give him access to its documents. Federal courts have the right to punish, for disobedience, the heads of official agencies.

With regard to public access to state documents, the French system seems even more restrictive than the others we studied, including that in Canada. Archives cease to be confidential or secret the very day a minister authorizes the publication of documents on a given period. In this regard, there is no automatic rule in France comparable to the 30-year deadline set in the United States and in Great Britain, and which has also applied here for a few years.

In Sweden, for almost 200 years now, state documents are recognized as public unless they have been declared restricted judicially. The Swedish system and its administration are worthy of our admiration but they are not necessarily easy to adopt in Canada. The Swedish type of responsible government does not resemble ours much. Because of that, it might be difficult to transplant here in Canada the modes of access to public documents in use in Sweden.

In Great Britain, where our parliamentary system was born, the tradition of the administrative secret was contested by academics and was the object of a committee inquiry into the civil service.

Canada is lagging behind other countries, namely Great Britain, the United States and especially Sweden, with regard to allowing access to administrative documents to mere citizens, members of parliament and journalists. But the American experience has shown that there is something else besides legislating. Law can be evaded and its

intent distorted. Vigilance must be constant in order to ensure that freedom of access to information, once provided in the statutes, exists in practice. Sometimes the fear of the effects of the principle of freedom of access to information is exaggerated. Nobody has ever talked seriously about unrestricted access to documents. Even in Sweden there are severe restrictions. The Swedish system has the advantage of allowing citizens to see the practical application of their democracy. However, I think it is logical to think that a person, a citizen and a taxpayer should have the right to consult certain documents of interest to him particularly, but telling him without any reservation certain details on others when such information might do wrong to the people involved is altogether different and I think there is a principle of prudence to respect. In discussing this legislation . . .

The Acting Speaker (Mr. Boulanger): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

The House resumed consideration of the motion of Mr. Andras that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Deputy Speaker Order. The hon. member for Yukon (Mr. Nielsen) has raised an interesting point upon which I shall now make a ruling. The hon. member has pointed out that clause 2 of Bill C-124 now before us contains reference to an estimate which is currently under study in one of the committees of this House. This situation prompted him to ask whether the Chair should not rule that further discussion of Bill C-124 is out of order at this time.

The hon. gentleman in his presentation referred to the eighteenth edition of Erskine May's "Parliamentary Practice," page 364 where it is stated:

> A motion must not anticipate a matter already appointed for consideration by the House, whether it be a bill or an adjourned debate upon a motion.

The member also quoted from the following page in May's where reference is made to what could be considered a descending order of values for matters in the parliamentary process. The quotation is:

> —that a matter must not be anticipated if it is contained in a more effective form of proceeding than the proceeding by which it is sought to be anticipated but it may be anticipated if it is contained in an equally or less effective form.

The estimate has not really come before the House and the House has made no decision upon it except to send it to a committee for study. The bill has, however, been given first reading and the House is now considering the question whether it should have second reading. It seems to me that the bill before the House is the more effective form of proceeding in relation to the estimate which is now being considered. Bill C-124 would give a statutory basis and the estimate would be a consequential proceeding.

I am reinforced in my decision by reference to page 731 of Erskine May's eighteenth edition. One finds there this passage:

> Expenditure in anticipation of statutory authority. A case analogous to those mentioned above is where an estimate is presented and money spent on a service in anticipation of the passing of a bill of the same session authorizing that service.
>
> In their second report of session 1931-32 (para. 5) the Public Accounts Committee commented adversely on two classes of cases in which this practice had occurred. The Treasury justified the inclusion of such items of expenditure in the estimates as necessary for the information of the House, but agreed:
>
> (1) that a note should be added to the estimates indicating that they were subject to further statutory authority; and
>
> (2) that the authorizing bill must become law before the authorization of the relevant estimate by the Appropriation Act

This ruling is made without prejudice to the point raised by the President of the Privy Council (Mr. MacEachen) that the hon. member for Yukon should have raised this matter at an earlier stage of the debate. I would, however, note that some notice was given in this House yesterday. As I say, this point remains an open one. Nor am I overlooking the point raised by the hon. member for Winnipeg North Centre (Mr. Knowles) with respect to third reading; but it, too, remains an open one.

One should perhaps also note that the Chair, by long custom and discretion, does not involve itself in legal or constitutional questions. It is sufficient for the Chair to deal with questions of procedure.

I think the Chair would want to thank the hon. member for Yukon for raising this matter. It is perhaps one that would have gathered considerable decisions over the years, but strangely enough it has lurked in the shadows of parliamentary practice. The hon. member has brought it fairly and skilfully out into the open and has directed us into considering the most precise method of procedure.

The Chair must also decide the validity of the motion presented by the hon. member for Yukon. Since considerable time was spent over the dinner period on the first major issue, I crave the indulgence of the hon. member and the House before making another ruling.

[*Translation*]

Mr. Fernand-E. Leblanc (Laurier): Mr. Speaker, at the beginning of my remarks, I should like it to be clearly understood that I am not speaking as chairman of the miscellaneous estimates committee too which I have the honour of belonging. Nonetheless, I should like to take

this opportunity of thanking members of that committee for the confidence they showed in me by electing me as their chairman and also for their cooperation with the Chair during committee hearings.

Yesterday, the hon. member for St. John East (Mr. McGrath) made the following remarks which I quote as recorded on page 618 of Hansard:

> You are supposed to be the impartial chairman of the committee.

I do not know whether he meant thereby that I am not impartial because if he did, I of course protest emphatically. And besides, if he means that because I am the chairman of a committee I am not entitled to speak on the subject before us, there I must tell him that I disagree because as a member of this House I have the right to express my opinion on any subject when I believe it is my duty to do so.

I should also like to take this opportunity to mention that during the debate on January 12 the hon. member for Peace River (Mr. Baldwin) expressed himself as follows:

> • (2010)
>
> The chairman of the standing committee admitted yesterday—he let it slip out—that there is a firm date, February 8, when the minister intends to bring the budget down.

It is absolutely not true that I said this, not only because I do not know myself for sure the date on which the budget will be brought down, but because I think even the Minister of Finance (Mr. Turner) does not know it. I cannot see why I have been made to say that the budget would be brought down on February 8.

The bill now before us is very important, and it is essential that all parties recognize its urgency, since the effect of the special warrants that were issued to authorize the payment of unemployment benefits to certain recipients will terminate February 7, which means that on that date the money provided for will run out and consequently it is imperative that Bill C-124 be passed by both Houses and given Royal Assent as soon as possible.

Being sure that all hon. members agree as to the importance of this bill, I hope we will waste no time in considering it.

The Minister of Manpower and Immigration (Mr. Andras) clearly showed the need to pass this bill and I do not intend of course to go over that again.

Let me add that it has not been proven that the aforesaid warrants were illegal, although the hon. member for Peace River attempted to prove it through an amendment and I quote:

> —and, on the other hand, seeks to legalize and ratify the improper and illegal actions of the government in making advances in excess of the statutory limit.

I rather believe that our friends are trying to make of this bill a political question, to create a scandal where there is none and to prove that there is illegality. But to date nobody has proven that there has been any illegality, for instance in the way the special warrants were issued and in the way the Treasury Board behaved on that occasion.

This to me is a storm in a teacup and here again we have proof that opposition members were frustrated by

[Mr. Leblanc (Laurier).]

the voice of the people on October 30 and that they are trying, through every possible means, to secure the power that escaped them.

I believe they should accept, as we did and as the other parties did, that verdict from the people and accept their fate willingly.

This merely has to do, I believe, with technicalities when advances are mentioned instead of appropriations. Of course there are more than technicalities for there is a pretty clear-cut difference between advances and appropriations but there again, like good lawyers, there are many who attempt to interpret what happened to their best advantage but unfortunately, the people do not accept their arguments and those expecting to get unemployment insurance benefits are anxious for this bill to be passed, to be sure that they will get what they are entitled to from February 8 onwards.

Of course when one speaks of the gap between an $800 million ceiling and a total amount of $1,879 million, it means an enormous difference and the minister recognized there surely had been a mistake somewhere when the ceiling was set in the act. But I am positive that the minister is not responsible for such a situation and that the reasons then justifying the appropriation of $800 million probably no longer exist. The $800 million were exceeded mainly because of the benefits and the increase in administrative costs. The cost of benefits depends on the changes which have occurred from the time the white paper was tabled and the day the legislation was passed, on the extension of the benefit period, on rising wages and on the number of workers in Canada.

I do not think it is necessary, Mr. Speaker, to insist any longer on that point but if there had not been that ceiling clause the bill would have been passed just the same and today, evidently, we would not be talking about amending this section of the act.

Besides, it is not the sole section which is called in question again because Bill C-125 still aims at correcting certain effects of the original bill.

According to the speeches delivered here, the public think that funds are given to the government as a blank cheque, which is completely false because government funds are first examined by our watch-dog, the Auditor General, then by committees, more especially by the Committee of Public Accounts where all parties are represented; they are also submitted to a control by various departments which make sure that funds granted to the government will be spent according to proposed appropriations and the law.

Mr. Speaker, I think that some other members wish to speak, among whom the former minister, and I am sure that they will find stronger arguments than mine. This is why I will cut my comments short to recommend once again to the House the early passage of the bill, hoping that it will soon be deferred to the proper committee for a more thorough consideration.

[*English*]

The Acting Speaker (Mr. Laniel): The hon. member for Hamilton West (Mr. Alexander).

Mr. Guay (St. Boniface): Hear, hear!

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I note that the parliamentary secretary from St. Boniface has interjected even before I have uttered my first word. It is nice to see that he is here awake, not sleeping or creating devilment.

I am particularly pleased to participate in this debate following the sound foundation that has been laid by my colleagues, the hon. member for Peace River (Mr. Baldwin) and the hon. member for Yukon (Mr. Nielsen). Theirs has been a significant contribution dealing with the impropriety of the government's actions with respect to unemployment insurance. The arguments presented by those two hon. members will have to be considered seriously by all of us because, in effect, the government is seeking a blank cheque. As a result of the arguments of my colleagues it will be difficult to support Bill C-124 unless it is amended.

I recall the debates in May and June of 1971 when this monstrosity of a bill was first introduced by the government. It was to be a new principle; the government launched a new birth. There was in the legislation an all-embracing principle with regard to unemployment insurance, welfare payments and a guaranteed annual income; as a result, the government became involved in an inextricable mess. I recall distinctly the former minister of labour, always prepared to give of his Irish wit, periodically coming before our committee and offering words of wisdom in trying to sell Bill C-229 which in his words was supposed to contain the best unemployment insurance plan the world had ever known. The only thing he did not say was that it would become a more expensive plan than anybody could possibly dream of.

Some hon. Members: Hear, hear!

Mr. Alexander: He did not tell us that. I say with all fairness, I think the minister tried to speak honestly. I think he came to us with a message, but with all due respect I think he was duped. That is the only way I can put it. I know the minister would not deliberately deceive the friendly member for Hamilton West, the friendly member for Moncton (Mr. Thomas) or the friendly member for Dauphin (Mr. Ritchie). We all worked together over the months in an attempt to develop a scheme that would be best for Canadians.

I think the advice the minister received was wrong. I do not know whether he got it from Statistics Canada, the Department of National Revenue or the economic advisers of the government. They were all totally wrong and they all grossly miscalculated the end results of this scheme. Of course, after the minister discovered that, he was committed to the bill and had to stand behind it. He had no choice; he was trapped. The penalty for remaining true to one's conscience in the long run is that he will sit immediately to the right of the Speaker. All the glory has gone; yet the minister made his mark. In all fairness, he said that the scheme was actuarially sound.

I see the former minister looking at me. If he said that once, he said it five times. I see he is already looking through the record to find out when he said this scheme was actuarially sound. I presume that is what he meant when he raised his hand just now. He staked his seat on this assertion. I did not know what actuarially sound meant; I thought he was speaking in terms of insurance principles. The hon. member for Peace River said that actuarially sound meant that as long as the public purse was open, you could dip your hand into it. I do not want to say the hon. member was right in that regard but I think that is the only definition we can arrive at at this time; it is the only definition the Canadian people can arrive at.

Mr. Paproski: There was a lot of hanky-panky.

Mr. Alexander: But that is not all. We tried to determine what was the limit and that is how we reached the figure of $800 million. Oh yes, those were the good days, Mr. Speaker! We were sure from the evidence we had that the figures the minister was presenting were totally wrong. But oh no; the minister used charm. All the others involved in the scheme, men like Mr. Steel and Mr. Allen—I remember them all—said, "You need not worry." The minister said, "With all the expertise at our disposal, all the statistics, all our wherewithal and ability to make predictions, you need not worry." We were told that even under the worst conditions, if we took into account all variables no matter what they could be the most the fund would have to pay out in government contributions would be $700 million. I am looking at the President of the Privy Council. He is watching me.

An hon. Member: He is fascinated.

Mr. Alexander: We were told, just to take into account some unfortunate act of God, in case something had been forgotten, that the government would throw in another $100 million. That is how we arrived at $800 million. After probing continually, after asking questions continually we were left with the assurance that that was all the government's contribution would amount to. As Your Honour knows, the contributions involve three sectors, the employer, the employee and the government. As far as we are concerned and as far as the Canadian people are concerned, we were talking about $800 million. I was not naïve in those days although I was a new member. After all, when the minister spoke, considering all the expertise that was available to him who was the member for Hamilton West to say he was wrong? Sooner or later one had to accept the minister's word.

An hon. Member: But there was hanky-panky.

Mr. Alexander: Oh, I knew there was hanky-panky. However, on the basis of what we were told and accepted, and I think we had a right to accept it, we took those figures. We could not do anything else; we did not have anywhere else to go. When we presented our views we were always out of order, always wrong.

Mr. Benjamin: That is true.

Mr. Alexander: We lacked research facilities; we lacked everything necessary to make our position credible.

Mr. Andras: That is your whole problem.

Mr. Alexander: We in the committee bought it all, we in the House of Commons bought it; and the people of Canada bought it, Mr. Speaker, and that is the unfortunate part. The people of Canada were prepared to believe

this government when it said that under the worst circumstances you could think of, taking into account all variables, the most this government would need to pay under the scheme was $800 million. And what are we talking about now? We are contemplating nearly $2 billion—an astronomical figure compared with the one presented to us in 1971. Yet the former minister said, "It is only a drop in the bucket." Can you beat that—only a drop in the bucket? He was talking about the taxpayers' money. That was what the election was all about. My friends across the aisle know that, too. The bucket is only so deep. Unfortunately, all the taxpayers own that bucket and the bucket is only so deep. Therefore, what do we have here? Because of gross miscalculation and astonishing ignorance, the government has introduced this infamous Bill C-124.

An hon. Member: Tut, tut!

Mr. Alexander: I hear somebody saying, "Tut, tut!" I appreciate the moderation of his language.

Mr. Knowles (Winnipeg North Centre): And there is no French translation.

Mr. Alexander: As a result of gross miscalculation and gross ignorance, the government has introduced this bill to the detriment of the employer and employee.

Mr. Stanfield: And the taxpayer.

Mr. Alexander: They will all be penalized, yes. That is what Bill C-124 is all about. This government is now looking for a blank cheque.

Mr. Stanfield: It is looking for absolution.

Mr. Alexander: It is looking for a blank cheque.

Mr. Stanfield: Absolution is what they are looking for.

Mr. Alexander: My leader says they are looking for absolution. I think they are also looking for a blank cheque. Why, Mr. Speaker? I ask that question because it is so difficult to support this bill in view of all the government told the committee and the House of Commons.

Mr. Benjamin: Well, are you going to support it or not?

Mr. Alexander: All the people of Canada know the government is asking them for a blank cheque. Let me read something the minister said by way of a press release dated January 17, 1973. The Minister of Manpower and Immigration (Mr. Andras) was putting forward his reasons for wanting a blank cheque. The press release reads:

> Such a ceiling is unrealistic in the light of constantly-changing and unpredictable factors as the national and regional unemployment rates, constantly changing average earnings, and the growth of the labour force which make such a ceiling impractical.

So what else is new? They knew this back in 1971. The same conditions existed then as exist now. We had the same ever-changing and unpredictable factors; we had the same national and regional unemployment rates and the same sort of average earnings; there was the same sort of growth rate in the work force. They knew all that before. Notwithstanding that, they said we still had to have a ceiling.

[Mr. Alexander.]

• (2030)

Now, what has changed? No different criteria now exist; the criteria that existed then exist now. At one time the government said we would have a ceiling notwithstanding all these variables. Now there has been a complete flip-flop and they say that because of the variables we cannot have a ceiling.

The government must be credible. I do not know what they do in caucus, but when they come out of caucus into the House of Commons and become involved with the people they have to be credible. This is why I question what they are doing. The minister says that committee members, members of the House and others do not have to worry about that because there are sufficient controls. I again quote from his press release of January 17:

> There are sufficient controls, through annual reports, Auditor General reports and public accounts to ensure an adequate review of the financial operation of the program.

Cutting away all the verbiage, what the minister is saying there is, "After everything has happened you can look at it and tell us whether you like it." That is what he is asking us to do. Is this right? Is this why we are here? The government has set a precedent with regard to controls which require parliamentary approval. I do not know the reason. Perhaps if you knew this thing was such a mish-mash you would say, "Fool them all and throw in a figure, because with the figure we really have this bill will never pass." They threw in that figure hoping to dupe the people into accepting it. Then when you find you cannot dupe them any longer you say, "Wipe it out, repeal the section and give us a blank cheque."

The Minister of Justice (Mr. Lang) gave us a marvellous lesson today on sections 23 and 28 of the Financial Administration Act. He showed how we can move into areas when we have a ceiling that we can hide or bypass and forget all about the House of Commons.

An hon. Member: Oh, oh!

Mr. Alexander: You will get your chance to speak, friend, if you have the nerve to stand up and speak, but don't continually bug me. I am trying to make a worth while contribution.

Some hon. Members: Hear, hear!

Mr. Alexander: He is still my friend. He is an interesting type of person.

An hon. Member: Part of the coalition government.

Mr. Alexander: Yes, he is part of that group that wooed another, went through the courtship and entered into marriage. In the past week and a half we have seen how the marriage has been finally consummated—cementlike: they could not budge. I have watched them playing hanky-panky with one another.

Some hon. Members: Shame.

Mr. Alexander: This is interesting because I watched that same gang on my left, with all due respect, in the last parliament when they were concerned about the problems of the nation in terms of high unemployment and the cost

of living. My friend, the hon. member for Winnipeg North Centre, was concerned about pensions and rising prices. This was their being. I was impressed with that gentlemanly crowd—

Some hon. Members: Hear, hear!

Mr. Alexander: —until they wanted to get married. Then things happened. I don't know how it could have happened. I do not know how anyone could sell their principles for political expediency. This party brought a motion that pinpointed the problems of our nation because the government was not dealing with unemployment, rising costs and inflation. Guess who voted against it? I do not want to mention any names, but just look to my left.

I listened to the Minister of Justice give us a great lesson on the interpretation of section 23 of the Financial Administration Act. He went through a whole lot of things. He was very concerned. He said that payment was required to meet the just and legal claims of those who were entitled to benefit. Let me say this: we on this side are equally concerned about that. We are equally concerned—

Mr. Orlikow: Tell us.

Mr. Alexander: There's another one. I understand that member is going to be speaking next. He will tell us all about it. We are just as concerned. Let the record show that in no way will this party hold up payments to those who are legally entitled to them.

Some hon. Members: Hear, hear!

Mr. Andras: You just don't sign the cheques, that is all.

Mr. Alexander: The minister is getting involved. I say to the minister that when we give our word he can rest assured that it is final.

Some hon. Members: Hear, hear!

Mr. Alexander: It is not like the night we had a gentleman's agreement here. We were not supposed to have a recorded vote. Guess who turned out to be the bad fellows? After a little conversation on the opposite side, they forced a vote. What I am saying is, I do not know whether we can trust them.

Some hon. Members: Oh, oh!

Mr. Alexander: I do not see anyone standing up on a question of privilege. If they do, we will talk all night about that.

Mr. Knowles (Winnipeg North Centre): What is the point you are trying to make?

Mr. Alexander: Now we hear from the hon. member for Winnipeg North Centre. He is always talking. This is my first opportunity to put my thoughts on the record and I am being interrupted unduly and in an ungentlemanly fashion. I cannot understand it.

Some hon. Members: Shame.

Mr. Alexander: I have made my point. We say they will get their money in due time, but in the meantime this government must be chastised, criticized and put in its place. That is the role of the opposition, constructive criticism. In no way will we abdicate that responsibility.

Some hon. Members: Hear, hear!

Mr. Alexander: In trying to interpret this section, the Minister of Justice referred to section 137(4) which relates to the limit. I will read it for the edification of hon. members:

The total amount outstanding at any time of advances made under this section shall not exceed $800 million.

We have had a legal opinion on this, Mr. Speaker. That is not final. What this House debated in 1971 does not mean a thing. The minister said we can forget about it. He then said the law is the law in terms of section 23 of the Financial Administration Act. He interpreted it his way, we interpreted it our way. I say this is why we have judges and courts. There is no way I will ever accept any legal opinion coming from a minister, with all due respect to him as a law professor and Member of Parliament, because I saw the grain stabilization program in force at one time. They had a legal opinion then, but they backed away from that.

The minister interpreted the law and so did the hon. member for Winnipeg North Centre. Parliament is paramount when it decides on a statutory limit. That is the law. The hon. member for Winnipeg North Centre leaves the law to Mr. Speaker. I must say this, the hon. member for Winnipeg North Centre is certainly well versed in the intricacies of the rules, regulations and laws of the House of Commons. I think that he deserves a hand in that regard.

• (2040)

The hon. member says there is one law that says we must pay the benefits. I say that he is quite correct. However, I also say that there is another law which the hon. member for Winnipeg North Centre (Mr. Knowles) has conveniently forgotten, and that is the law which says that the figure shall not exceed $800 million. This is the limit that was set by parliament. When it comes to deciding which is the more urgent of the two, I respecfully submit that parliament stands ahead. The money will be acquired but not in a devious, clandestine way, not in an illegal way such as was perpetrated by this government. I think that both have to be read together.

An hon. Member: Which law are you in favour of?

Mr. Alexander: Again there is the same noise in the background. I think the prerogative and the integrity of parliament must be maintained. I say that parliament is paramount. I say that parliament has not only the right but the obligation to control spending. In every instance parliament must have some means whereby its approval is sought with respect to spending. In other words, we must have some interest in the purse-strings.

That is what happened in 1971. The government believed in all those principles which I enunciated with respect to the prerogative and integrity of parliament;

that is why they brought in section 137(4) and section 133(b). The only other way they could get money is under section 133(b) which reads:

—any other amounts provided out of the Consolidated Revenue Fund for any purpose related to unemployment insurance that is authorized by an appropriation—

I say that authorization by appropriation means that it must be done with the consent of parliament. This is the institution which stands supreme when it comes to this bill. The paragraph continues:

—by parliament and the administration of which falls to the commission.

That is what it is all about. That was the control which was accepted by the committee and by all members of the House.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Alexander: Mr. Speaker, my time is extremely limited. I would like to accommodate the hon. member, but he has had his opportunity. He has had 40 minutes, and now I would like to pursue the theme of my remarks. If there is any time left, I will be happy to allow him a question.

What happened? By the middle of August, I respectfully submit, and at the time when we came back to deal with the B.C. port strike, the government knew the exact state of the unemployment insurance fund and it knew it was running into difficulty. Knowing that—and I say that it did—by September 1, they could have informed parliament of the predicament in which they found themselves. They would have had to tell the truth then, and who knows what they were thinking about in terms of the election. We all know that they could not afford to let any cats out of the bag at that time.

I heard them on the other side saying that is not true; they did not know anything until the middle of September. I do not buy that nonsense. Knowing that they could not divulge anything, in their own devious and sneaky way they looked to section 23 of the Financial Administration Act. I submit that what they tried to do was to legislate not by parliament but by Governor General's warrant. They increased the limit that was set by parliament—the limit that was accepted by everyone—in the first instance by $234 million and that is when they ran into trouble.

We do not question the use of these warrants. What we question is the government's timing. I have heard it said, and I have read that this has been one of the most unique situations that some people have ever seen. It borders on impropriety, on illegality and on disrespect not only for the House of Commons but for the people of Canada.

Some hon. Members: Resign.

Mr. Alexander: The whole approach was calculated to deceive. They knew they were in trouble by the middle of August, 1972, but they remained silent. I think this government should be criticized for this in most profound terms. Knowing that they were in trouble, knowing that the people of Canada should be told, knowing that parliament should be informed, they remained silent until it was convenient for them to let the cat out of the bag.

[Mr. Alexander.]

When can warrants be sought? I will not be repetitious in this regard, but let me just point out that, as has been stated by those on this side of the House and by some hon. members on the other side, they can be sought when parliament is not in session, when payment is urgently required for the public good, when there is no appropriation for the payment, or the need for payment was not foreseeable when parliament was last in session.

I should like to state that parliament was dissolved on September 1, 1972, yet on October 5 a warrant was issued. I say, read between the lines.

There was a continuing situation from mid-August, yet they want us to believe that they had no idea of the unhealthy state of the fund, a situation which should have required them to make an immediate disclosure, to inform the House and the people of Canada. They say that it was not that bad. I cannot buy it. I understand that if the government had acted as it should have acted in the interest of the country, it would have asked for the issuance of Governor General's warrants for immediate payments, not anticipatory payments. Yet this is what the government did; they asked for $234 million, which was beyond what was required for immediate payments.

If parliament is not sitting, Governor General's warrants can be acquired when necessary. But the government cannot legislate by way of Governor General's warrants. The government could have asked for warrants as time and circumstances demanded, but instead they went too far. A special warrant cannot be granted when the legislative authority does not exist. It provides funds only for expenditures for which parliamentary authority exists. In the case of the two special warrants for the UIC account the case against granting warrants is even stronger, because under section 137(4) parliament expressly and succinctly provided that the total amount paid under the section shall not exceed $800 million.

What have they tried to do? They have brought in Bill C-124. We have already had some discussion about dealing with it in the other place in terms of one vote. What have they done? As I read the explanatory note of Bill C-124 as it applies to clause 2. I find these words:

This clause would provide that the appropriation described therein will not be treated as an appropriation referred to in paragraph 133(b) of the Unemployment Insurance Act, 1971, but instead will be dealt with as an advance, which is repayable with interest in accordance with section 137 of that act.

• (2050)

This means that section 23, as I understand it, relates to appropriations. Appropriations are grants. If this is a grant, then obviously the Minister of Finance would have to make some record with respect to his budgetary statements in the future. If it is a grant, then it comes from the general tax coffers. I respectfully submit that that is really what happened.

Notwithstanding the fact that section 23 refers to it as an appropriation, the government says, using tricky legal language, that it shall be deemed to be an advance. In other words, when we are through dealing with all the intricacies of the bill the ceiling will be wiped out, the sum of $454 million will be in the unemployment insurance account as an advance, which in turn means that employers and employees will have to carry the burden of the

mismanagement, miscalculation and ineptitude of the government.

An hon. Member: That is not so.

Mr. Alexander: My hon. friend says no. That is exactly what it means. This amount will go into the fund and on such terms and conditions as the Minister of Finance sees fit to make, the loan will be paid back. The only people interested in the fund are employers and employees; that is why the methods used by the government are so disastrous.

In conclusion, one would hope that the arguments that we on this side of the House have presented will not be misinterpreted. I think they have been; the responsible minister is nodding his head, saying either yes or no. But what we are trying to do is to bring to light what we believe is wrong, what we believe the government should be chastised for and for which ultimately they will have to account. It is as simple as that.

I close by saying that we do not intend to put up any more speakers on this side of the House. Our points have been made, so let us bring this matter to a vote.

Mr. Deputy Speaker: Is the hon. member for Winnipeg North Centre (Mr. Knowles) seeking to ask the hon. member for Hamilton West (Mr. Alexander) a question?

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker. My question is a legal one and is right up my hon. friend's alley. In view of the charge that there has been an illegal expenditure of money, can the hon. member for Hamilton West say whether, looking at section 137(4) of the Unemployment Insurance Act, the total amount of advances outstanding under this section exceeds $800 million?

Mr. Baldwin: The Auditor General has already said there was $980 million on December 22.

Mr. Alexander: Mr. Speaker, it appears as a result of information received that the answer to that question is yes.

Mr. Deputy Speaker: Order. Is the hon. member seeking to ask another question?

Mr. Alexander: No, that is all he is going to get. I thought he had a good question, but now he has been stamped on he wants a second go.

Mr. Knowles (Winnipeg North Centre): All I can say is: chicken!

Mr. Baldwin: May I ask the hon. member for Hamilton West a question!

Some hon. Members: Oh, oh!

Mr. Pelletier (Hochelaga): He said he did not want any more.

Mr. Deputy Speaker: Order. The Chair will permit a question, but I would ask hon. members to abate their excitment sufficiently to allow some of these exchanges to work their way to the front.

Mr. Baldwin: Would the hon. member for Hamilton West advise the House whether in a public statement the Auditor General said that on December 22, 1972, there were $982 million of advances received by the Unemployment Insurance Commission, some $180 million higher than the $800 million ceiling that was set?

Mr. Alexander: To the best of my knowledge, yes.

Mr. Deputy Speaker: Order, please. I have a great suspicion that those remarks were made, but for some time the Chair has been trying to divide the debate that has been going on in committee from the debate that has been going in the House. Earlier in this sitting the hon. member for Yukon (Mr. Nielsen) proposed the following motion:

> That the motion be amended by deleting all the words after "That" and substituting therefor the following:
>
> "this House, noting that by clause 2 of Bill C-124 the government proposes to change the law so as to burden the present and future workers of Canada and their employers with the payment of the sum of 454,000,000 dollars to the detriment of the unemployment insurance plan; and further noting that the government thereby would avoid having to account for this sum in its statement of budgetary revenues and expenditures for the present fiscal year; and further noting that the government thereby would avoid having to seek supply for this sum from parliament as a budgetary expense and to propose ways and means by which this sum might be raised by additional taxation upon individual and corporate taxpayers, as the law presently requires, resolves that Bill C-124 be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Miscellaneous Estimates."

By the indulgence of the House, the question of the validity of the motion was put aside in order to deal with another point. There is a standard form of amendment to the effect that the subject matter of a bill may be referred to a standing committee. This motion, the Chair suggests, should be in a pure form and should not contain assertions which could only be considered points for debate. However, other matters are set forth in the motion and they make the motion unacceptable.

As Mr. Speaker ruled on January 26, 1971:

> It is not a reasoned amendment. It is largely a deviation or a change from the old established form of amendment which provides that the subject matter of a bill or a motion before the House be referred to a special committee or a standing committee. What I believe is objectionable from a procedural standpoint in connection with this proposed amendment is that it goes into the details of the bill.

I also have some reservations about the suggestion that the bill should be referred to the Standing Committee on Miscellaneous Estimates, but I have made my ruling on the point I first referred to. I now call on the hon. member for Winnipeg North (Mr. Orlikow).

Mr. Nielsen: Mr. Speaker, if you will permit me to speak to your ruling for a moment, the hon. member for Winnipeg North Centre (Mr. Knowles) indicated, as did the government House leader, when we were discussing the point of order that had the verbiage, as it was referred to, been stripped from the amendment it would have likely been in order. Hon. members of this House know that I am very non-partisan in these matters. However, the amendment would be really meaningless if the truth were stripped from it, so I shall not ask for the indulgence of the House to remove those words.

Unemployment Insurance Act

• (2100)

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the proposal before us calls for the removal of the ceiling on advances under section 137 of the Unemployment Insurance Act; it removes the limit of $800 million. We in this party intend to support that proposal because we believe it is necessary, just as the warrants for the period from January 4 to February 7 were necessary. If unemployed people have qualified for unemployment insurance benefits, they are entitled under law to those benefits.

We have heard a number of speeches from the hatchetmen in the official opposition including the hon. member for Yukon (Mr. Nielsen). In the 11 years I have been here, in all the times he has brandished his hatchet only once did it accomplish what he intended. I remember rumours and stories about bankruptcies in Quebec, but when the chips were down the hatchet disappeared because the hon. member could not produce the evidence. Similarly with his speech today; it provided little evidence.

Members of the official opposition have argued that the warrants were illegal and that this bill is needed because the government has acted illegally. I am not going to deal with the legal aspects because my colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), dealt with them in his speech last night in a way in which I could not possibly duplicate. He demonstrated to anybody who wanted to listen that not only were they legal but that the action the Conservative government took when it was in power was much worse than anything this government has done. I noticed that the hon. member for Peace River (Mr. Baldwin), who argued some of the supposed constitutional and legal points, disappeared while the hon. member for Winnipeg North Centre was speaking. Perhaps when he realized the hon. member's argument was so powerful he decided not to stick around.

We intend to support this bill because we want the unemployed to receive their benefits. We have heard a great deal from the hon. member for Hamilton West (Mr. Alexander) about being married to the government because we are supporting this bill. Let me say to the hon. member, who has quite a few unemployed in his constituency who want their benefits, that when the government brings forward Bill C-125, which is going to make the qualification for unemployment insurance benefits much more difficult—

Mr. Lambert (Edmonton West): They are not going to bring it forward.

Mr. Orlikow: —we are not going to support that bill. The Conservative party has talked consistently about the need to tighten up the regulations. If they support that bill we will then see who is in bed with whom at that time. The hon. member for Hamilton West and other members of the official opposition who have spoken have expressed surprise and concern that the fund is so much in the red. They say the government should have known this. Of course the government should have known, but a government which has been so wrong on every economic matter—

Mr. Benjamin: Stupid.

[Mr. Nielsen.]

Mr. Orlikow: A government that has been so stupid, as the hon. member for Regina-Lake Centre (Mr. Benjamin) says—

An hon. Member: You have supported them.

Some hon. Members: Oh, oh!

An hon. Member: Why doesn't that sheep from Burlington shut up.

Mr. Orlikow: I do not mind his interjections because the more he interjects, the more stupid he appears on the record. A government that has been so wrong in the last four years about the economic situation in this country had to be wrong about this situation.

In December, 1969, when unemployment was a good deal lower than it is now, both in percentage figures and in total numbers, the Prime Minister (Mr. Trudeau) said the major concern in the country was the rapidly rising cost of living and he was going to stop that by slowing down the economy. He succeeded brilliantly: in 1970 we had a cost of living increase of about 2 per cent. Of course, the rate of unemployment, as we had predicted, went up very substantially and has been going up ever since.

What member who has been here from 1968 does not remember the speeches we heard from the former minister of finance? He was rewarded for the brilliant job he did by being appointed president of the Canadian Transport Commission. Month after month as Statistics Canada brought out the unemployment figures the minister stood in his place and told us that prosperity was just around the corner. He said the government was instituting a program which would see unemployment begin to fall.

On one occasion—I do not have the quotation here—the then minister of finance challenged the Leader of the Official Opposition to resign if unemployment was not below 5 per cent by the end of the year. Of course, that did not happen. I remember the minister's first speech after he was appointed in which he said he did not want to deal with the mundane and routine numbers game. He said as far as he was concerned any unemployment was too much and what he wanted was full employment. He did not succeed. In fact, things are worse than they were under the former finance minister.

We on this side of the House began in 1969 to say that the government's policies were wrong. We said then, as we have said since, that what the government should do is follow an expansionary policy in order to put people back to work. Our advice was ignored. After the former minister of manpower and immigration left office he said it would have been a lot better had the government asked for the resignation of some of its top economic advisers. If there ever has been a government that received bad advice, it is the government we have had since 1968. That government has been wrong about unemployment ever since the Prime Minister took office.

This government promised that unemployment would be reduced, when in fact it has steadily gone up. That is the real reason the unemployment insurance fund is in financial difficulty. I will refer in a moment to the position taken by members of the official opposition in that

regard. It is amazing how people can be wise after the event. Members of the official opposition said they knew all along that the unemployment insurance bill was a terrible bill.

It seems to me that the director of the Canada Council on Social Development is preaching for a call as the deputy minister of national health and welfare under a Conservative government. He says now that the Unemployment Insurance Act is a disaster, but when that bill was first being discussed he praised it to the hilt. We are now hearing from the Auditor General, another friend of the official opposition, about what should have been done.

The real reason the fund is in trouble is that we have had in almost every month of the last three years more than 6 per cent unemployment on a seasonally adjusted basis. When the Unemployment Insurance Act was being amended, the government said the premiums it proposed employees and employers would pay would keep the fund solid provided unemployment remained at 4 per cent or less, and if it went over 4 per cent the government would pick up the deficit in the fund. When that bill was going through parliament and the committee, the unemployment rate was 6 per cent and it has remained at 6 per cent or more every month since then. Is it any wonder that the fund is now in a deficit position? Of course it is in a deficit position if the premium was set too low to meet the cost of carrying the fund when you have 6 per cent unemployment. That is the real reason the fund is in trouble.

• (2110)

But the official opposition want to get rid of the government. They want to take over. I cannot blame them. That is part of the political game. We all want to get more support, more power for the parties we represent. What I resent is that members of the official opposition are trying to play both sides of the game. They are trying to cater to a backlash which they detect and which, unfortunately, is present, a backlash against welfare and unemployment insurance, and at the same time they do not have the guts to do what they ought to do if they mean what they are saying—that is, to vote against the bill. They know that if this bill is not passed the unemployed will not get their benefits, and they are certainly not prepared to face up to that responsibility.

What were the criticisms of the hon. member for Hamilton West and others who say that the act was a disaster? I say that what they criticized played a very minor role in the deficit with which the fund was faced. They suggested that instead of qualifying after eight weeks of employment, people should work a minimum of 12 weeks before qualifying for benefit. I suggest that the number of people who are drawing benefits after eight weeks is relatively small and that the amount of money which they get has very little effect on the fund.

They also object to the sickness provisions. I note that that great humanitarian, Mr. Baetz, the executive director of the Canadian Council on Social Development, also suggests that the sickness provisions should not be in the bill. But what does Mr. Baetz suggest as a solution for the people who are sick? He says let them be included in the provincial medicare plans. Mr. Speaker, all Members of Parliament know how short of money all provinces are and there is not the slightest chance that the provinces would agree to pay sickness benefits to people who are unemployed. Mr. Baetz is simply suggesting that we cut those people off unemployment insurance benefit and let them look after themselves. That is a great approach from somebody who is supposed to give leadership in the welfare field. What about maternity benefits?

Mr. Baetz also pointed out that certain groups of workers do not work long enough ever to pay unemployment insurance premiums to cover the amount which they will draw. He is right, Mr. Speaker. But who are those people? The main group I can think of comprises the fishermen on the east coast. I would like to know whether members who represent the fishermen in the maritime provinces, most of them Conservatives, agree with their friend Mr. Baetz. Do they want the fishermen cut off? Mr. Baetz says the fishermen should get the help they need from provincial or local welfare organizations. I am not a resident of the maritime provinces but I know something about the less than generous rates paid to people on welfare in the most prosperous provinces and I am sure the maritime provinces, with their financial difficulties, are not in a position to be very generous.

It is not often I agree with the hon. member for Hamilton West, but he did say one thing with which I must agree. Yes, Mr. Speaker, the government should have known in August that the fund would be in trouble. I join him in his criticism of that. Yes, the government should have had parliament deal with it then, and it did not; parliament was dissolved. Now we have questions here and in the committee about whether the Governor General's warrants were genuine to meet unemployment insurance benefits from January 4 to January 11. There are questions about whether those warrants were proper and legal. We had the Auditor General suggest that there was no need for the last warrant because parliament was meeting on January 4, and the first day it met a bill should have been introduced by the government in order to provide the money.

I can just imagine the howl of rage that would have come from the official opposition when parliament met on January 4 if the government, before it introduced the Speech from the Throne and had a vote which demonstrated that it had the confidence of the House, had introduced a bill to provide money for the unemployment insurance fund. We would have had a fantastic number of speeches from members of the official opposition telling the people of Canada that the government was not following the tried and true rules of the parliamentary system.

I agree that the government should have known better about the financial needs of the fund, just as for four years or more we said that the government should have known better about the number of people who would be unemployed.

An hon. Member: Why are you supporting it?

Mr. Orlikow: Because I want the people who are unemployed in my city, in Toronto, in Hamilton, in Halifax and in every other city and village, the people who have paid their unemployment insurance premiums and have qualified to receive benefits under the act which is now the law of the land, to get their benefits. Like every Member of

Parliament, I get telephone calls and visits from constituents every day of the week. I said in committee, and I say it again tonight, that Winnipeg is not a city which has the highest rate of unemployment. I guess I am pretty lucky; I get only two or three phone calls a day. My colleague from Nickel Belt tells me he is dealing with 50 cases a week, and Conservative members from the Maritimes tell me they have a hundred or more cases every week. I want those people to get the money to which they are entitled. I do not want them to do what one of my constituents told me today he had to do when he did not receive the benefits he was entitled to for eight weeks; he had to sell a savings bond. That man should receive the benefits to which he is entitled and which he needs.

Yes, the government was wrong. Yes, the government was stupid. I might even agree with the hon. member for Hamilton West that the government has been somewhat devious about the matter. But now the crunch is here. Are the unemployed who are entitled to benefits going to get their benefits or not? This bill will ensure that they will get their benefits. I have no hesitation in, nor am I the slightest bit ashamed of voting in favour of it. Members of the official opposition can call me any names they want. I am going to do whatever is necessary to see that people who are unemployed and who are in real difficulty get what they are entitled to by law, and I will leave it to members of the official opposition to play politics with this very serious situation.

• (2120)

Hon. Bryce Mackasey (Verdun): Mr. Speaker, I assure you that I do not intend to be involved in arguments as to whether warrants were issued legally or illegally, whether this or that section applies or does not apply, because that should not even be part of the present debate. The present debate is on whether or not a particular section of the Unemployment Insurance Act should be deleted in order that the act may function better in future. The question of whether the warrants are legal or illegal is for another body to decide. What we have succeeded in doing in this debate is to prejudge the report that will inevitably be made by the miscellaneous estimates committee. That should not be done and is something the Speaker quite properly prevented yesterday.

I hoped when I spoke in the throne speech debate that that would be my last speech. I tried to be reasonable and tried not to be partisan. I do not think I was. But it was very obvious to me, listening as I did yesterday and this evening, that the hon. member for Hamilton West (Mr. Alexander) who played such an important part in the formation of this bill still does not understand the purpose of the $800 million.

Some hon. Members: Oh, oh!

Mr. Mackasey: He spoke of a deficit. When he talked of the deficit, that shows that he still does not understand. I am going to try to explain it to him in very simple language so that once and for all he will understand what is the meaning of the $800 million.

Some hon. Members: Oh, oh!

An hon. Member: Why didn't you listen.

[Mr. Orlikow.]

Mr. Mackasey: I have been listening. I have always tried to listen; that has been one of my traits. I am not afraid to debate on another occasion why we were so grossly out in the estimates.

Mr. Paproski: That is not what you said on television.

Mr. Mackasey: What is the purpose of the $800 million? If one could sit and visualize how the unemployment insurance plan is funded or financed—

Mr. Lambert (Edmonton West): It was not funded, that is the trouble.

Mr. Mackasey: —it would be very simple. The cost of benefits and of administration in unemployment rates of between zero and 4 per cent is borne by the employers and the employees of Canada and that is reflected in the weekly contributions they make. These vary from year to year and I believe the present minister properly raised them, according to the act, to approximately $1 per hundred. That, I think, is the employee's contribution at the moment and that of the employer is slightly higher.

The hon. member for Hamilton West should remember that when we were before the committee we allowed for privisions for the adjustment of that rate based on a three-year moving average. Since the cost of that particular part of the scheme relating to unemployment between zero and 4 per cent will vary very little unless certain factors are changed, for instance unless rates of unemployment change up or down or the cost of administration changes slightly, we can almost perfectly predict for a five-year period what those particular contributions shall be. As the work force grows and as this cost remains fairly stable, it is very obvious that sooner or later the annual contributions of the employer and those of the employee will drop.

Mr. Alexander: That is another prediction.

Mr. Mackasey: In addition, there is no fund. Hon. members keep using that word. The purpose of the act is not to tie up, as we did in the old days, $500 million or $800 million or $900 million. When the Tory government in 1958 took power there was $980 million in the fund; when they left there was less than $200 million.

Mr. Nielsen: And now there is nothing.

Mr. Mackasey: There is no fund and it was never intended that there should be. That is exactly the point, and hon. members still have not understood it. They do not understand it, either because they are stupid or because they do not want to.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Mackasey: The point is that the opposition critic should know exactly why I am saying that the law provides no obligation with respect to a fund. This the hon. member for Hamilton West failed to point out. On the other hand, if there is a surplus as a result of more employer-employee contributions, that must be reflected by law in the rate that is assigned to employers and

employees in the following year. So, the purpose is not to accumulate funds, not to keep huge surpluses or acquire huge deficits year by year; the purpose is to adjust the contributions of the employer and employee so as to finance the benefits that are available between zero and 4 per cent rates of unemployment.

Mr. Lambert (Edmonton West): That is welfare and not insurance at all.

Mr. Mackasey: The hon. gentleman has just stated his philosophy. He is against welfare and against the poor.

Some hon. Members: Oh, oh!

Mr. Mackasey: Mr. Speaker, I am not interested in being diverted by attacks on the poor.

Some hon. Members: Oh, oh!

Mr. Mackasey: I want to explain something—

Mr. Lambert (Edmonton West): Go ahead by all means.

Mr. Mackasey: I want to explain something, and if you want to learn something you might just listen.

Some hon. Members: Oh, oh!

Mr. Mackasey: The cost of benefits that come into play at unemployment rates over 4 per cent—I am talking of the extended period—and the sickness and maternity benefits, the help to fishermen, and so on, is borne by the government. That particular provision is nothing more than a commitment by the federal government to absorb that cost since, in the final analysis, it is responsible for keeping unemployment to tolerable levels in this country. At least we have had the courage as a party, despite high unemployment, to recognize our obligations to the unemployed and to assume them by introducing what I still maintain to be the most progessive unemployment insurance plan in the world.

Some hon. Members: Hear, hear!

Mr. Mackasey: To illustrate, let us just visualize for a moment a business. There are many businessmen here, many honest economists and also, I hope, open-minded people and they are listening. If you can visualize a business that as it sells its products is not paid in cash but accumulates accounts receivable, you can understand what the purpose of the $800 million is. The contributions of employers and employees are paid at the same time as the moneys are sent in for income tax and the Canada Pension Plan. Those moneys are transferred to the department dealing with unemployment insurance from the Department of National Revenue which has the responsibility of collecting it.

Large companies make bulk payments and the Unemployment Insurance Commission accumulates accounts receivable. The purpose of the $800 million is nothing more than to lend the Unemployment Insurance Commission the cash to finance its accounts receivable, including those from that large debtor which happens to be the government of this country. So hon. members have completely misunderstood the purpose of the $800 million. It is to finance accounts receivable. It is to finance the revenues of the commission and to finance what is paid out week by week as unemployment fluctuates from region to region.

Mr. Stanfield: We understand that.

Mr. Mackasey: However, Mr. Speaker, experience indicates that $800 million is not sufficient to finance the accounts receivable that are accumulated by the Unemployment Insurance Commission—

Mr. Nielsen: Why was the ceiling put on?

Mr. Mackasey: —so that section is better struck out of the act.

Mr. Nielsen: Why was the ceiling put on?

Mr. Mackasey: Why was the ceiling put on? In all probability, to avoid the necessity of trying to predict rates of unemployment in this country. I will be honest. That should please you people on the other side because, confidentially, for the last six weeks, and during the election campaign you tried to become the party in power by riding to power on the backs of the poor, and you are not going to do it.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Nowlan: We are going to ride in on your backs, that's what we will do.

Some hon. Members: Oh, oh!

Mr. Mackasey: Mr. Speaker, my role has not been the easiest one in this country.

An hon. Member: Don't speak like a demagogue.

Mr. Mackasey: I at least will walk out of here with the integrity with which I came here ten years ago, which is more than some of those who are trying to speak out of both sides of their mouths can say.

Some hon. Members: Oh, oh!

Mr. Baldwin: You are the people who created the unemployment.

Some hon. Members: Oh, oh!

Mr. Mackasey: The $800 million question has been constantly raised and constantly misunderstood. It is almost impossible to imagine how, collectively, one hundred or more people can be so stupid that no one understands the purpose for which the $800 million was put in the act.

• (2130)

Secondly, Mr. Speaker, unemployment insurance runs on a calendar year. We now know to the copper, according to the minister's statement, what it will cost in paid-outs. The minister's statement is worth reading. Hon. members should read it because it is factual. This plan has cost the Canadian people approximately $200 million. In fact, the

minister was specific to the copper. We do not yet know all the revenue. We will have to wait until the T4 slips are analysed some time this summer. The payments from companies and employees are in the revenue fund; they have to be separated by the Department of National Revenue and appropriated to the departments, including unemployment insurance.

All we have heard about all day is costs. There are ways of cutting costs. I have gone through them before. It is not too late now, at twenty-five minutes to ten in the evening, to make other amendments to cut costs so we will not need $800 million. I can review them as I did the other night. One hon. member said we should cut out self-employed fishermen on the east coast. Others have suggested that we reduce the benefits and increase the waiting period from eight weeks to twelve weeks or, as the Leader of the Opposition (Mr. Stanfield) suggested in supporting Reuben Baetz, 20 weeks.

Some hon. Members: Hear, hear!

Mr. Mackasey: Go to it, increase it to 20. Members opposite can explain this to the 300,000 or 400,000 people who will be eliminated from unemployment insurance. If you do that you will at least be consistent, but you cannot have it both ways; you cannot pretend you are concerned about the unemployed by voting for this if at the same time you say you are helpless with regard to bringing in amendments to the act. You can bring in amendments right now. Cut out the fishermen, the woodworker, the women's maternity benefits—

Some hon. members: Oh, oh!

The Acting Speaker (Mr. Laniel): Order, please. I am sure hon. members want to be fair to the hon. member who has the floor and, at the same time, to the Chair.

Mr. Mackasey: Mr. Speaker, the deficit for which the act provides adjustments in the employer-employee contributions, according to the figures the minister read the other day, is precisely $159 million. Hon. members must realize that almost two million people came on the rolls, under the guise of universality, at preferred rates of 40 per cent. This year this will be up to 80 per cent and next year it will be 100 per cent. Hon. members should realize the flexibility we have to adjust the rate a nickel or a dime. That is about all that will probably happen in the next five years. It will still be less than the $1.40 of five years ago.

It is obvious that the $160 million will be repaid to the government. The fund, as I suggested, will remain in relative balance. If at the end of the year there is an increase, this will be reflected in lower rates. If there is a deficit, there will be higher rates. It is in the bill. The hon. member for Hamilton West (Mr. Alexander) spent all his time on the bill, but he does not understand it. Don't blame the government. It was my responsibility to inform the government if I thought we were going to run out of money. I was informed by the appropriate officials in September that we could be in trouble by December if we were not careful. I am quite sure that in September I decided the cabinet should be notified.

There is something I did not like in the minutes of the miscellaneous estimates committee. Everyone so far in the debate has used the evidence from the committee. This will be my only reference. There was an attempt to drag into the political arena the chief commissioner of the Unemployment Insurance Commission, who is one of the hardest working people in this country.

Some hon. Members: Hear, hear!

Mr. Mackasey: There were members who had questions. Before he was given a chance to answer, the chief commissioner was asked whether his answer would be truth or fiction. That is an insult. The chief commissioner should have told that Member of Parliament that it is an insult to a senior civil servant to presume he would lie before a committee of the House.

Some hon. Members: Shame.

Mr. Mackasey: Mr. Speaker, I said I would not get involved in the committee hearings. However, I say to you that anything I have said in this House during the past ten years has been accurate. I would never deliberately mislead the House. I did not inform my colleagues, nor was I informed that it might be necessary or should have been necessary to obtain warrants during the emergency period when we came back to deal with the strike. I might have been irresponsible and I might have made a bad error in judgment, but the important point is that that is my responsibility, not the government's.

Some hon. Members: Oh, oh!

Mr. Mackasey: What is more important is the way the opposition has used this issue to try, as someone just said, to use the reactionary forces in this country while at the same time telling the unemployed, "We are your friends because we are voting for the $800 million." Don't vote for it. We don't need your support. We want you to be honest, consistent and men of integrity. If you do not believe in the cost of unemployment insurance, vote against it; that is all you have to do.

Some hon. Members: Hear, hear!

Mr. Mackasey: If members opposite think it is too costly, they should bring in the amendments I suggested. If they want to bring in amendments, we are quite prepared to lay them on the table. Why won't you bring them in?

Mr. Nielsen: There is no bill.

Mr. Mackasey: We will bring in a bill.

Mr. Stanfield: Bring it in.

Mr. Mackasey: The Leader of the Opposition said that if he had the opportunity he would reduce and remove some of the benefits in the present Unemployment Insurance Act.

Some hon. Members: Shame.

Mr. Mackasey: I am asking an honest question. The opposition are saying we should bring in a bill to change the present act so that we can put people back on welfare. We can bring back the $35 benefit which we had in 1960

when unemployment was even higher. The Leader of the Opposition knows the terrible rate of unemployment, the degradation and the loss of dignity of the people of Nova Scotia when he was premier of that province. It should be plainly on the record that the Leader of the Opposition did not get up to repudiate that statement. You cannot have it both ways; that is a lesson everybody in this House should understand.

The Acting Speaker (Mr. Laniel): Order, please. The hon. member for Cape Breton-East Richmond (Mr. MacInnis).

Some hon. Members: Shame.

• (2140)

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, all those Quebec members seem to know so much about Nova Scotia. Would the minister take the time, now that he has brought Nova Scotia into the picture, to tell us why and how he, as a former minister, could make the judgment that 10 per cent of UIC benefits belong to the people and not to the company? In other words, we will give the UIC 10 per cent and the government 9 per cent.

The Acting Speaker (Mr. Laniel): Order, please. The hon. member should not take advantage of a point of order to ask a question. If he wants to ask a question he should seek permission from the hon. member who has the floor. Also, the question cannot be asked in the manner in which it was asked by the hon. member because it is an argument.

Mr. MacInnis (Cape Breton-East Richmond): Mr. Speaker, I rise on a point of order which arises from your decision. I did not rise on a point of order; I asked the former minister for permission to put a question.

Some hon. Members: No.

Mr. MacInnis (Cape Breton-East Richmond): You did not hear me. Wait until *Hansard* comes out tomorrow. You will then see, also, that one of your ministers got caught because he was not listening.

The Acting Speaker (Mr. Laniel): Order, please. I wish to remind the hon. member that the Chair did not find the question to be proper as to form.

Mr. Mackasey: Mr. Speaker, if I were a bitter man, which I am not, maybe I would have risen on a point of order to point out that the hon. member called me a minister.

Some hon. Members: Hear, hear!

Mr. Mackasey: May I say this in conclusion: the $800 million is nothing more than a sum of money upon which the Unemployment Insurance commission can borrow from time to time for the daily operations which are necessary under the act and are accountable to government and to the people through the annual statement. Whatever they borrow is repayable to the government. The government in turn will pay its debt to the Unemployment Insurance Commission when it has tallied up some time in April or May, and that of course is the debt that results from the fact that unemployment at the present moment is over 4 per cent. I might must say that when the rate of unemployment gets down below 4 per cent—

Some hon. Members: When?

Mr. Mackasey: —and it will, the maximum benefit period will be 25 weeks instead of 52 weeks. The people on minor attachment will be limited to 18 weeks. which should please the opposition. In other words, we would be saving money, which is our concern, and the people will be back to work, about which everybody will be happy. But we cannot have it both ways, and I say this very sincerely. The act is costing more than anticipated for logical reasons which the minister mentioned.

In Canada there are 8,500,000 or more who are working and who are earning more money than ever before. This country is affluent and can well afford to pay the 90 cents or $1 a week to those who are less fortunate. If we cannot that is unfortunate, or if we do not want to that is even more unfortunate. But if we are going to reduce unemployment, and we will—and I say "we" collectively in this House because I do not think anybody particularly appreciates it—then in the interval we cannot do as the opposition has tried to do, ridicule the unemployment insurance plan; but it did not quite succeed because people came to their senses in time.

If they want to further emasculate the plan, they are not helpless. If they want to put a stigma on it, they are going about it the right way. But sooner or later sanity will prevail in the country.

Some hon. Members: Hear, hear!

Mr. Mackasey: People will then understand the Liberal party in the last election. Those who seek to exploit the poor will find out that the poor do not forget that easily.

Some hon. Members: Oh!

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Laniel): Order, please. The hon. member for Wellington (Mr. Hales) seeks the floor for the purpose of asking a question.

Mr. Hales: Mr. Speaker, I would like to ask the hon. member a question. He referred to the accounts receivable situation. Is it not a fact that the employers' and the employees' contributions are paid in by the fifteenth of the following month, throughout the year? Why is it, then, that the Department of National Revenue does not have a running record of the payments month by month, so we do not have to wait until the T4 forms are in?

Mr. Mackasey: Mr. Speaker, the hon. gentleman is, as usual, fairly accurate. There is a statute that says that the Department of National Revenue must accumulate these contributions monthly, and eventually they do get the unemployment insurance. But in the meantime we borrow from the $800 million. I do not want to suggest that this is just to finance the employer-employee side; it is also to obtain sums of money which the government owes. But we must not forget that unemployment insurance is taxable and substantial sums of money will be coming in as

the result of unemployment insurance being added to the regular income earned by the unemployed in the last eight or nine months in the year, which will form the basis of the T4 assessment and taxation. That extra revenue will come to the government and has to be calculated as part and parcel of the final and precise cost to the government of unemployment insurance.

The precise cost to the employer-employee fund is fairly well known. I have quoted it as $159 million. It is obvious that the $800 million is too low to finance day to day operations at a time when unemployment is running high, but more particularly when we are paying $68 a week rather than $51. If that was a miscalculation, it was a happy one because it reflects that the people who are working are earning a better salary than they ever earned, or that we predicted three years ago, under a progressive government.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, tonight we have listened to an impassioned defence of the indefensible by the former minister who was responsible to this House for the unemployment insurance fund. In many ways, much of what was said was, regrettably, irrelevant to the bill before us. There was a great deal of passion. I have listened to the hon. member in the past and I have found him to be great at this; he would confuse the issue with irrelevancies. If he wants to talk about the reaction of the poor, I invite him to come out to western Canada—he would not dare to—where the working people are the people who voted against this scheme.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Let us not have any more of this demagogic nonsense. We have tried to make fair criticism. Those who should hang their heads in shame are those who put the former minister out to dry on a clothes-line after they had wrung him out.

Some hon. Members: Hear, hear!

• (2150)

Mr. Lambert (Edmonton West): He was made the scapegoat for a collective decision of cabinet. If it were possible to refer to information that has come to us in another way, it would be easy to demonstrate that month by month, through statements made by the Minister of Finance, we had an indication as to the progression of advances to the fund. We did not have to wait until September to know that they were out; this was apparent in June. The statements were not tabled in July, or in August, or in September. Parliament was not sitting—how convenient! So it could be demonstrated, certainly before August, that the fund was in dire trouble and would soon go through the $800 million.

The attitude of government supporters, including those to my left, is that if we owe a debt to the fund—and of course we owe a debt to the unemployed; we have an obligation to pay them their benefits—then we have to pay that debt. But it matters not how you get the money. It is the same as if one of us owed $500 on an automobile or on a mortgage payment and got the money at the point of a gun and tried to justify it. Certainly that would be an illegal act. Or suppose we took it from somebody else's drawer; that too would be an illegal act. Such an act on the part of the government is contrary to a statute of parliament. They did not have the courage to come before parliament and the people of this country and admit they had mismanaged or misjudged affairs. Misjudged they certainly had.

The point we are arguing is this. The ceiling must remain because parliament is responsible under the act, not the cabinet. If there was ever a classic example of why there must be a ceiling, it is this particular occasion when the administration has been called to task to explain what it has done. The former minister, I think sincerely, advanced reasons for the action that was taken, but he has had to do it on behalf of the government.

We are told that if no ceiling is imposed then there will be an accounting to parliament. I ask, when? After the event, months later when the Auditor General's report comes out; and all that would greet the pecadilloes of the government at that time would be a big, big yawn. Since the government and its agencies are involved here, they must be accountable to parliament. This is why there must be a ceiling. There is no magic about the figure of $800 million, but there must be an accounting to parliament.

As for the other point, I will be frank. I regret to say it, but as a result of the decision that the Chair may feel compelled to render, firstly with regard to the amendment of my colleague from Peace River (Mr. Baldwin) and secondly with regard to the point of order raised by my colleague from Yukon (Mr. Nielsen), this House has been placed in an impossible and an illogical position. The adoption of the government's motion will mean that this bill will go to the committee that deals with labour matters. The committee will consider clause 2 which deals with item L30a in the supplementary estimates. That committee, unless of course it follows direction, will arrive at its opinion and will report to the House. This same item, by decision of the House, has been referred to the miscellaneous estimates committee and that committee is coming to its decision.

An hon. Member: When?

Mr. Lambert (Edmonton West): A bright one at the back of me asks when. Obviously he is not on the committee. There is an undertaking that the report will be here by February 2. The decision in that report may be different from the decision of the other committee. So there is the position, Mr. Speaker; the same item is being considered under two separate motions of this House, and there is no way that can be done. What might have been done was to split the bill and send item L30a to the miscellaneous estimates committee. But this House has been placed in an impossible position as a result of the action of the government. I suppose we shall have to face the consequences. I must confess that I think there were some fatal flaws in the reasoning that denied the point of order raised by my colleague from Yukon. Nevertheless, since I feel there must be a ceiling, I do not like this bill.

Some hon. Members: Question.

Mr. David Lewis (York South): Mr. Speaker, I know hon. members, myself included, would have liked to see the debate on this stage of the bill ended tonight.

Mr. Nielsen: Then let us vote now.

Mr. Lewis: I am sorry I want to take a minute or two, if I may, to say three things as simply as I can. The first is that the hon. member for Edmonton West (Mr. Lambert) entered into another fallacy when he said that we have to have a ceiling in the act in order for parliament to supervise the expenditures. I say to him that the opposite is the case. The ceiling in the statute enables the government to make advances without reference to parliament, whereas if there is no ceiling such money will have to be put in the estimates and parliament will have to consider and study such expenditure.

Mr. Speaker: Order, please. I have to interrupt the hon. member for York South. I have no alternative but to call it ten o'clock, unless there is unanimous agreement to continue.

Mr. Baldwin: Mr. Speaker, we would suggest that the debate continue and be concluded tonight.

Mr. MacEachen: Mr. Speaker, we are quite agreeable to allowing the debate to continue until the hon. member concludes his remarks, and then if it is the wish of the House we will stay to dispose of the second reading motion.

Mr. Lewis: Mr. Speaker, much as I might think of words that I want to utter, I do not think they are important enough for me to inconvenience Members of Parliament, and my remarks are ended.

• (2200)

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

Some hon. Members: Question.

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

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Andras) which was agreed to on the following division:

Division

(Division No. 8)

YEAS

Messrs:

Allmand
Andras
Basford
Beaudoin
Béchard
Bégin (Miss)
Benjamin
Blais
Blaker
Boisvert
Boulanger
Breau
Brewin
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caouette (Charlevoix)
Caron
Clermont
Corbin
Corriveau
Côté
Cullen
Cyr
Davis
De Bané
Demers
Dionne
Douglas
Drury
Dubé
Dupont
Dupras
Duquet
Éthier
Faulkner
Firth
Fleming
Foster
Fox
Gauthier (Roberval)
Gauthier (Ottawa East)
Gendron
Gilbert
Gillespie
Gleave
Godin
Gray
Grier
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Herbert
Hopkins
Howard
Hymmen
Jamieson
Jerome
Knight
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Lajoie
Lalonde
Lambert (Bellechasse)
Langlois
Laniel
Laprise
La Salle
Latulippe
Leblanc (Laurier)
Leblanc (Westmorland-Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Matte
McRae
Morin (Mrs.)
Munro (Hamilton East)
Neale (Vancouver East)
Nesdoly
Nystrom
Olaussen
Olivier
Orlikow
Ouellet
Pelletier (Hochelaga)
Pelletier (Sherbrooke)
Penner
Peters
Portelance
Poulin
Prud'homme
Railton
Reid
Richardson
Rodriguez
Rompkey
Rondeau
Rooney
Rose
Rowland
Roy (Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stewart (Cochrane)
Stollery
Symes
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—139.

NAYS

Messrs:

Alexander
Alkenbrack
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Blenkarn
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates
Cossitt

Division

Messrs:

Crouse
Danforth
Darling
Dick
Dinsdale
Ellis
Fairweather
Forrestall
Frank
Fraser
Gillies
Grafftey
Hales
Haliburton
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Hueglin
Hurlburt
Jarvis
Kempling
Knowles (Norfolk-Haldimand)
Kuntz
Lambert (Edmonton West)
Lawrence
MacDonald (Egmont)
MacDonald (Miss) (Kingston and The Islands)
MacInnis (Cape Breton-East Richmond)
MacKay
Macquarrie
Madill
Masniuk
Mazankowski
McCain
McCleave
McGrath
McKenzie
McKinley
Mitges
Muir
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Nowlan
Oberle
O'Connor
O'Sullivan
Paproski
Reilly
Reynolds
Ritchie
Roche
Schellenberger
Scott
Skoreyko
Stackhouse

Messrs:

Stanfield
Stevens
Stewart (Marquette)
Taylor
Thomas (Moncton)
Towers
Wagner
Whittaker
Wise
Woolliams
Yewchuk—92.

Mr. Speaker: I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Reid: On a point of order, Mr. Speaker, I wonder if there might be agreement in the House to postpone the "late show" this evening.

Mr. Forrestall: I don't know why.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It being after ten o'clock, this House stands adjourned until eleven o'clock tomorrow morning.

At 10.38 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, January 26, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

INDUSTRY

AUTOMOBILES—PRICE DIFFERENTIAL BETWEEN CANADA AND UNITED STATES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Speaker: I believe the hon. member for Oshawa-Whitby is seeking the consent of the House to return to motions for the purpose of proposing a motion. Is this agreed?

Some hon. Members: Agreed.

Mr. Edward Broadbent (Oshawa-Whitby): Thank you for your courtesy, Mr. Speaker. I rise to move a motion under Standing Order 43. The motion arises out of the revelation in an article in the *Financial Post* of tomorrow's date in which the president of General Motors of Canada asserts that the Minister of Industry, Trade and Commerce made no serious effort to get his company to bring down the prices of their automobiles.

The Minister of Finance, Mr. Speaker, specifically asserted that this year's 7 per cent reduction in corporation tax had better be reflected in lower prices for automobiles. However, the president of General Motors had anticipated that the Minister of Industry, Trade and Commerce would appropriately threaten the withdrawal of the tax reduction from the automotive industry, having said, "Hell, that's where the strength was."

Mr. Speaker: Order, please. I must interrupt the hon. member. He knows what the rule is. He should indicate what the motion is that he proposes to present to the House.

Mr. Broadbent: Mr. Speaker, I will move to the motion. If I may finish the quotation, the president of the company went on to say, "I kept waiting for Mr. Gillespie to bring up tax cuts on the phone, but he never mentioned them." Therefore, in view of the continuing unjustified price differential between North American cars sold in Canada and the United States, I move, seconded, by the hon. member for Nickel Belt (Mr. Rodriguez):

That this subject be referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Order, please. Before putting the hon. member's motion to the House I must again bring to the attention of hon. members my qualms and doubts as to the propriety of including accusations or charges in motions brought under Standing Order 43. Hon. members know that this Standing Order, as we have interpreted it in recent years, does not make it possible for other members whose conduct may be impugned in the statement made in proposing a motion under Standing Order 43 to be given an opportunity for reply. I would think the kind of statement included in the hon. member's proposed motion is a debate and I very much doubt that it is in order. Normally I would hesitate to accept the motion, but to save time and to avoid becoming involved in a long point of order I will ask whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

INCREASE IN WHOLESALE PRICE INDEX—EFFECT ON COST OF LIVING—MEASURES TO MITIGATE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs a question in light of the increase of 11 per cent in the wholesale price index in the past 12 months. May I ask the minister whether the government has made any projection as to the effect of an increase in wholesale prices of this magnitude upon the cost of living index and whether, in light of any such projection, the government is taking any special measures to mitigate the effect of this increase in wholesale prices on the cost of living other than establishing a committee of the House to study food prices?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the government is following the situation very closely. With respect to questions like this dealing with general trends in the economy, perhaps the Minister of Finance would be the more appropriate minister to whom to direct such questions.

Mr. Stanfield: Mr. Speaker, I apologize to the Minister of Finance for putting him on the spot at the request of his colleague. Can he tell us whether the government has made any projection of the effect of the 11 per cent increase in wholesale prices upon the cost of living index in the country and whether, in light of any such projection, which I assume it is the responsibility of the govern-

ment to make, the government is taking any measures to mitigate the consequential increase in the cost of living other than the establishment of a committee of the House on food prices.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will be able to go into that problem in more detail on an appropriate occasion. I have studied these wholesale price rises and also the industrial price index. One has accelerated a bit and the other has decelerated. They are still at higher levels than I would like to see and may well work their way through the retail index. I might say to the hon. gentleman that in the United States the wholesale price index of food rose at an annual rate of 14 per cent despite a price and wage control imposition during the period. This is a problem that needs solution in a number of ways, but I would not want to invite any suggestion in the House that I have in any way changed my mind either as to the inevitability or the appropriateness of price and wage controls to meet that situation.

Mr. Stanfield: Mr. Speaker, I appreciate what the minister said about the United States but we have to accept our own responsibilities. I was not asking about food prices. However, since food prices have been mentioned I would ask the Minister of Consumer and Corporate Affairs whether, in view of the 5.1 per cent increase in the wholesale food index last month, the government has met or is meeting with representatives of the food industry in order to devise methods that might be implemented immediately to reduce the impact of this increase upon the retail prices of food, or is the minister simply going to leave this to the committee?

• (1110)

Mr. Gray: I have not as yet contemplated the holding of such meetings. The Prime Minister has already pointed out the work on contingency planning which the government has been undertaking with respect to controls. Hopefully, the committee will begin meetings soon, and this subject can be gone into in depth in that forum.

Mr. Stanfield: In view of the extraordinarily complacent attitude of the two ministers toward this problem—

Mr. Speaker: Order, please. The Leader of the Opposition has the floor, of course, for the purpose of asking a question.

Mr. Stanfield: May I ask the minister whether he has yet had an opportunity to study the studies concerning food prices made by the Prices and Incomes Commission, with which he was not familiar when I asked him a question on the subject last week? May I ask him what studies have been done, and whether this work will be available to the committee of the House of Commons inquiring into the question of food prices?

Mr. Gray: I am not yet in a position to give further information to the Leader of the Opposition on this matter.

An hon. Member: What a sense of urgency!

[Mr. Stanfield.]

Mr. Baldwin: You had better plan for another contingency.

[*Later:*]

INCIDENCE OF TAXATION AS ELEMENT IN INFLATION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question I should like to direct to the Minister of Finance. In light of the information propounded in the questions of the Leader of the Opposition and the fact that the government does not appear to have taken much notice of the studies referred to by my leader, will he take into account in his budget presentation the principle enunciated by the Leader of the Opposition and supported by the Economic Council of Canada, that the very high incidence of taxation in this country is an important element in inflation?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I always take very seriously what the Leader of the Opposition says because of the high position he occupies in this House.

Mr. Muir: You will soon have that same position, John.

Some hon. Members: Oh, oh!

* * *

POLLUTION

OIL SPILL, ALERT BAY, B.C.—STEPS TO COPE WITH SITUATION

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Transport arising out of what is reported to be the largest oil spill yet on the coast of British Columbia, at Haddington Reef, near Alert Bay, involving the bulk carrier *Irish Stardust*. Would the minister tell us what is the extent of the pollution threat, and inform us of what steps his department is taking to cope with an emergency which appears to be one of disastrous proportions?

Hon. Jean Marchand (Minister of Transport): The accident to which the hon. member has referred is, indeed, truly a serious one, though I am not sure that it is the most serious one to date. We do not yet have all the facts at our disposal; we learned about the occurrence yesterday afternoon at approximately 1.45, if my memory is correct. The Department of Transport and the Department of the Environment are both presently looking into it. The hon. member knows that the ship is now in harbour, in fact, in drydock. The damage has already been done but it is not increasing at the moment. I am waiting for a comprehensive report so I can tell the House exactly what happened and to what extent property and beaches have been damaged.

Mr. Barnett: May I ask the Minister of National Defence whether he can inform us which elements of the forces at his disposal are assisting officials of the Department of Transport to cope with this situation?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the department is assisting. We have been fully informed of the oil spill but I cannot give the details of the exact number of personnel or the equipment being used.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question relating to the same matter. May I ask either the Minister of Transport or the Minister of the Environment whether they can inform the House as to what measures are being taken to contain this spill, clean up the damage and compensate those who have suffered, and what action is being taken against the offending ship?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, it would be a long list. A number of experts from several departments are in the area giving advice. Equipment is on its way or already operating on the beaches around Alert Bay. It is a serious accident and is being treated as such.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—AVAILABILITY OF ADDITIONAL FUNDS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the Minister of Finance.

Since the funds the Department of Manpower and Immigration has been provided with for the implementation of the Local Initiatives Program seem almost depleted, would the minister tell the House if he is willing to make additional credits available to the Minister of Manpower and Immigration so that he could be in a position to accept a larger number of projects in order to alleviate the unemployment problem?

Mr. Speaker: Order. Once again, I am under the impression that this question has been asked almost every day this week. However, if the minister is willing to answer it, I will recognize him.

Mr. Lambert (Bellechasse): On a point of order, Mr. Speaker,—

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

Mr. Lambert (Bellechasse): Mr. Speaker, it is precisely because the problem is most serious that this matter is so often brought back for consideration. I am very serious when I ask this question and I think the Minister of Finance is quite willing to answer even if it is only to give us a little hope.

Mr. Speaker: The Chair gave the Minister of Finance leave to answer that question a while ago. I do not object to the minister answering it but he himself has not deemed proper to do it. If he is willing to do so now he may have the floor.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am always ready to answer questions asked by my friend the hon. member for Bellechasse and as always I shall very seriously consider his representations.

* * *

[*English*]

FINANCE

INCREASE IN WHOLESALE PRICE INDEX—INQUIRY AS TO DISCUSSIONS WITH GOVERNOR OF BANK OF CANADA ON CHANGING MONEY SUPPLY

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Would the minister tell the House whether, in light of the recent statistics indicating an increase in the wholesale price index, he has had any conversations with the governor of the Bank of Canada with regard to changing the money supply?

Hon. John N. Turner (Minister of Finance): No, Sir.

Mr. Gillies: Does the minister intend to have such conversations?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I meet the governor once a week.

Mr. Gillies: Is it the position of the government that the rate of increase in the money supply has an effect on the rate of inflation in this country?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the rate of increase in the money supply in the early part of the year, as the hon. gentleman knows, was quite high. The recent rate of increase will bring the rate for the year 1972 somewhere between 12 and 14 per cent.

* * *

• (1120)

[*Translation*]

SOCIAL SECURITY

OLD AGE PENSIONS—ASSURANCE RESPECTING INCREASE

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Finance.

Can he give the House, as did his colleague the Minister of National Health and Welfare, the assurance that a substantial increase will be announced shortly in respect of old age pensions?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I always support my colleagues.

Mr. Wagner: Mr. Speaker, a supplementary.

Mr. Speaker: The hon. member for Saint-Hyacinthe will recognize that the question has already been asked. The Chair objected to it yesterday or the day before because the question anticipates a bill to be presented to the House in due course. In that sense the question is out of order. If the hon. member wishes to put a supplementary, he may do so.

Mr. Wagner: Thank you, Mr. Speaker.

Is the Minister of Finance aware of rumours reported this morning by Mr. Claude Lemelin in the newspaper *Le Devoir* that there is dissension in the preparation of his budget?

Mr. Speaker: The hon. member knows he cannot ask a minister whether he is aware of a report that may have been published in a newspaper. In those terms the question is out of order.

* * *

[*English*]

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—CANADIAN PARTICIPATION IN SUPERVISORY COMMISSION

Mr. David Lewis (York South): Mr. Speaker, I have one or two questions for the Secretary of State for External Affairs having to do with the dispatch of Canadian personnel as part of the international control and supervisory commission under the Viet Nam peace agreement. In view of the fact that Article 18 of the main agreement specifically states that the international commission of control and supervision shall be composed of representatives of four countries and then names them—Canada, Hungary, Indonesia and Poland—and in view of the fact it is rather hard to imagine that those countries would be named in the agreement without their consent, I would ask the minister whether Canada was approached for its consent and, if so, by whom, and was consent given to Canada being named in the main agreement as one of the four countries to participate in the commission?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as I have explained to the House previously, it was intimated to us that we might be called upon to be a member of the commission. We did not at that time give our agreement. We have taken the attitude, which I have explained many times in the House, that whether we were participants would depend upon the terms of the agreement and upon the terms of the protocol under which the supervisory commission would operate. We have received invitations from all four parties to the cease-fire agreement to participate. We have notified each of them of the announcement I made in the House of Commons and of the terms upon which we are prepared to participate.

Mr. Lewis: Mr. Speaker, there are one or two brief supplementary questions I should like to ask. Do I understand from the minister that Canada did not agree at the time it had an intimation and that despite Canada's failure to agree the parties to the agreement stated categorically that the commission shall consist of representatives of certain countries, including Canada? Is the minister telling us that the parties to the agreement included Canada despite Canada's failure to agree?

Mr. Sharp: Yes, Mr. Speaker, that is the situation. The parties to the agreement did include Canada notwithstanding the reservations I had expressed on behalf of the government. All four parties, not just the United States, are apparently very anxious that Canada should be a member. They knew of our reservations and conditions, and I have expressed them in this House and elsewhere and conveyed them to all the parties. Notwithstanding that, Canada was included. We have made a decision subsequently, of course, that if the agreements are signed in their present form we will participate for an initial period of 60 days.

Mr. Lewis: Mr. Speaker, I have one more supplementary question which follows clearly on what the minister has just said. The minister has informed the House on a number of occasions that Canada's agreement to be a member of the commission now is for a trial period of 60 days. May I ask him how that can be consonant with the provision in the agreement for the international control and supervisory commission that a member of the international commission may withdraw by giving three months' notice by means of a note to the four parties and I take that from Article 17 of the Agreement.

Mr. Speaker: Order, please. I suggest to the hon. member that that is argument or debate.

An hon. Member: Oh, no!

Mr. Speaker: The hon. member may disagree, but this is my opinion. The hon. member wants the minister to explain how one situation can be reconciled with another, how one is consonant with another. That is not seeking information; that is debate.

Mr. Lewis: I appreciate your comment, Mr. Speaker. Perhaps I might be permitted to rephrase my question? In view of the provision in Article 17 of the protocol dealing with the international commission that a member of the commission can withdraw only by giving three months' notice, has the government an assurance from the parties to the agreement in Viet Nam that they accept our 60 day notice rather than three month's notice?

Mr. Sharp: Mr. Speaker, we have had no intimation from any of the parties to the agreement or any of the other proposed members of the commission that we would be unacceptable for a period of 60 days. To be quite clear about this, as soon as the agreements are signed in Paris I shall be sending a note confirming this in writing so that there is no possibility of any confusion.

CYPRUS—REPORTED POSSIBILITY OF CIVIL WAR—INSTRUCTIONS TO COMMANDER OF CANADIAN ELEMENT IN PEACEKEEPING FORCE

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of National Defence. In view of the AP dispatch from Cyprus to the effect that a civil war may break out on that island momentarily, and as Canada has a peacekeeping force on that island of some 600 men, would the minister advise the House what reports he has received from the commander of the Canadian force in Cyprus on that matter and what instructions he has given his commander to be followed in case civil war does actually break out?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, we have had reports of some disturbances in Cyprus, but our information is that they are of the order of student demonstrations and are perhaps related to the forthcoming general election. They are not disputes between the Turkish and Greek Cypriots. They are disputes between two factions of Greeks. Therefore it is really more a matter for the police in Cyprus and not part of our peacekeeping role.

VIET NAM--CONTINGENCY PLANS FOR CANADIAN ELEMENT IN SUPERVISORY COMMISSION IF CIVIL WAR BREAKS OUT

Hon. George Hees (Prince Edward-Hastings): Has the Canadian government a contingency plan to be followed by the supervisory force which will be leaving shortly for Viet Nam in the eventuality of a civil war in that country breaking out after the cease-fire commences, particularly after American forces have been completely evacuated from Viet Nam? If so, would the minister advise the House what that contingency plan is?

Hon. James Richardson (Minister of National Defence): Yes, Mr. Speaker. We have given very serious consideration to the safety of our personnel, and in the event of hostilities being renewed we have not one but more than one contingency plan which would enable us to evacuate all Canadian personnel from Viet Nam.

* * *

CAPITAL PUNISHMENT

NUMBER OF CONVICTED MURDERERS NOW IN JAIL

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I have a question for the Solicitor General. Earlier in the week I asked him about the commutation of sentences of people who were charged and convicted of the murder of police officers. I have a list of 12 commutations by order in council since January 4, 1968. I should like to ask the Solicitor General—this is a serious question which might affect the length of the debate on capital punishment—whether there is anyone now incarcerated in any institution in Canada for whom all the processes of law have been completed and who stands convicted of capital murder at the present time?

Hon. Warren Allmand (Solicitor General): There are two cases of people who have killed either a policeman or a prison guard and who have been convicted, but appeals are still open to them and they have not yet approached the Solicitor General or the cabinet for commutation.

• (1130)

Mr. Woolliams: Mr. Speaker, I think I know the answer to my question, but I want to make this clear. After all due processes of the law have been completed—when I say "due processes of law" I mean the trial, the court of appeal of the province, the Supreme Court of Canada, or any other proceedings whereby a man might get a new trial—is there anybody now incarcerated in an institution for whom all the procedures have been completed, and who is now subject to capital punishment, because this might affect the length of the debate itself?

Mr. Speaker: Order, please. I suggest to the hon. member and to the minister that we are anticipating a debate. The hon. member has said that the answer to this question might have an effect on the length of the debate, but we have not yet reached that stage. I gather that there will be such a debate later today. The question might be asked when the minister has the floor later this morning, but having allowed him to reply to the first question perhaps he might reply to the supplementary.

Mr. Allmand: To the best of my knowledge, Mr. Speaker, there are no people in that category, but I will check it to make sure.

Mr. Woolliams: Mr. Speaker, I wish to direct a supplementary question to the Prime Minister. In light of the fact that since January 4, 1968, we have had complete abolition of capital punishment, *de facto* if not *de jure*, why is this bill now before the House of Commons and not some other bill affecting the economy of the country?

Mr. Speaker: Order, please. The hon. member for Kingston and The Islands.

* * *

INDIAN AFFAIRS

RIGHTS OF NORTHERN QUEBEC INDIANS—INQUIRY AS TO PRESENTATION OF STATEMENT BY GOVERNMENT AT HEARINGS ON JAMES BAY HYDRO PROJECT

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is directed to the right hon. Prime Minister. In light of the great concern of Canadians and the clearly defined constitutional responsibilities of the federal government, which bind the government to protecting the Indian people, can the Prime Minister tell the House when the government will present a statement to the interlocutory injunction hearings on the James Bay hydro project, outlining the government's position on the rights of Northern Quebec Indians?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this has been stated by the Minister of Indian Affairs and Northern Development, and I believe that the Minister of Justice has also indicated that we had representatives present at those hearings. I know of no statement to be made by the government.

Miss MacDonald (Kingston and The Islands): Am I to understand then that it is the policy of the government not to declare any formal position with regard to the rights of the native people affected by the James Bay development project?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I think it would not be appropriate in any case for us in this House to comment at this point upon the proceedings which are occurring in a court.

Mr. Hees: What are you going to do?

Mr. Lang: We are, in fact, not involved directly in the proceedings. The Minister of Indian Affairs and Northern Development has, of course, a very close working relationship with the people whose rights are involved, and they know where he stands on that issue.

Miss MacDonald (Kingston and The Islands): Mr. Speaker, I direct a supplementary question to the Minister of Justice. Is the government aware of the resolution of the National Indian Brotherhood and its member organizations which supports the Indians of Quebec Association in their quest for a clear government statement and, if so, when will the minister be making such a statement in response?

Mr. Lang: Mr. Speaker, I would like to refer the hon. member to some of the very clear statements the Minister of Indian Affairs has made.

Mr. Stanfield: Come off it!

Mr. Lang: I will be glad, since some of them—

Mr. Hees: Name one.

Mr. Lang: —appear in *Hansard* and were made before the hon. member was elected to the House, to ask the department to send copies of some of them to her.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a supplementary for the right hon. Prime Minister.

Can he assure the House that he is giving full consideration to the importance of this project and that the province of Quebec may be assured of the government's taking into account its rights and its legal capacity to carry on with the project?

Mr. Trudeau: Mr. Speaker, the substance of the statements to which the Minister of Justice has just referred is that we did not want to be paternalistic in that area. The Minister of Indian Affairs and Northern Development has always assisted the Indians and has never attempted to dictate his own policy. That is still the attitude to which the minister referred. I shall add that our position is the same as concerns Quebec: we do not want to be paternalistic in our relations with this province.

[*English*]

ABORIGINAL RIGHTS—REQUEST FOR DECLARATION OF GOVERNMENT POSITION

Mr. Erik Nielsen (Yukon): Mr. Speaker, I direct a supplementary question to the Prime Minister. Since there has been no clearcut statement by the Minister of Indian Affairs and Northern Development or anyone else in the government with respect to the aboriginal rights of the Indian people, and having in mind the urgency of the matter and the imminence of the Mackenzie Valley pipeline that has been referred by the Minister of Energy, Mines and Resources, will the government come out now, on the threshold of possible future legal proceedings, and declare in favour of some aboriginal title and land rights for the Indian people of these areas?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I might disagree with the premise of the question, there has, of course, been a very clear statement by the government on the question of aboriginal rights. It was made in the House of Commons at the time of the publication of the policy paper on Indian affairs, and it was wholeheartedly supported by the spokesman for the Conservative party and the speaker on behalf of the NDP at the time.

Mr. Nielsen: Rubbish.

Mr. Trudeau: If the hon. member looks it up in *Hansard* he will see that the rubbish is all in his own mind.

Mr. Speaker: Order, please. A number of hon. members are seeking to ask supplementaries but we will soon be running short of time. Unless we go to another subject we will again find ourselves covering only four or five subjects during the whole question period, and again those who suffer will be our hon. friends in the fourth and fifth rows to my left. I wish we could agree to give them a chance occasionally.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a very brief supplementary to the Minister of Transport. In view of the minister's responsibilities under the Navigable Waters Protection Act, can he tell us how many licences have been issued under that act for the construction of bridges and other projects in relation to the James Bay development?

Mr. Speaker: Order, please. The hon. member knows that a question such as this one should be placed on the order paper.

JAMES BAY HYDRO DEVELOPMENT—COMPLIANCE BY QUEBEC WITH TERMS OF AGREEMENT TRANSFERRING TERRITORY TO PROVINCIAL JURISDICTION

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I would like to address a question either to the Prime Minister or the Minister of Justice which neither the Minister of Indian Affairs and Northern Development nor any other minister has answered in previous sessions. Has the government of Canada asked the government of Quebec to comply with the terms of the agreement under which these territories were transferred to the jurisdiction of that province?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I would like to take that question as notice. I have been pulling a number of the ends together on this whole question in the last few days. I had a meeting with some of the Indian people from the James Bay area and members of the Quebec Indian Association a few days ago. I agree with the hon. member that is a very serious question. The Minister of Indian Affairs and Northern Development, although he is now in hospital recuperating, is giving this matter his most serious attention.

[*Translation*]

ENERGY

NATURAL GAS—NORTHERN PIPELINE PROJECT—INQUIRY RESPECTING ROUTE

Mr. Gérard Laprise (Abitibi): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources.

May I ask the minister whether studies have been or are being made with a view to developing the natural gas deposits that were found last year on Melville and King Christian Islands, and also whether a survey has been made of the route to be followed by the pipeline to bring this natural gas down to the consumer market?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the companies concerned, Panarctic Oil and Tenneco, are now involved in a study on the viability of such a pipeline from northern to central Canada. At this stage, the government has not commissioned any studies on this matter, but we are looking forward to the results of the studies made by the companies involved.

* * *

[*English*]

TRANSPORT

TRANSFER BY VOLKSWAGEN TO HALIFAX FROM SAINT JOHN FOR IMPORTING OF CARS—INQUIRY AS TO GOVERNMENT SUBSIDY AND RAIL RATES

Mr. Tom Bell (Saint John-Lancaster): Mr. Speaker, I wish to direct a question to the Minister of Transport of which I gave him notice sometime ago. Has the minister had a chance to check into equalization of Canadian National rail rates at Halifax compared with Canadian Pacific rates at Saint John in connection with the recent car import contract? Can he say whether there is any government subsidy involved, and also can he say that the rates are compensatory?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, as far as I can remember the hon. member talked to me or wrote to me about Volkswagen changing its location from Saint John to Halifax. I do not think this has anything to do with the freight rates. I think it has something to do with the space that can be offered to Volkswagen at Saint John. Apparently the National Harbours Board was not in a position to supply the land required by Volkswagen. They signed a two-year contract and I assume that after that they will reconsider their position if the land is available at Saint John.

• (1140)

Mr. Bell: I appreciate the detailed answer the minister gave. Will he assure the House that the National Harbours Board will continue to play a big part in the port of Saint John and not downgrade the port, because that may now happen in the opinion of many people?

Mr. Speaker: Order, please. That is a representation.

CANADIAN COASTGUARD

POSSIBILITY OF TRANSFER OF COLLEGE FROM CAPE BRETON TO OTTAWA

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Transport. May I ask the minister whether officials of his department have been negotiating or are at present negotiating for the purchase of property in Ottawa with the ultimate end in mind of transferring a portion or all of the Canadian Coastguard College operation from Cape Breton to Ottawa? If the minister does not have that information on hand at the moment, will he give the assurance that he will report back to the House as soon as possible in a full and comprehensive way as to the future of the Canadian Coastguard College?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I will have to inquire into this matter; I will report to the House.

Mr. Muir: Since, despite our great efforts, we were unable to get a definitive reply from the minister's predecessor, may I ask him to give this matter priority in order to allay fears that Cape Breton is to lose the Canadian Coastguard College, as so many other institutions have been taken by this government from that area?

Mr. Speaker: Order, please. Again, that is a representation to the minister.

* * *

GRAIN

WHEAT—FINAL PAYMENT FOR 1971-72 CROP YEAR

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the minister responsible for the Wheat Board. Can the minister say whether there will be a final payment to farmers on wheat for the 1971-72 crop year? If so, when will this payment be made to the farmers?

Hon. Otto E. Lang (Minister of Justice): Yes, Mr. Speaker, there will be a final payment. The Wheat Board has advised me that it expects the payment to be made in the near future.

* * *

SEARCH AND RESCUE

STEPS TO ENSURE ADEQUATE NUMBER OF PLANES AND VESSELS FOR ACCIDENTS OFF EAST COAST

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of National Defence, notice of which has been given to him. May I ask the minister what steps he has taken to ensure adequate search and rescue capabilities off the east coast of Canada in view of the very serious incident that took place recently when it took ten hours to evacuate the crew of a stranded Canadian trawler only a very short distance from the coast of Newfoundland because there were no helicopters based there?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, I have been discussing search and rescue with my hon. friend and I know his interest in having a maximum presence of search and rescue forces in Newfoundland. This force, of course, is stationed at Sheerwater and Summerside. It is concentrated there for operational reasons and to reduce the cost of the search and rescue operations. We are, however, looking at the possibility of decentralizing it somewhat and increasing our capability in Newfoundland.

Mr. McGrath: Mr. Speaker, may I direct a supplementary question to the Minister of Fisheries. May I ask the minister what he is doing in line with the undertaking he gave in Newfoundland to increase the capability of fisheries patrol vessels and to acquire new vessels to provide that kind of assistance in the event of accidents at sea?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, we are building new vessels. We are also exploring the possibility of contracting with fishermen who own vessels of the appropriate kind to help us in our protection activities.

ASSIGNING OF RESPONSIBILITY TO ONE DEPARTMENT

Mr. J. M. Forrestall (Dartmouth-Halifax East): I have a supplementary question, Mr. Speaker, to which the Minister of National Defence or the Prime Minister might respond. Has any consideration been given by the government to assigning the total responsibility for search and rescue to either the Department of Transport or the Department of National Defence? I ask this question because of the difficulty referred to today and difficulties with respect to effective search and rescue operations during the past few years.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the matter was considered by the government and as a result we decided to establish a co-ordinating body which would ensure that these forces would work together. I understand that this is operating well.

* * *

ENERGY

PROPOSED MACKENZIE VALLEY GAS PIPELINE—PORTION OF CAPACITY TO BE USED FOR CANADIAN NEEDS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources and arises out of a statement he made during a panel discussion in Toronto recently to the effect that a national gas pipeline along the Mackenzie River Valley would be essential to meet Canadian needs rather than United States needs. In light of that statement, may I ask the minister what proportion of the initial pipeline capacity will be dedicated to Canadian needs?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think we will have to wait until there is an application from the companies to see that. The intention would be in the early stages to have a substantial portion of the capacity devoted probably to the transit of Alaskan gas through to the central American market. Of course, the reserves available in the Mackenzie Delta would not be available to Canadian markets without the construction of a pipeline. So at the initial stage no doubt Alaskan gas will form a large part of the throughput, but as Canadian demand rises, as we expect it will, to meet the level of the pipeline Canadian gas will form a larger portion. Without such a pipeline Canadian needs in the future cannot be met.

Mr. Douglas: In view of the statement by W. P. Wilder, chairman of Canadian Arctic Gas Study Company, at the same panel discussion that initially a substantial volume of the gas to be delivered must be dedicated to the American market and that only an excess of capacity would be dedicated to Canadian needs, may I ask the minister whether this means that the main volume of the initial pipeline will be dedicated to American needs and only if the pipeline is twinned will substantial quantities of gas be dedicated to Canadian needs?

Mr. Macdonald (Rosedale): Mr. Speaker, the applicant may have whatever ambitions he wishes, but as far as the government is concerned the primary purpose of the pipeline will be to provide access to Mackenzie Delta resources for Canadian purposes. As I just said, it is expected that in the early years, since the throughput of the pipeline will exceed by about one billion cubic feet per day current demands of the Canadian market, it will be American gas that will be going through. The requirement will be, however—

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

* * *

UNEMPLOYMENT INSURANCE

POSSIBILITY OF INCLUSION OF PRISONERS WHO HAVE DONE CONSTRUCTION WORK WHILE INCARCERATED

Mr. A. D. Hales (Wellington): Mr. Speaker, my question is directed to the Solicitor General. Has he or any member of his department given approval, or have they considered giving approval, to prisoners who have worked on prison buildings or on similar construction being placed under the unemployment insurance scheme?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I have not heard about such a proposal but I will investigate it and report to the hon. member as soon as possible.

* * *

MINING

COAL—ACTION TO PREVENT SHUTDOWN OF OPERATIONS AT CANMORE, ALBERTA

Mr. Joe Clark (Rocky Mountain): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Would the minister indicate what action the government is

taking to help prevent the shutdown of coal mining operations at Canmore, Alberta, and the consequent unemployment of Alberta miners there?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I thank the hon. member for his courtesy in indicating his intention to ask this question. We have sent by Telex today a message to the company requesting them to give us full details of their negotiations with their Japanese customer. This is the problem at the root here. We have also asked for indications of the employment implications of this action. I have also spoken to the Alberta Minister of Mines and Minerals and we have agreed on the necessity of an early meeting. Because of the situation of some of the other Rocky Mountain producers we are contemplating a meeting of the ministers affected and all the producers. We are very concerned about the attitude of the Japanese market toward these contracts.

An hon. Member: A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member seeks a supplementary. We have reached the end of the question period. I was trying, before calling orders of the day, to give an opportunity to some hon. members in the fourth and fifth rows to ask questions.

* * *

• (1150)

NATIONAL DEFENCE

JERICHO LAND, VANCOUVER—INQUIRY AS TO CALLING OF TENDERS CONCERNING DISPOSAL

Mr. Bill Clarke (Vancouver Quadra): Mr. Speaker, I should like to ask the Minister of National Defence a question concerning what are known as the Jericho defence lands in Vancouver. Is it a fact that the government is preparing to call for tenders in connection with the disposal of the portion of these lands commonly referred to as the remaining 38 acres north of Fourth Avenue?

Mr. Speaker: Order, please. I have some doubt whether this question can properly be asked at this time. However, if the minister can reply briefly he may do so, and I will then recognize the hon. member for Leeds.

Hon. James A. Richardson (Minister of National Defence): Mr. Speaker, this is a subject that has been before us for several years.

An hon. Member: Ten.

Mr. Richardson: There is an agreement in existence between the government and the city of Vancouver. My predecessor has indicated that if the city wishes to reopen this agreement we would certainly be prepared to do so and to listen to representations.

EXTERNAL AFFAIRS

REPRESENTATIONS ON BEHALF OF RONALD PATRICK LIPPERT IMPRISONED IN CUBA

Mr. Tom Cossitt (Leeds): Mr. Speaker, I should like to address a question to the Secretary of State for External Affairs. In substance it is like a question I put down on the order paper a few weeks ago and which has remained unanswered. I believe it should be asked orally now since the matter was referred to in the course of a CBC television program last night. In view of the fact that Ronald Patrick Lippert, a Canadian citizen of Kitchener, Ontario, has now completed ten years of a 30-year sentence and is now eligible for parole under Cuban law, has the government made representations to Cuba on his behalf, is the minister aware of the state of Mr. Lippert's health, and can we be told when he was last seen by a Canadian government representative?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the Department of External Affairs and our embassy in Havana are in touch regularly with Mr. Lippert, members of his family and other persons who are interested in him. An officer of our embassy in Havana visited Mr. Lippert early in December and found him well and in good spirits. Another visit was planned for the end of December, and I believe it has taken place.

* * *

ENVIRONMENTAL AFFAIRS

EFFECT OF COURT JUDGMENT ON RIGHT OF PROVINCES TO LEGISLATE—CONSULTATION WITH PROVINCES

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is for the Minister of Justice and it arises from an answer he gave in the House last week concerning the government's intention not to seek a reference at this time to the Supreme Court of Canada with respect to jurisdiction over environmental matters. Could the minister inform us whether he has consulted with his provincial counterpart on this subject since last week? Could he also inform us specifically what steps will be taken to prevent a vacuum from developing in this very important field?

Hon. Otto E. Lang (Minister of Justice): The discussion I had with the Attorney General for Ontario took place shortly before I last gave an answer to this question. He has the matter under consideration. I would expect that if he felt we ought to take any further action at this point we would hear from him again on the subject.

Mr. Beatty (Wellington-Grey-Dufferin-Waterloo): A supplementary—

Mr. Speaker: Order, please. Perhaps that would be the easiest way out. I will allow the hon. member's supplementary and then call orders of the day. I had hoped to recognize a few more members, but the hon. member may ask a supplementary and I will then call orders of the day.

Mr. Beatty (Wellington-Grey-Dufferin-Waterloo): My supplementary is to the Minister of the Environment. Can

the minister inform us whether in his forthcoming meeting with his provincial counterpart in Ontario this subject will be among those on the agenda?

Hon. Jack Davis (Minister of the Environment): I am meeting with the minister of the environment of Ontario this afternoon in my office. If there is any vacuum to be filled, I hope he will have some suggestions as to how the province can fill it.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

Hon. Warren Allmand (Solicitor General) moved that Bill C-2, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, in 1966 and 1967 when I spoke and voted in this House for the five-year partial ban on capital punishment, I did not for one moment think that five years later I would have the responsibility of introducing the bill that would propose the continuation of that partial ban. I must say that five years ago I found this a most agonizing question, and that feeling has not changed today. It is agonizing because we so much want to protect the public from murder and violence; because we so much appreciate the feelings of those who cry out for a peaceful and just society and who abhor the violent crimes which have taken place. On the other hand, we find the practice of capital punishment just as abhorrent: the deliberate killing of a man by hanging him with a rope. If I could see how capital punishment could in any way give the public the protection it really wants, then I would certainly reconsider my present position. So far, however, I have seen no evidence or heard no argument to convince me of that position and I think we only delude ourselves if we believe we are doing something to protect the public by returning to capital punishment.

To participate in the governing of a country, Mr. Speaker, involves the exercise of human judgment to bring about desired change. All hon. members in this chamber are well aware of the need for prudence when such decisions are made. Even the smallest decision by government can ultimately impose either the greatest hardship or the greatest benefit on the citizens we serve. Therefore our deliberations are necessarily long and our differences sometimes profound. But in all things we share a unity of purpose. As members of parliament we hope to contribute to the development of society in such a way as to reinforce its virtues and diminish its injustices. However, that process is not as easy as it sounds since the calculation of virtue and vice in the short and long term without error defies human judgment. The natural consequence of human fallibility is experiment, designed to test new circumstances without wholeheartedly committing oneself to that novel direction. In that sense, Mr. Speaker, the past ten years have been experiments with respect to capital punishment. Indeed, we still find ourselves in the trial period which commenced when members of this House began to wonder whether the practice of capital punishment had any continued relevance in our society. We are a party to that debate which commenced when Canada's first recorded execution occurred in the late eighteenth century. At that time a sixteen-year-old girl was hanged for petty theft.

The very purpose of the criminal law stems from a desire to provide a means of protection for the public against the few who do not respect the rights of others. That still remains a fundamental purpose of the law to which this government and the Solicitor General's ministry remains committed. Fortunately, however, the intent of the law can now be fulfilled by diverse means not requiring the ruthless measures of earlier times when mutilation and torture seemed acceptable means of assuring the safety of the public. We have moved more and more from what I would call punitive deterrents to preventive deterrents.

In recent years we have witnessed several legislative and administrative acts which have contributed to the improving security of Canadians. Crime prevention has become as important a concept for modern police work as apprehension. The best deterrent to murder or any other crime is the certainty of detection and conviction. Consequently, effective police surveillance, pursuit and follow-through are paramount.

The RCMP, which is our responsibility, has led the way in prevention-oriented police activities. One of these concepts, called "Prevention-Oriented Policing Services" has been designed to facilitate the optimum distribution of manpower resources with a view to discouraging crime. It specifically recognizes the growing need of the public for a police presence on a constant, rather than a sporadic basis. Such a program accents the vital importance of such crucial police functions as police/community relations, regular police patrols, objective long-range planning and all other related elements generally regarded as being conducive to sound crime prevention strategies. These methods are increasingly effective when linked with improved research into the causes of crime in society.

The Solicitor General's ministry is taking a more active role in linking together the operational aspects of police work with basic research and broadly-based analysis. To this end, the security planning and research group in the Solicitor General's department has now broadened its responsibilities to include the analysis of criminal activities and criminal trends in Canadian society and has been renamed the "Police and Security Planning and Analysis Group". In recent years, the RCMP has also devoted considerable time and energies to improving communications with all other police forces in Canada, and has continued to contribute to the success of Interpol.

• (1200)

In summary, Mr. Speaker, the RCMP, through its constantly improving crime detection and crime prevention programs, has set standards for police work which seek for the public the protection it so rightly deserves. This House has passed a variety of legislation in recent years which has also provided the public with a great measure of personal security. The omnibus justice bill of 1968 provided for increased gun control, which according to the Police Chiefs Association of Canada rendered their work easier. New programs have come into effect since January 1 which will provide compensation to victims of violent crime. Two agreements have been signed by my colleague the Minister of Justice (Mr. Lang) with the provinces of British Columbia and New Brunswick to this end.

Furthermore, the Department of Justice has been active in negotiating legal aid schemes with the provinces which will help to assure that all citizens have access to legal assistance. Protection of the public, therefore, is a multidimensional concept involving police activities designed to deter and detect crime; analysis of new trends in crime; determination of the law's responsiveness to new forms of crime; assurance that the public can be compensated for injury as a result of criminal activity; and the availability of legal assistance when a citizen is confronted with legal proceedings.

I have referred to these matters because some have charged that our only concern is with the criminal. Some say we have no concern for the protection of the public or the victims of the crime. This is not so. As I have pointed out, our principal concern is with the protection of the public. That is the principal purpose of the criminal law. I also pointed out that we are continually improving the criminal law, our police forces, the prosecution of the law and we have programs to reimburse the victims of crime.

In recent years we have had three very distinct laws relating to the use of capital punishment. Prior to 1961, all murder was considered as capital, and the only penalty for that crime was capital punishment. During that period of time, many countries were re-assessing the usefulness and humanity of executions, and indeed there were many nations which were in the process of finally abolishing the death penalty. The same debate was taking place in Canada. Although the special committee of the House on capital punishment, which met between 1954 and 1956, did not recommend the abolition of the death penalty, the committee heard a wide variety of conflicting evidence which represented the divided opinion of the public and parliamentarians.

In 1961, the law was further amended to provide for capital and non-capital murder, and the punishment for non-capital murder was life in prison. This legislation provided that murder was to be considered capital if it was planned and deliberate on the part of the murderer and was committed by the murderer's own act. Additionally, the murder of a police or prison official was also considered a capital offence, and the penalty was death.

As a result of further debate in the country and in parliament in 1966 and 1967, a five-year period was established during which capital murder was limited to cases involving the death of police and prison officials. This trial period, which expired on December 29, 1972, was, in effect, an experiment which was agreed to by the House. It was hoped at that time that adequate materials could be gathered during the five-year period to assist in some final resolution with respect to the use of capital punishment.

Bill C-2, which is now before the House, most closely resembles the 1967 bill in that the death penalty is still only applicable in cases where a police or prison official is murdered. However, the terms "capital" and "non-capital" murder have been dropped, and new terms, "murder punishable by death" and "murder punishable by life in prison," have replaced them. This change has been made for purposes of clarity and precision. The proposed duration of this bill is five years. I shall return to a specific argument in favour of this bill in a short while, but first I would like to address my remarks to several issues which are in some way related to the House's deliberations.

In some quarters we have heard that a plebiscite or a referendum should be held on the issue of capital punishment so as to ascertain the public's feelings on the subject. Often the example of California is cited, where a referendum did take place and the public indicated that capital punishment should be returned. To argue in favour of a plebiscite or a referendum on the basis of the United States practice is to ignore the fundamental differences between our forms of government. Referendums such as those used in the United States have the force of law because they are a constitutional feature of several states. No such provision exists in Canada. Although there have been plebiscites in jurisdictions under the British parliamentary system, they have not had the force of law but simply represent the popular expression on simple, clear-cut issues.

I think all members of the House appreciate that the complexities of the capital punishment question should be dealt with by the House of Commons. We have been sent to this House to deliberate, to weigh the force of argument. When we perform this function we stand ready to be held responsible for our votes in subsequent elections. If we were to accept a plebiscite on the issue of capital punishment we would open the way for plebiscites on all controversial legislation of a similar nature presented to the House.

This does not mean that we do not have a duty to consult with and listen to our constituents. We do have that duty and we should take it seriously. But this means that we listen openly and honestly to their arguments, the reasons for their opinions, and if they are convincing we adopt them. It does not mean that we should be swayed by protests, volume of voice, shrillness, or mere numbers. Under the British parliamentary system the constituency votes are counted on election day. When we are sent to the House of Commons we are supposed to study the merits of each issue as it affects the public interest, and in doing this we listen to people.

We are not blind, however, to the unique moral questions which are contained in any bill relating to the imposition of the death penalty. A free vote was held in 1967 when the last legislation was passed; the same free vote will prevail for this bill. I am certain that such a free vote will be exercised by all members of the House on the basis

of cogent arguments and not on the basis of irrational prejudices.

The purpose of the original trial period in 1967 was to allow for a period during which those crimes punishable by death would be severely restricted. This five-year experiment would be a time of intense study and analysis, the results of which were to guide the House's deliberations after December 29, 1972. We are beyond the termination date of that five-year period but, unfortunately, we do not have the full data for the entire five years on which to base studies and, hence, legislative recommendations. Statistics are some two years behind, and therefore at the moment we are only in possession of full data covering the first three years of the trial period.

We are just receiving the statistics for 1971. It seems to me that we must see the process, commenced in 1967, through to its logical conclusion. That further necessitates making no substantial change in the law until such time as we are in a position to fully understand the impact of the partial abolition. Bill C-2 will allow us to complete this evaluation. If the House agrees to the provisions of Bill C-2 we will be able to compare three periods of approximately six years when three distinct and different laws concerning the death penalty prevailed. If we are properly to acquit ourselves of our responsibilities to the public, Mr. Speaker, we must be prepared to grant the time necessary to study the effects of the three laws so that decisions can be made on sound ground.

• (1210)

In conjunction with the discussion of this bill, it appears necessary to dispel some erroneous information with respect to two other matters, that is commutation and parole. Contrary to some suggestions, there has been no policy of routine commutation exercised by the government since 1968.

Mr. Woolliams: That is rubbish. You can't believe that; you are joking. Whoever wrote that speech does not know the situation.

Mr. Allmand: Mr. Speaker, since 1968 there were four convictions for capital murder and each of these four cases resulted in commutation. On each occasion these cases were the subject of long and detailed examination by the cabinet. The procedure for reviewing capital cases by the governor in council is premised on the need for the fullest particulars in respect of the case at hand. Transcripts of trial proceedings are gathered along with detailed police reports and additional information relating to the condemned person's character and mental state. Representations from the defence counsel are made to the Solicitor General who then takes the question of commutation to his cabinet colleagues, each of whom has been supplied with a copy of all the relevant material.

At this point the case is discussed exhaustively and when a decision is taken an order in council is issued either commuting sentence or instructing that the execution should be carried out. Particular attention is given to any recommendation of mercy from the judge or the jury, and of the four cases since 1968 there were recommendations for mercy in three.

[Mr. Allmand.]

Notwithstanding the fact that no execution has taken place since 1968—

Mr. Woolliams: Mr. Speaker, I rise on a question of privilege. I know that the minister is a gentleman and I do not think he has done this deliberately. Somebody within the department has supplied this material. My question of privilege is this. I can count them up; I received this information from the department, there have been 12 commutations since January 4, 1962, yet the minister is dealing with a figure of four.

An hon. Member: He said since 1968.

Mr. Woolliams: I am sorry, January 4, 1968.

Mr. Speaker: Order, please. That is hardly a question of privilege. Perhaps the hon. member is asking a question of the minister, but that cannot be considered a question of privilege.

Mr. Allmand: Mr. Speaker, I heard the hon. member mention 12 cases during the question period and I was somewhat surprised, because I was given statistics indicating there were four cases of commutation since the new law went into effect at the beginning of 1968.

Mr. Lambert (Edmonton West): There were four in Alberta alone.

Mr. Allmand: I rechecked that after I heard the hon. member put the question, and the information I have here is that there were four cases, but I will check it again.

Mr. Lambert (Edmonton West): Oh, gracious!

An hon. Member: He said 1962.

Mr. Allmand: The information I have is that there were four cases since 1968.

Notwithstanding the fact that no execution has taken place since 1968, and I want to emphasize again that there has been no automatic commutation, that each case has indeed been examined in detail before a decision has been made, I should think that some hon. members on the other side who were members of the Cabinet before 1963 know that serious consideration is given to these matters.

There are some misunderstandings concerning parole regulations governing the release of individuals who have been sentenced to life imprisonment. The regulations stipulate that such a person shall serve the entire term of the sentence in prison unless, and upon recommendation of the parole board, the Governor in Council directs otherwise. However, the parole board may not recommend parole in such a case until at least 10 years of the term of life imprisonment has been served. I think it important to note that there are significant safeguards to ensure that such persons do not return to society unless the Governor in Council so provides. Furthermore, the National Parole Board must be convinced that rehabilitation has taken place before it would recommend such a release. Since 1867 only one person convicted of murder and sentenced to life imprisonment has killed a second time while on parole.

I am very concerned about the problem relating to parole and temporary absence, not only for murderers but for all persons sentenced to penitentiary. For this reason, the government announced in the throne speech that we would reform the penal and parole systems. Last year my predecessor established a task force, under Justice James K. Hugessen of Montreal, to review our parole and temporary absence systems. That report was received just before Christmas and an examination of it is now underway. I expect to make some comment on it later in the session. In the meanwhile, we have taken certain administrative steps to correct deficiencies in the parole and temporary absence systems, to improve rehabilitation and to better protect the public.

It is my conviction that Bill C-2 represents the most prudent course open to us, not simply for the arguments I have already advanced concerning the need for a complete study of data. The alternatives to this bill would appear at this time to be impossible or undesirable for one important reason or another.

In a survey commissioned by the Solicitor General's department, which included questions designed to provide a profile of public attitudes in respect of the death penalty, it was shown that those in favour of capital punishment in all instances and those opposed to capital punishment in all instances balanced each other off with 19.1 per cent and 20.9 per cent respectively. Fifty-nine per cent favoured the retention of capital punishment in limited cases. While those limitations are not set out in detail, this legislation represents this kind of limited approach. Although the House may otherwise direct, it would appear that to move to either extreme; to move either toward total abolition or toward total retention at this time is neither possible nor desirable under prevailing circumstances.

My views on capital punishment are on the record. I have, in the course of my career in the House, been an abolitionist. In 1966 and 1967, I voted for complete abolition of capital punishment. However, I am now here as a member of cabinet and the legislation which we are examining is the result of the collective consideration of that body. Although, I personally, remain opposed to capital punishment, I believe that this bill represents the best possible proposal at this time. Because a free vote will ultimately decide the final form of Bill C-2, and because there may be amendments offered by hon. members, I would be most concerned if there were any tendency toward a more punitive law. Consequently, I would like to offer a brief argument against those who would want to expand the categories for which the death penalty is applicable.

My moral objections to capital punishment have not changed since 1966 when I argued that it is wrong to kill and wrong to take a human life whether it is taken by the individual or by the state. Execution does not erase the crime of murder, it simply repeats it, and in repeating that act it runs contrary to the Judeo-Christian moral principle "Thou shalt not kill". I cannot see how states are exempt from that clear statement that declares the sanctity of human life.

Killing is certainly reprehensible at all times, Mr. Speaker, but when the state sets out on a most deliberate path to destroy human life, then perhaps that is one of the most heinous acts of all. When the state indulges in murder, the result is a weakening of the moral fabric of that society. By such a low-minded act of cruelty and revenge, the state contributes to the brutalization of society as a whole.

Some hon. Members: Hear, hear!

Mr. Allmand: If the state demands that its citizens act with moderation and tolerance, it cannot sanction the deliberate destruction of life. The state must set the example, the clear example of respect for human life, through the tolerant and patient application of law which looks to other more effective means of protecting society and discouraging crime, even murder. It is my belief that we are only justified in taking another life when it is the last resort in self-defence. It is clear that capital punishment is not the last resort in self-defence.

• (1220)

Each time the state-society executes a man, it admits failure—a failure of its family life, a failure of its education system, a failure of its social and economic environment, a failure of its moral and religious institutions, and, above all, a failure to cope humanely and optimistically with anti-social behaviours. An execution is an act of despair toward the value of the human person.

Mr. Speaker, I would point to the positions taken by several of the churches, including the United Church, the Anglican Church, the Unitarian Church and others. In the December issue of the *United Church Observer* there appeared an editorial supporting the abolition of capital punishment on the grounds that capital punishment is:

> . . . unChristian, immoral and as a deterrent or protection of society, ineffective.

It appears to me that capital punishment does not fall within the acceptable limits of any of the moral or religious codes that exist now or have existed in our country.

During the last five years, the Solicitor General's department has been watching very closely the statistics related to the incidence of murder in Canada. In 1971, the then solicitor general authorized a research project to be conducted by Dr. Ezzar A. Fattah, Associate Professor of Criminology at the University of Montreal which would:

> . . . provide a critical analysis of research that has been done, and of factual data that exists in connection with the death penalty as a judicial punishment, with special reference to the deterrent effect and discrimination.

I want to underline the terms of reference for Professor Fattah's research in view of the fact that there have been suggestions made that Professor Fattah's assignment was to prove a predisposition of the Solicitor General's ministry. The department felt that it was important to get an impartial evaluation of the statistics available before the House of Commons considered the matter again. The basic data of the Fattah study only included three years of official Statistics Canada material and one year of data compiled by Professor Fattah himself. In addition to the Fattah report, another document was prepared which contained updated material relating to capital punishment, covering the period 1965-1972. I hope that all members take the opportunity to read these important contri-

butions to the study of capital punishment during the course of this debate.

While the Fattah study does not have the benefit of the full statistics for the five year period, it does represent the definitive study of the deterrent effect of capital punishment within the context of the Canadian experience. When the study focuses on the deterrent effects of capital punishment, it cuts to the vital centre of the retentionist argument, for if murder is not deterred by the impending threat of execution, then the value of the rope disappears completely.

The burden of proof has always resided with those who argue that capital punishment is a deterrent to murder, for if we are going to kill, we must establish beyond all doubt the justification for the killing. Now that we are in possession of Professor Fattah's study, the onus of proof is heavier than ever, for while many people use raw data to show that the absolute number of incidents of murder may or may not have occurred, they must successfully demonstrate that an increase in the number of murders is related to a lack of the death penalty.

Professor Fattah concluded that:

> ... homicide rates ... are conditioned by factors other than the death penalty. They suggest that the cause of homicide and murder cannot be found in any single factor but in a total social situation in which a special law or a particular punishment can have little or no effect.

He goes on to say that:

> Nothing emerges from the study of trends of violent crimes in Canada that would support or even suggest the proposition that the suspension of capital punishment has caused an increase in the homicide rate. Although the data shows that there has been a slight increase in the homicide rate in recent years, it indicates at the same time that this increase cannot be attributed to any one cause. In fact, on the basis of the data and, for reasons explained above, it can be safely claimed that the suspension is unlikely to have played a part in this increase.

Professor Fattah offers a much more complete set of conclusions which I believe should be part of the record of this debate. I shall, therefore, quote from them in part.

When the author of the report poses the question of whether the slight increase in homicide and murder over the eight years of studies can be attributed to the suspension of capital punishment, he answers "No". The arguments supporting his conclusion are as follows and I quote from his report:

> (1) If the increase in homicide were solely due to the suspension of capital punishment then it should be limited to this offence. Other offences of violence for which there has not been a change in punishment should show no increase or at least a lower increase than that in criminal homicide. Our data amply show that this is not true. Actually the increase in criminal homicide is the lowest among all crimes of violence studied, a fact which indicates that such increase can neither be attributed nor related to the suspension of capital punishment.

Another statement that he put on the record is that:

> If the increase in criminal homicide were due to the suspension of capital punishment then it should show a clear and consistent trend by starting to rise when the administrative suspension became known and by continuing to rise at a quicker pace when the legal suspension came into effect. Our data show that this is not true.

[Mr. Allmand.]

He also said:

> The years during which capital punishment was administratively suspended (with the exception of 1967) did not witness an increase in criminal homicide over 1962. Furthermore, in many Canadian provinces the first year of legal suspension did not mark an increase in criminal homicide rate over the previous year, it either marked a decline in the rate or at least the rate remained unchanged.
>
> In many provinces such as Nova Scotia (1968), Ontario (1968, 1969 and 1970) Saskatchewan (1968 and Alberta (1968, 1969) homicide rates actually declined after capital punishment was legally suspended. This speaks eloquently against a link between this suspension and the over-all increase in homicide ...
>
> If the suspension or the abolition of capital punishment leads to an increase in criminal homicide, this would necessarily have been reflected in the homicide rate in the most populated, most urbanized and most industrialized province in Canada: Ontario.

But, as I said, the homicide rate declined in Ontario in the three years following the abolition of capital punishment.

In this debate we should try to place the Canadian situation with respect to capital punishment into a global context and attempt to determine the relative experience of retentionist and abolitionist nations. That can be accomplished in many ways. Let us first examine the respective use of capital punishment in two similar jurisdictions operating under differing laws. The adjacent jurisdictions of Maine and New Brunswick are similar geographic, economic and cultural entities. Maine has been an abolitionist state since 1887 while New Brunswick, as part of Canada, was retentionist until 1967. While the deterrent argument would insist that Maine should have a higher murder rate than New Brunswick, this is not the case. The murder rates are, for all intents and purposes, the same. Within the United States there are other comparisons to be made between contiguous, abolitionist and retentionist states.

• (1230)

When examined with respect to murder, aggravated assault and major crimes of violence, Oregon, an abolitionist state, and Washington, a retentionist state have had remarkably similar rates of crime in all three categories. Minnesota, an abolitionist state, has had a lower incidence of murder than neighbouring retentionist South Dakota. The same can be said in the case of West Virginia over Virginia and Iowa over Nebraska. Certainly, there are cases where the reverse is true also, that is where a state retaining capital punishment had a lower rate of murder than a nearby abolitionist state. But the very point is that there does not seem to be any direct cause and effect relationship between the existence of the death penalty and a lower rate of murder.

One must therefore pose the question, "If there is no consistent demonstrable relationship between executions and deterrence, what is the use of retaining such a penalty which has so many other inherent shortcomings"? Those arguing for the general use of the death penalty must answer that question. From the eleventh century when William the Conqueror first abolished in part the use of capital punishment, there has been a world-wide trend towards the ultimate banishing of this kind of punishment.

Mr. Hees: You can go further back than that.

Mr. Allmand: Probably I could.

Mr. Hees: Tell us about how Caesar handled it?

Mr. Allmand: Mr. Speaker, the western European states which have led the way in ceasing to use the death penalty as a punitive feature of their legal systems, witness fewer executions each year. At the moment only France, Spain and Éire continue to execute those found guilty of murder. France uses the guillotine and Spain the garrot. All other western European nations have either de jure or de facto abolition. What is perhaps most interesting to note is that the murder rates in those countries are uniformly low, while France continues to suffer from a high rate of murder. Clearly, in the case of France, even a death so horrible as the use of the guillotine has not acted as an effective deterrent to the potential murderer.

The conclusions which must be drawn from the western European experience are inescapable. In the first place the absence of capital punishment has not meant that the abolitionist states of Europe have become overrun with murderers. Quite the contrary is true; murder rates there are amongst the lowest in the world. Secondly, it is obvious that these nations have found other methods of deterring murder, such as stricter gun control, better police forces to assure detection of crimes, and generally a citizenry that is content and law-abiding. Surely, we should share similar goals.

The criminologist is not the only professional acquainted with crime and punishment who disputes the effectiveness of the death penalty as a deterrent. Lewis E. Hawes, a former warden of Sing Sing penitentiary in the United States, has recounted his conversations with condemned men awaiting execution, in his book *Meet the Murderer.*

Before Morris Wasser's execution, when I told him that the governor had refused him a last minute respite, he said bitterly: 'All right, warden, it doesn't make much difference what I say now about this here system of burning a guy, but I want to set you straight on something'.

'What's that' I asked.

'Well, this electrocution business is the bunk. It don't do no good, I tell you, and I know, because I never thought of the chair when I plugged that old guy, and I'd probably do it again if he had me on the wrong end of the rod'

'You mean, I said, 'that you don't feel you've done wrong in taking another man's life'?

'No, warden, it ain't that', he said, impatiently. 'I mean that you just don't think of the hot seat when you plug a guy. Somethin' inside you just makes you kill, 'cause you know if you don't shut him it's curtains for you'.

'I see. Then you never even thought of what would happen to you at the time'.

'Hell, no. And lots of other guys in here, Harry and Brick and Luke, all says the same thing. I tell you the hot seat will never stop a guy from pullin' a trigger'. That was Wasser's theory, and I've heard it echoed many times since'.

There are many other reports of people, convicted and executed for murder, who said much the same thing.

Mr. Hees: You don't expect them to like it, do you?

Mr. Allmand: Mr. Speaker, those who strongly argue that capital punishment is a deterrent probably presume that all others look on murder and capital punishment as they do. This is not the case. Capital punishment may very well be a deterrent for some people but these are ones who would probably not commit murder anyway. These are usually balanced, cautious, humane, law-abiding people. But those who commit murder are not. They are adventurers, desperate, suicidal, masochistic, martyr-prone, and even idealists in some situations, and so on.

Despite the suspension of capital punishment, many criminals risk death time and time again while carrying out crimes, yet they are not deterred. Since 1968 many criminals were shot by police or others while carrying out their crimes. This possibility is known to criminals, yet they carry on, nevertheless. There are many other examples where certain types of individuals will risk their lives, careless drivers, auto racers, skydivers, soldiers of fortune. We had many Canadians who volunteered to fight in Viet Nam. The risk of death does not deter these people. They have a psychology different from those people who feel that capital punishment is a deterrent.

The certainty of committing errors in executing those found guilty of murder is always a sobering thought to those who promote capital punishment. I use the word certainty because it is inevitable that the law will make mistakes and that the innocent will suffer. We accept that as a natural consequence of human law, but when that error cannot be corrected, as in the case of capital punishment, can anyone rest easily when they know that the state will sooner or later execute the wrong man?

The right hon. member for Prince Albert (Mr. Diefenbaker) has described to the House on another occasion how the very fallibility of the law did cost an innocent man his right to life. Both the British and the Americans have had their own spectacular cases in which the wrong individual was executed, and no one would suggest that Canadian law is any less capable of making mistakes. In a study of murders in the first 50 years of this century conducted by the University of Minnesota, researchers conclude that as many as 12 per cent of all those executed were eventually absolved of the crime for which they died.

Those who believe in deterrence often argue that if the death penalty deters one act of murder, then it is worthy of use. However, they must balance such an assertion against the certainty of eventually executing at least one innocent man. This is compounded by the inequality of legal defences available to the rich and the poor. Often a gangster involved in organized crime is able to hire the best lawyers available, while a poor man has to use whatever lawyer he can find, with the result that the rich man is often acquitted while the poor man often is executed. Maybe this is not as prevalent today, but it still applies in many types of criminal prosecution and leaves the way open for execution by mistake or error.

One must also recognize the statistical fact that murder is often the unique incident of criminality in a man's life. Most murders, according to a University of Toronto study on murder, are crimes of passion and not premeditation. Approximately two out of three murders are committed against family or acquaintances. The uniqueness of murder is further borne out by the facts that the recidivism rates are amongst the lowest for any form of criminal activity, and that in the history of Canada only one man has been convicted of murdering a second time. So what do we accomplish by capital punishment? We don't

effectively deter. We don't help the victim. We risk killing innocent men. We escalate brutality and we betray our highest ideals.

Mr. Speaker, I would like to add a word or two to the discussion of the means of execution. There has been much debate over the years as to the "cleanest" and "quickest" method for the state to employ in killing a condemned person. It would appear that, as in all things, there is a margin for error in the conduct of executions. *Time* Magazine has written:

• (1240)

Even the cleanest execution, and an appalling number are not, is so revolting to see that witnesses commonly vomit and faint. Electrocution is relatively swift, though the victims flesh sometimes burns while his eyes strain out of their sockets. With cyanide and the rope, it sometimes takes five minutes for the dying man to fall totally unconscious, and usually fifteen minutes before he is pronounced dead.

Many people seek to avoid the terrible reality of an execution by concentrating on the supposed swiftness or painlessness of the process. I am very much afraid that the history of executions in Canada, as in all other countries, is filled with grisly tales of botched hangings which have led to decapitation, and a ghastly host of other suffering inflicted upon the condemned. One should not try to gloss over this fundamental reality, no matter how distasteful it is. It seems to me, Mr. Speaker, that one either believes in rehabilitation or one does not, and since that is a belief based on an assessment of one's fellow man, it is an inviolate principle. If, indeed, one has faith in the rehabilitative process, then execution is out of the question, since it precludes any chance of altering behaviour patterns. Rehabilitation is fortunately firmly embedded in our legal system and I believe that it should be.

Today we are at an important juncture in the development of our legal system and our society's morals. The relationship between what we decide when we vote on this bill and how our citizenry will live their lives is direct and immediate. This House has established a course which we should see to the end. When, in 1967 it was determined that there would be a trial ban on capital punishment, the Canadian people could see that it was the intention of their elected officials to finally resolve the issue on the rational grounds of trial and analysis. This process is not yet complete and I hope that hon. members of this House would see good reason to grant sufficient time to conduct the kinds of studies which are necessary to arrive at a final solution to the problem of capital punishment in Canada.

I will return, Mr. Speaker, to what I said at the beginning. We must deter murders; we must protect the public—but let us not delude ourselves into thinking that this can be done by a return to capital punishment. If we are serious about reducing violent crime, let us vigorously attack the causes and strengthen our preventive deterrents.

Mr. Horner (Crowfoot): Yes, send them to Spain on their honeymoon.

Mr. Allmand: Let us stop the murder from taking place instead of relying on an execution after the deed is done.

[Mr. Allmand.]

Mr. Speaker: I believe the hon. member for Calgary North wishes to ask a question before the minister resumes his seat.

Mr. Woolliams: I listened carefully to the minister's arguments and, as I see it, he takes the position that capital punishment is immoral and wrong and that there should be no exceptions. That being so, let me ask a question about section 214 of the Criminal Code. If capital punishment is wrong basically, as the minister contended in his whole argument, why is that section still included in the code and why is that not wrong? Why is it not wrong to believe in capital punishment for those who murder policemen—

Mr. Speaker: Order, please. I apologize to the hon. member. I must remind him that he ought to address the Chair.

Mr. Woolliams: Yes, Mr. Speaker. May I ask the minister, through you, why that section is included in the code? Why is it not wrong to execute a man who is found guilty of killing a police officer? Why is the principle right in one case and wrong in another?

Mr. Allmand: Mr. Speaker, I trust I answered that question in my remarks. I said carefully, I think, that this is the best law we can devise at present, but I should like to move forward towards total abolition.

Some hon. Members: Hear, hear!

Mr. Allmand: I should hate to move backwards. I feel that the present law at least maintains a partial ban.

If I may answer a question asked earlier, I now have some statistics. It seems that under the law which went into effect in 1967, there have been only four commutations. However, there were eight cases which were left over from the earlier period which were commuted as a matter of course because the law at that time changed. Those sentences were based on the law in effect between 1961 and 1967. Since the new law has come into effect four murderers have had their sentences commuted.

Mr. Woolliams: Mr. Speaker, I rise on a question of privilege. I think, if the minister checks the records and trends, he will see how many were convicted under the new law. I suggest since January 4, 1964, there have been 12 such cases. I think the situation is clear and I thank the minister for his answer.

Mr. Speaker: Order, please. Hon. members may ask questions of the minister only if the minister wishes to reply. The minister has to indicate that he is prepared to reply to an hon. member's question; otherwise we shall call on the next speaker.

Mr. Fraser: Mr. Speaker, I should like to put a question to the minister through you because, as we continue in this debate, it would be helpful if my point could be made clear. I understood the minister to say that no convicted murderer is subject to parole until after ten years of his sentence has been served. Can the minister advise the House what is the practice with regard to so-called weekend leaves. I am talking of leaves for a convicted murder-

er. Are they permitted before ten years of the sentence has been served?

Mr. Allmand: Mr. Speaker, temporary absences are authorized under the Penitentiaries Act for three days. Section 26 of the Penitentiaries Act which authorizes temporary absences for humanitarian, medical or rehabilitation purposes permits absences for three days, and up to 15 days. Those absences may be with or without escort. Yes, they have been authorized prior to the conclusion of the ten-year period, but that matter is under review right now.

Mr. Erik Nielsen (Yukon): Mr. Speaker, the government has now chosen to introduce capital punishment as a subject for debate. This is a matter of extreme importance for all Canadians. I feel, however, that its introduction at this point is not related to its importance but is, rather, related to the government's embarrassment over Bill C-125 which it hustled out of the way as soon as the NDP indicated that it would not support it. So, in the guise of seeming to be active and in the hope of prolonging its life, aided and abetted by those on my left—

Mr. Lewis: If the hon. member keeps on talking like that I will become a retentionist.

Mr. Nielsen: It seems to me the hon. member and his party are already the best retentionists in the business.

Mr. Baldwin: They are retaining the government in power.

Mr. Nielsen: The government's embarrassment is most evident. After the capital punishment debate with what other urgent matter has the government to deal? There is the bill on pilotage, yet we still have masses of unemployed, still have the highest inflation rate, the highest cost of living, and no old age pension bill has been brought forward. Nevertheless, the government has brought forward this matter for debate at this time. This is the time when this House should be dealing with urgent legislation, to get the country back to work. The government's concern ought to be directed to curing inflation and getting the economy going again.

Mr. Woolliams: That is right.

An hon. Member: The debate is on capital punishment.

Mr. Nielsen: If hon. members in the back rows wish to rise and make their comments, I will yield to them. They should not attempt to smuggle their remarks on to the record or retain the safety of obscurity in the back rows. It is my view that the government is playing politics with this bill.

• (1250)

Some hon. Members: Hear, hear!

Mr. Nielsen: And this is not the kind of issue which should be the subject of a political game. Hon. members over there are going to debate this bill for a day or two. They have control over the business of the House. Then, they will take it out of circulation to bring in the pilotage legislation. Then, they will bring it back again, only to drop it after a while when they wish some other measure to be considered. So it will go on. The bill will be used as a means by the government to avoid any embarrassment or any impending defeat. In this, hon. members opposite obviously have the support of those who sit to my left.

Some hon. Members: Hear, hear!

Mr. Nielsen: I wish to say something about one point the minister specifically mentioned. He referred to the special planning and research group, and indicated there had been a change in name and indicated that the name of this group had been changed to "Police and Security Planning and Analysis Group". I believe this is the first time any mention has been made of such a change, either in this chamber or outside the House. I was surprised and, indeed, somewhat alarmed to hear the minister mention this change within his department, because when the special planning and research group was set up the House was assured that the group would have nothing to do with police work, that it would not be an operational group. This name change makes me highly suspicious that the group is now involved in police work and that it is entering into the sphere of RCMP responsibility. Obviously, it has gone beyond planning and research and become operational.

Mr. Allmand: On a point of order, Mr. Speaker, I wish to advise the hon. member and the House that the group is merely doing research and planning on criminal activities. It is not an operational group.

Mr. Nielsen: I must accept the minister's statement, but I shall certainly reserve my right to exercise my own judgment with respect to the functions of this group. My suspicion is that the functions of this group are not now what we were assured they would be when it was set up. The name change implies that the group is now operational. Otherwise, why would the word "Police" appear in the new name? Anyway, I can deal with that matter again at another time.

The minister mentioned the RCMP. The RCMP, he told us, were leading the way in crime prevention. Mr. Speaker, this is about the only area in the minister's speech with which I can agree. The RCMP is probably the most accomplished and the most sophisticated police force in the world.

An hon. Member: Was.

Mr. Nielsen: And it still is, not "was". The force is being hampered by many factors, some of which I shall discuss a little later. I can inform the minister that morale is not good. That is putting it mildly. Traditional symbols within the force are being eroded, symbols with tremendous traditions behind them. No further effort should be made to undermine the solid basis of tradition upon which the force has been built. There are other factors disturbing the morale of the force. There is the provision made for the temporary leave of absence of prisoners; there is the way in which parole is granted; there is the failure of the bail reform provisions which the government introduced. With respect to statistics—if I might have the attention of the Solicitor General (Mr. Allmand) for a moment—

An hon. Member: He is listening.

Mr. Nielsen: If I might have the attention of the minister for a moment—

May I call it one o'clock, Mr. Speaker?

Mr. Speaker: Is it the suggestion of the hon. member that we call it one o'clock? Is that agreed?

Some hon. Members: Agreed.

Mr. Speaker: It being one o'clock, I do now leave the chair.

At 12.55 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Nielsen: Mr. Speaker, just before the luncheon adjournment I was dealing with the need for this bill to be before us at all at this time. Over the noon adjournment I went to my files in order to get a press release that was issued by the leader of the New Democratic Party, and I contrast that press release with the stand that that party is taking today. In their press release last November, they said the election had made it clear that Canadians want action without delay in a number of areas, and that parliament should meet as soon as possible to deal with them. Thereafter, they listed in order of priority the matter of jobs to cure unemployment, cost of living, fair taxes, and they called for an immediate substantial increase in the basic old age pension. They also raised the question of family farms, native peoples, Canadian independence and electoral reform.

Apparently all that has now gone by the board in this new marriage between the government and the NDP. I reiterate that, instead of having this matter before parliament at this time, we should be dealing with these more urgent requirements of the country. In my own personal view, it would be much more appropriate for this bill to be debated in the Standing Committee on Justice and Legal Affairs. But that is not going to be the course followed, by arrangement between my hon. friends to my left and government members.

Obviously, hon. gentlemen opposite were frightened when the NDP indicated that they were not going to support Bill C-125, and there had to be a change of approach. What has happened now has been that Bill C-125 has been withdrawn and the NDP and the government will be putting their heads together. The NDP will be telling the government what they want in Bill C-125, and then the bill will be brought back to the House. That, Mr. Speaker, is exactly what is going to happen. The tail to my left is going to wag this big brute of a dog that is opposite.

Mr. Knowles (Winnipeg North Centre): Does the hon. member want Bill C-125?

Mr. Nielsen: Certainly, and we want it as soon as possible. We should have it now, instead of this bill. When the bill is brought before us we will certainly make our position on it known. We want action taken on these pressing matters that the hon. member's party on November 15 declared in their press release were so important to them at that time, even though the importance now seems to have been lost in this marriage of convenience.

Mr. Knowles (Winnipeg North Centre): We made our position on Bill C-125 clear, which is more than you have done.

Mr. Nielsen: We shall do so. We say that it should be here now. But regardless whether or not the hon. member for Winnipeg North Centre (Mr. Knowles) denies it, I know what is going to happen. There is going to be hanky-panky between the two parties. Those to my left are going to be telling the government what they require in the bill before it comes back to this House, and there is going to be a lot of haggling in the meantime.

If this bill were examined in committee, it could be studied in detail and expert witnesses could be summoned, if the committee so wished. This House could then proceed with other business in the interim. We should be debating these urgent matters to which I have referred. Debate in committee would let this emotion-charged issue have a thorough and objective examination.

In his opening remarks the minister dealt with the question of deterrence. The abolitionists say that the retentionists—and the minister put the onus on the retentionists—cannot produce any figures to show that the death penalty acts as a deterrent. I put it to the minister and hon. members that nobody can produce any statistics in this regard, for those who are deterred from committing crime do not volunteer that information to anyone. So to say that the death penalty is no deterrent is to say that men do not fear death, and I find that to be a rather incredible assertion.

• (1410)

Fear of death, Sir, in my view is an instinctive reaction, and to conquer or subdue that fear is a feat of which some people are not capable. In wartime fear of death operates thousands of miles from the battlefield, one mile away and on the battlefield itself. No one who has seen death in its many forms can say, and be believed, that fear of death is not a powerful factor in determining any course of action. That is not to say that many criminals are not completely wreckless and fearless, but there must be many others criminally inclined who shrink from risking their lives.

The minister has quoted statistics, and he has quoted the Fauteux report. He has referred to a slight increase in rates. That reference, in my view, is a gross distortion, based, as it is, on inaccurate statistics. The only statistics that can be quoted in a debate of this nature are statistics compiled by the courts referring to convicted murderers. These statistics say nothing about the hundreds of cases that are reduced from charges of murder to manslaughter or to mere assault, and nothing about the cases of attempted murder, and only those that go to trial. So the use of statistics does not prove anything on either side of this argument for or against, or for expansion.

The minister quotes statistics as between Maine and New Brunswick. I could quote just as many statistics on the other side of the fence to show just how useless

statistics are. While we are on the question of statistics, and having regard to the exchange between the hon. member for Calgary North (Mr. Woolliams) and the minister, the four cases to which the minister referred in which commutations had been made since the last ban was in effect, all referred to police officers and prison guards.

Then, the minister speaks of giving an opportunity to those concerned in order to make further studies. Of what earthly use could they be? Surely, the main reason for the passage of this legislation five years ago was to determine the deterrent effect the ban would have, or the lack of it, on the basis of the changes that were made. If the power of commutation is exercised on a universal basis throughout the five year period, with that knowledge in the minds of those who have the propensity to commit crimes of violence and murder, what is the point? They know the Cabinet is going to commute any sentence of death they might get.

The minister also said that in Canada only one man has been convicted of murder a second time, but he made no mention of the Head case in British Columbia, and he made no mention of the Cully case, which is a more recent one. My colleague, the hon. member for Calgary North, raised this matter, too, that notwithstanding the fact that the law says parole will not be considered for ten years after conviction, these prisoners still get temporary leave of absence and that is exactly what Cully got. He was in jail for killing a five year old child.

Mr. Allmand: Mr. Speaker, I rise on a point of order. I know the hon. member would not want to mislead the House. Mr. Cully escaped from custody when he committed the acts he is accused of committing, he was not on temporary absence.

Mr. Woolliams: Tell us about the Geoffroy case?

Mr. Deputy Speaker: Order, please. It seems to me that may be a point of discussion, but not a point of order.

Mr. Nielsen: I believe that is a point of debate. No one is denying that Mr. Cully escaped, but the fact is he was out, very recently after having been incarcerated for the murder of a five year old child, on temporary absence attending a Christmas party. It was as a result of that which gave rise to the charge of attempted murder of a ten year old boy. I will get into the bail reform provisions and other matters relevant thereto in a moment.

I have suggested already that the fear of death operates within many of those people who are trained to kill, like the thousands of Canadians in World War II and the Korean war. Those people were trained to kill, as I was, and I have regard to my own reaction when I took part in those activities. I know how I feared death and how my comrades in the service in which I served and in other services feared death. There was a genuine fear and there is a genuine fear of death in the mind of every rational person. It is upon that basis that my own convictions are held.

I am going to retain an open mind on the matter, and if this bill does go to the committee I am going to listen to the updated evidence. If what is adduced before that committee alters the beliefs I now hold, that is fine. I am open to the alternatives but at the moment my conviction is that the fear of death is a deterrent. That is a personal conviction I express.

I have spoken about statistics and of the complete unreliability of statistics. Part of the explanation for the lack of a significant deterrent effect of the ban on capital punishment is the fact that the terms of the 1967 bill have not been fully carried out. The Cabinet, which has the prerogative of mercy, has invariably commuted all death sentences to life imprisonment. Not one execution has occurred since December 11, 1962.

This has had two main effects relevant to the extension the minister, on behalf of the government, is asking for at the moment. It has invalidated the experiment it was supposed to be, since a true assessment of the effect of the partial ban cannot be made, and it has contributed to the problems of police officers in carrying out their duties. Oh, how it has contributed to those problems. It has almost completely destroyed the morale of certain segments of law enforcement agencies and police organizations in this country. This is very serious because it makes the task of police officers fraught with even more difficulty.

Not only have all death sentences been commuted to life imprisonment, the parole board has established the practice of granting parole after only ten years of a sentence of life imprisonment. No comprehensive survey of public opinion has been made on this question, but a Gallup poll conducted in the spring of last year found that 63 per cent of Canadians believed violence had increased in their communities over the last five years.

There is an even more significant poll that was published recently by the *Weekend* magazine. Let me quote from the November 25, 1972 issue where this statement is set forth:

> If a government plebiscite were held now, would Canadians vote to retain or reject capital punishment?
>
> Nobody knows, of course, but an unofficial Weekend Magazine poll of readers in urban and rural areas from coast to coast has turned up some 30,139 people who think retention is necessary.
>
> Some 3,383 others think capital punishment should be abolished.
>
> Another 100 people sent in unmarked ballots, suggesting probably that they were undecided. There is no way of estimating how many readers were undecided, however, since many doubtful ones probably just did not bother sending in ballots.

• (1420)

That is a ratio of ten to one on that poll of almost 32,000 people polled, and that is the feeling in the country.

There was another recent article in the Toronto *Star* of January 18, 1973, and it winds up with the following comment:

> When parliament debates the question let them not confuse us by suggesting that common sense, ordinary justice, or the Bible are at issue. What is to be settled is whether murderers are guilty and deserve to die, or whether they are unfortunates who need 20 years of conditioning, psychologizing, and further opportunities in our society. On that simple question I have a feeling that ordinary citizens would vote overwhelmingly in favour of traditional justice.
>
> And let not our Members of Parliament assume that the ideology of an elite group of experts is more important than the free choice of a democracy. That lesson should have been learned in the last election.

The minister mentioned churches. He gives great weight to the number of executives in the church organizations who have come down in favour of abolition. Let me suggest to him that those church organizations do not represent every individual member in the congregation.

Some hon. Members: Hear, hear!

Mr. Nielsen: They do, in fact, represent a minority in terms of the over-all church organizations in this country. In my view, public safety and adequate law enforcement must be assured. The existence or non-existence of a death penalty is of little effect if the population is not properly protected. It is the manner of carrying out whatever law parliament passes that will achieve public safety. This opens up the whole area of government policy which has brought about the rising up of the majority of Canadians in protest against the permissiveness of the policies that have been followed by this government.

Before I get into that field, I want to say a thing or two about the minister's repeated assertions in the House and outside that there is going to be a free vote. The importance of this debate is quite obvious. The decisions taken by the members of this House of Commons will have far-reaching and long standing results. Since this is an issue of such grave importance and since it is a highly emotional matter, we in this party believe that it should be decided by each member according to his conscience.

Some hon. Members: Hear, hear!

Mr. Nielsen: A free vote is necessary to permit this, and a free expression of opinion, in order to explain the vote of each individual member is necessary to accomplish this. This was the case which the minister tried to put before us in 1966 and 1967. We believe that this is the only sensible way to treat a matter of such seriousness. I was here in 1967 when that other so-called free vote was held, and it was so far from being a free vote on that side of the House as to have been a ridiculous charade. They were regimented, marshalled and told that this was a cabinet bill, a government bill, and they voted for it solidly. The only place where a free vote was exercised was on this side of the House.

Some hon. Members: Oh, oh!

[*Translation*]

Mr. Clermont: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Boulanger): Order. The hon. member on a point of order.

Mr. Clermont: Mr. Speaker, I do not agree with the statement the hon. member has just made. I am a member of the Liberal party and in 1966-67 I voted to keep the death penalty, and nobody twisted my arm.

[*English*]

Mr. Nielsen: That is hardly a question of privilege, Mr. Speaker, and if it were—

Some hon. Members: Oh, oh!

Mr. Nielsen: —to be deemed such, then every individual member over there would have to rise and make a declaration as did the hon. member who has just spoken, whom I respect and whose statement I accept.

Mr. Comtois: There are many others.

Mr. Nielsen: If those hon. members would only have the courage to stand and make their interjections, I would gladly sit down, but let us not have these squeaks from the back seats.

The fact remains that there must be on that side of the House those who do not favour the abolition of capital punishment. There must be retentionists there, and it would be very interesting to see whether they follow the dictum of their party set down in 1967 and vote en masse for either this bill or this manufactured attempt to get them behind the Fleming-Prud'homme amendment. As to the New Democratic Party, I predict that there is not one of them who will vote against this measure. They will vote as a party for the bill which this cabinet is presenting or for the amendment that is being manufactured at the moment under the blessing of the minister. So I expect that the matter will go to committee.

Having said that, knowing the way the NDP will vote, knowing the way the government members will vote, we can expect the matter to pass because there are abolitionists in this party who will support the measure. So if the bill will be passed, I ask members: why waste time? Why do we not vote on it, send it to committee where we can obtain the updated information? The reason is obvious—delay to avoid embarrassment, delay to hang on to power, delay so that they will not have to face the embarrassing legislation which they must bring in dealing with the more serious and urgent economic ills which assault the country today and which are of their creation.

I want to say a word about the decision that must be made. The abolition or retention of capital punishment is in part a highly personal decision. The effects of this decision must be taken into account. No decision will be relevant unless it can be enforced. Enforcement implies carrying out the law, but both the law and current practices need to be clarified before an intelligent decision can be made about capital punishment. Three areas in particular must be considered. The government must be asked to outline its intentions in the matter of sentencing policy. I regret that the Solicitor General is not listening, but perhaps he will be able to read my comments in *Hansard* and will deign to advise the House on these matters which I am raising for his benefit. They must declare to the House their sentencing policy, their parole policy, the remission practices and the exercise of mercy by the cabinet.

With respect to the sentencing practices, the major issue here is the definition of the term "life imprisonment". At present, as I have said, an inmate serving life imprisonment is eligible for parole after ten years. But even that imposition of the law is being by-passed by present practices in the Department of the Solicitor General, as I have shown. This practice of the department is objected to by the Canadian Association of Chiefs of Police who insist that there must be a genuine life imprisonment, who say that only if life imprisonment actually means something

can it be effective. The Fattah study states that the certainty of punishment is one of the most important factors associated with deterrence, and so it is.

The Solicitor General, in an interview on January 15, 1973, appeared receptive to the Fleming-Prud'homme proposal to abolish capital punishment and to impose instead a mandatory minimum of 25 years sentence for convicted murderers. I do not go along with that proposed amendment because all it does is place a definite price tag on murder. Someone in his youthful years may well be planning premeditated murder and may say, "Well, I don't have to face the death penalty. All I have to face is 25 years. I am 20 years old now and I will be out when I am 45, so why not." In my personal view that is no solution. Only if life imprisonment means something, and is adhered to, can any such a policy be effective.

• (1430)

Before dealing with parole practices, let me say that I know the Chairman of the Parole Board and have known him for many years. I think that he and those who work with him are very dedicated people. They take their jobs very seriously. They have some very awesome decisions to make. They make them as their consciences dictate, and after the utmost possible consideration given to each case. I am not criticizing the individuals in the parole system, but I am criticizing the system itself. It, after all, is the product of government policy.

The present parole system has been frequently used as a quasi-judicial body and a court of appeal, rather than as a parole board whose main function is determining when inmates are eligible for parole. In respect of temporary absences the Parole Board has no jurisdiction whatsoever. That jurisdiction is exercised by prison officials. Section 6 of the Parole Act states that, "the board has exclusive jurisdiction and absolute discretion to grant, refuse to grant, or revoke parole." The Chairman of the board has defended the system as one that "compares favourably with any in the world." After recent events in Canada, I do not think anyone can have any quarrel with that.

It is my submission that reform of the parole system is necessary to make it fair to both the inmate and the public. The Solicitor General has his values reversed, as did his predecessor, the Prime Minister (Mr. Trudeau) and the whole cabinet, because they are placing more emphasis on the paramountcy of concern for the inmate rather than for society in general. They are so obsessed with the idea of rehabilitation—

Mr. Allmand: That isn't true.

Mr. Nielsen: —and a less harsh treatment of inmates that they have forgotten about the paramount concern which is the protection of society. That is why public safety has taken a back seat in the policies of the government. That is why in recent months in this country we have experienced some of the most tragic events besetting our citizens. I need only mention the Lothian case, the Head case and the Kully case. It is all a result of the permissive direction which the government is taking with respect to parole practices, bail reform and the like.

Capital Punishment

Another suggestion I have to make is that the approval of the Governor in Council should be mandatory before any release for persons sentenced to life imprisonment.

A third area which I suggest needs a positive declaration of the government's intentions concerns the exercise of clemency. I have alluded to this earlier in my remarks. Since 1962 no one has been hanged in Canada. There have been four convictions for the murder of police officers since 1968, and the government has commuted the sentence of all of them. The cabinet has the power of granting mercy or clemency. It is argued that the present practice of invariably commuting every death penalty to life imprisonment is undermining both the legal process and the power of parliament. That is my conviction. What is the point of us wasting time in a debate like this, which merely extends the five year ban on capital punishment except in the case of the murder of a prison officer or a police officer, if we know full well that the cabinet will commute such a sentence anyway? What earthly sanity is connected with that? Whether we pass this legislation or not, we know that the cabinet will continue to commute such sentences.

Mr. Harding: What would you do if the Conservatives were in power?

Mr. Nielsen: Just before lunch I said that the government is playing politics with this measure. Now the hon. member, who has so inanely interjected while remaining seated, is doing the same thing.

This practice of invariable commutation in my view removes any deterrent effect that the death penalty could have. No conclusions can therefore be drawn about the validity of the partial ban experiment in the last five years. Commutation prevents the legal process. The Canadian Police Chiefs argue that by removing any element of deterrence, this discourages them in their work. Just remember the Lothian case. Why on earth should a police officer in a large centre like metropolitan Toronto risk his life by getting out of his patrol car, which incidentally he occupies alone, when he knows he may get shot, stabbed or by other means killed? For what purpose?

Commutation undermines the authority of parliament since it breaks and frustrates the parliamentary process. I do not think any logical argument can be advanced against that. This exercise that we are going through today, and probably on Monday and Tuesday, is an exercise in complete frustration because we know that if the police officers and prison guards are murdered those convicted of crimes will have their sentences commuted in any event.

In my view clemency, the prerogative of the Crown, should only be granted where, in the first instance, mercy has been recommended at the trial stage and, second, in the case of established error in conviction. It is my suggestion that this House has several options, but they are predicated on the Solicitor General declaring certain intentions. I believe that once the government announces its intention regarding sentencing practices, once it announces its intention of defining life imprisonment, once it announces its intention of defining its parole policy and the exercise of clemency, then this House can consider various options.

First we can consider, I hope as open-minded individuals, total abolition of the death penalty, and I refer again to the Fleming-Prud'homme amendment. I cannot overemphasize the fact that, even if that amendment were advanced and accepted, absolute adherence to the sentencing practices would have to prevail. At present we have no knowledge of what the government proposes with respect to those practices.

The second option is to make no change from the 1967 amendment. This means another extension of the ban on the death penalty for a period of five years. Incidentally, the Canadian Association of Criminality and Corrections has suggested a two-year ban to permit further studies.

The third option is the appointment of a royal commission with responsibility for correlating the needed factual information and conducting public hearings. There is a need for further studies and for assessment of public opinion and representations by citizens groups and individuals.

• (1440)

Finally, there is the matter that was dealt with by the minister, a national referendum. A national referendum was suggested by the Canadian Police Association. The minister's brief reply and rejection of that course was, in effect, a paraphrasing of Edmond Burke, to the effect that it is the responsibility of this House to make that decision. However, because of widespread public concern over this matter, because of the growing public opinion that I am sure is being expressed not only throughout the media of the country but also in members' mail that there should be a referendum, that suggestion should receive serious consideration in this House. The California precedent cited by the minister was an extremely weak argument. He dismissed the referendum that was held recently in that state on the basis that, as our constitutional and governmental practices are different inasmuch as a referendum once passed in California immediately becomes law whereas that is not the practice here, a referendum should not be held here. If the written media is an indication and if my mail and that of other members who have spoken to me is, there is rising support for a referendum. It is an alternative that should be considered.

Those are my personal views. Others from my party will participate in this debate. It has been indicated to me that several speakers from the party to my right and from the government side will participate. However, it is my personal view still that this debate is a waste of time.

Mr. Knowles (Winnipeg North Centre): What party is on your right?

Mr. Nielsen: I am sorry, Mr. Speaker, I meant the party to my left, if I may exaggerate to the extent of calling those hon. members on my left a party. Instead of this measure, we ought to be debating much more urgent legislation. However, if it is the intention of government and NDP members to prolong this debate, we will participate in it; we will not abdicate our responsibilities. We will make our contribution. But I hope it will be remembered that the members of my party who will contribute will do so on the basis that they are genuinely expressing a free opinion and, when they vote, they will be casting a genuinely free vote.

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, since this is the first opportunity I have had of rising to speak in this House, I think it is traditional to congratulate you on your election as Speaker, and to congratulate the Deputy Speaker on his election. I also wish to thank the hon. member for Winnipeg North Centre (Mr. Knowles) for looking after the new members of this House. He has looked after us very well in a very fine way and I think I speak for all new members when I say we very much appreciate what the hon. member for Winnipeg North Centre has done and for the very kind assistance that he has rendered to those of us who are shaky newcomers in this awesome place, the House of Commons.

An hon. Member: Awful.

Mr. Leggatt: Awful, all right. The thrust of my remarks will be that no news is good news. As this is my maiden speech, this is a painful process—I suppose that is why they call it a maiden speech. I do not know. In any event, to direct my remarks to the point, I agree with the hon. member for Yukon (Mr. Nielsen) that there is a great deal of public concern over this question. Certainly, my mail has conveyed it, as has the mail of a great many hon. members. There is reason for that concern. I agree that some statistics for the past five years indicate a rising crime rate. Those statistics I will refer to later. But there are, in addition, other reasons for this concern. I submit, Mr. Speaker, that this question has been sensationalized in the media to the extent that an unnecessary climate of fear has been generated in the public mind.

It is easier to sell newspapers when you sensationalize murder. I know that there is a great deal of public concern, but a great deal of that is not related to the facts as explained to us today by the minister. Another factor exaggerating that concern is the portrayal of murder on the entertainment media. The way that murders are usually committed on television encourages a climate of fear, a climate of panic. Let us also consider the movies. Why do most of the provinces of this country not restrict in some way or classify gory or violent movies? It seems passing strange to me that children can go on a Saturday or Sunday afternoon and watch, without restriction, movies involving the worst kind of gore and violence. They see things which bring out our worst instincts. I submit that what the news media and entertainment media show has exacerbated this problem.

If I were to assess the public mind correctly, and nobody can, I would not doubt that a great majority of the people favour retention of capital punishment, and the reason for that is clear. People fear for their own safety. Therefore, we must surely direct our attention to whether abolition promotes public safety and the public good. Of course, the reason most often put forward in favour of the death penalty is that the death penalty acts as a deterrent. I will not give many statistics; the minister referred to them in detail. On the surface, the deterrent argument is not logical, because a murderer is not a logical person. He is rarely a person with a rational mind. He commits murder when he is not rational, when he is not logical, when his tendencies are suicidal or psychotic.

Most of the media portray the murder as being planned and carefully executed with great skill by the criminal. This is not the case. Murders are usually committed in fits of passion by people of limited education and, most often, by people from deprived and underprivileged groups. Last but not least, they are often committed by other members of a family.

The United States experience is interesting and the minister referred to it. The murder rate in the U.S. is the highest in the world. In the abolitionist states of the United States the murder rate is 4.65 per 100,000 of population. In the retentionist states it is 7.65 per 100,000 of population. Incidentally, if we are concerned about the safety of police officers and prison guards, as we ought to be, it is interesting to note that those who carry on their profession in the abolitionist states of the U.S. are safer than those who carry out their duties in those states which retain capital punishment.

An hon. Member: Tell that to the police.

Mr. Leggatt: I will come to the police in a moment. If one looks at the world scene and examines the rate for the democratic socialist states of western Europe—and let me say that I am proud to be a member of my party—one will see that they enjoy the lowest murder rates in the world.

Mr. Yewchuk: But the highest suicide rates.

An hon. Member: Nonsense.

Mr. Yewchuk: That is right; look at the statistics.

Mr. Leggatt: The bill before us now places police officers and prison guards in a special category. I welcome the ministers indication that the government is continuing along the road to abolition and that the reason a measure proposing total abolition is not before us is that further information and statistics are awaited. I know I speak for many other members of this party who favour total abolition.

• (1450)

Some hon. Members: Hear, hear!

Mr. Leggatt: It is interesting to note that it was the police in Austria who were instrumental, a long time ago, in persuading that country to abolish capital punishment. They did so because the absence of a death penalty reduced the risk attached to bringing in criminals. After all, if a man had committed a murder and had nothing to lose he could be expected to be a much more dangerous culprit for police to tackle. Then again, consider a murderer with a suicide wish. Here, the death penalty might not only fail to work as a deterrent, it might work in reverse.

No one will deny that the occupations of police officers and prison guards are hazardous. But let us be realistic. In terms of death hazard, the rate for construction workers is 7.7 per 10,000; in mining it is 11 per 10,000; in agriculture, 6.5 per 10,000. The rate for police officers is 3.1. Theirs is not the most risky occupation in this country, despite what one might expect from reading the front pages of every newspaper.

Another cogent reason for not enforcing a death penalty is the increased public protection afforded against offenders who might be released after trial because of a jury's hesitation to convict. After all, when a jury is faced with the awesome responsibility of deciding whether life should be taken or not, it errs on the side of freedom for the possible offender. So there is the chance that a guilty man will go free, possibly to prey once more on the public. A considerable body of argument shows that the death penalty fails as a deterrent but that it increases the hazard to the public.

It is, of course, a cliche to say that the death penalty is discriminatory. But it is. It is a penalty most often imposed on the poor, on the homeless and on ethnic and racial minorities. A study of United States statistics indicates that since 1930, 3,859 people have been executed in that country. Mr. Speaker, 53 per cent of those executed were black. Incidentally, I have tried to get government statistics in terms of our native Indian population in Canada, and I am sorry to say the minister does not keep statistics on this basis. I am surprised. I suspect it is because an unduly large proportion of the population of the penal institutions of this country consists of native Indians—that their numbers are quite out of proportion with their share of the total population.

In terms of this debate, I think that what is taking place is a dialogue on death. Most people here already have their minds firmly made up and I do not believe there will be many changes as a result of the wind which will blow across the chamber on the subject. But let me ask you this, Mr. Speaker. How can proponents of the death penalty answer those who say: How is it possible to correct an error? In my view, one mistake is too high when the price is measured in terms of human life.

The issue of the death penalty is a red herring to the extent that it avoids the real concern of the public with its own safety. As I admitted earlier in my remarks, statistics do show that there is a rising crime rate. Over the past five years, murders increased by 53 per cent, the assault rate by 52 per cent, the robbery rate by 83 per cent, the rape rate by 42 per cent and narcotics by an incredible 1,724 per cent. It is also a fact that the age group whose members most often commit crimes increased abnormally by comparison with the rest of the population. But, Mr. Speaker, the streets of this country are still safe, unlike those of our neighbour to the south. And there is a better way of protecting the public than by enforcing a death penalty.

No one has mentioned during this debate the fact that there are six million guns in the hands of the public of this country. Half the murders committed are committed by means of guns, and half of those are by means of rifles. Yet a rifle is something one can buy without restriction in any department store. Persons of unsound mind, persons with serious criminal records, have ready access to weapons. If you want to reduce the risk of harm to the public, stop the distribution of guns throughout this country.

Some hon. Members: Hear, hear!

Mr. Leggatt: Death is only a quarter of an inch away and when the means are at hand, deaths will occur.

I am sympathetic with those who suggest that a review of the parole legislation and its administration are long overdue. I agree with some of the comments made by the hon. member for Yukon (Mr. Nielsen) on this subject. Consideration should also be given to mandatory sentences without access to parole or temporary release. The problem is to identify the psychotic offender who is incapable of rehabilitation. This is the direction we should be taking in order to protect the public adequately. I agree with the hon. member for Yukon that there should be a review of sentencing policy. The important thing is to get at the true causes of crime—social alienation, poverty, slums—spawned by the free enterprise system.

Some hon. Members: Oh, oh!

Mr. Horner: Spawned by the welfare system.

Mr. Leggatt: It is every man for himself under the free enterprise system, and if that does not encourage a climate of violence I do not know what does.

Some hon. Members: Oh, oh!

Mr. Leggatt: When this bill is referred to the committee, I hope the committee will deal with the issues raised by the hon. member for Yukon and I hope it will deal with the question of guns held in this country. I hope real protection will be afforded to the public. But all the capital punishment legislation in the world will not protect anybody. The hon. member for Yukon says the statistics available can be used by either side. But if they can be used to support one argument or the other, surely he should be supporting those of us who seek abolition. The onus, surely, should lie with those who wish to take life.

As I say, many of us in this quarter favour total abolition rather than the bill before us, but I am not proposing an amendment at this time. I am heartened by what the minister said in his address, that we should move toward total abolition—I think I quote him correctly. This is a position I have no difficulty in supporting.

• (1500)

I should like to end with a quote from Ramsay Clark, former Attorney General of the United States. In dealing with this subject, he said that society pays a heavy price for the penalty of death that it imposes. Our executionists may cry vengeance in the wake of a horrible crime, but reason and experience tell us that killing the criminal will not undo the crime, prevent other crimes or bring justice to the victim, the criminal or society.

Mr. Speaker, executions cheapen life and we must, above all, cherish life. In a humane and compassionate society, which surely we all seek, the death penalty has no place whatsoever and I urge ultimately total abolition.

[*Translation*]

Mr. C.-A. Gauthier (Roberval): Mr. Speaker, it is my pleasure to rise for the first time at the beginning of this session to congratulate those who have been appointed to guide the debates of the House.

Bill C-2 is one of the most controversial legislation ever discussed in this House. The years 1966-67 are still alive in my mind. At that time we waged a strong fight against abolition of capital punishment. Since then we have grown older and so has the government. It is said that with age comes wisdom and I hope that this year our debates will have a different tone because, as the government said themselves, this legislation is back in the House after five years of peace but this time under not so lively conditions.

It seems that arrogance is not so prevalent and that members will enjoy more personnal responsibility.

I want to congratulate the Solicitor General (Mr. Allmand) for saying that this vote will be absolutely free. Therefore, each one of us will be able to vote according to his conscience. Thus our discussions will not be so impassioned and more reasonable. So, before stating my opinion on some clauses of the bill, I will make a few general remarks on the principles behind my final decision on the thorny topic of capital punishment.

Just as a man must safeguard his own life and protect it, so it is his duty to respect the life of others. This is why homicide or murder is prohibited by moral law as well as by civil law which must reflect what is found in natural law.

The civil authority must protect the individuals through legislation and it has the right to pass and enforce the legislation required for the common welfare and to protect the life and assets of the people.

Since it is the duty of civil authority to uphold order in society, consequently it is entitled to impose penalties and seek redress from those who violate order and law. It is the sanction which perfects and completes the law. However, does that power of civil authority include the death penalty?

The political authority has the right to impose the death penalty to murderers.

The civil authority has the right to take all necessary means to serve justice and ensure the security of citizens; capital punishment is necessary to ensure justice and the security of Canadian citizens. So, civil authorities have the right to impose capital punishment.

Punitive or vindicative justice requires that the punishment of a crime be as equal as possible to the crime committed. For certain crimes such as homicide, for example, there is no other punishment than capital punishment to establish this equality between punishment and crime. So, for justice to be served, capital punishment is sometimes necessary.

It is practically impossible to ensure the security of the citizens against the acts of certain individuals without applying the strongest restriction available against criminals. And the strongest restriction available is capital punishment. Life imprisonment, as some suggest as a sanction, is not a strong enough deterrent to stop potential murderers. Indeed, murderers can sometimes escape and thus not serve their punishment. On the other hand, the horrible crime of taking away the life of another individual is not punished adequately by life imprisonment. Capital punishment is a more effective way of preventing it. Death is the deprivation of life, the greatest possession, and capital punishment has to be imposed upon those who take this possession away from others.

• (1510)

It is being said that life imprisonment ensures public security. To that I reply that life imprisonment ensures security in a certain way but is it effective enough? It can be sometimes, but not in all cases.

Another objection is that homicide is forbidden by natural law. Now capital punishment is an homicide, therefore capital punishment should be forbidden.

The word "homicide" should be clearly defined. In fact, natural law does not forbid all homicides. It is against unjust homicide only and it is not true that capital punishment is an unjust homicide.

There is another objection. Some hold that innocent people may sometimes be executed and that a miscarriage of justice can never be repaired.

It is true that capital punishment may be imposed upon an innocent person by error, but the fact that accidents may occur should not be reason to abolish capital punishment, not any more than we should stop manufacturing automobiles or aircraft because they sometimes cause accidents. That miscarriages of justice, which are very scarce, can happen is not reason to depart from a general principle.

On the other hand, I say to the supporters of the absolute right to live that the murderers themselves do not recognize such right in others. That right is not absolute for if it were a soldier killing an enemy in war would be considered as a criminal. That right may be taken from those who do not respect it in other people. As a matter of fact, the murderer taking the life of somebody else cannot claim an absolute right to life to escape the punishment fitting his crime.

Mr. Speaker, those principles having been established, the main objections proved wrong, let us return now to the bill itself.

When we read this bill, we find the following explanatory note:

The purposes of this Bill are, by amendments to the Criminal Code, to provide for

(*a*) the reinstatement of the law relating to capital punishment that existed prior to December 30th, 1972, for a period terminating on December 31st, 1977, and

(*b*) the elimination of the use of the terms "capital murder", in relation to murder that is punishable by death, and "non-capital murder", in relation to murder that is punishable by life imprisonment.

Mr. Speaker, first of all I am pleased to note that the government, in this bill, approves the principle of capital punishment. However, it changes its mind, it agrees in principle but does not do anything or allows the legislation to be defective.

I have always maintained that the main quality of a national legislation was universality and, as soon as this is taken away, the legislation becomes discriminatory and out of date, like Bill C-2. The bill now before us is selective in that it only protects a very small part of our society. I quote from the bill:

Murder is punishable by death, in respect of any person, where such person by his own act caused or assisted in causing the death of

(*a*) a police officer, police constable, constable, sheriff, deputy sheriff, sheriff's officer or other person employed for the preservation and maintenance of the public peace, acting in the course of his duties, or

(*b*) a warden, deputy warden, instructor, keeper, gaoler, guard or other officer or permanent employee of a prison, acting in the course of his duties.

We could have added: a prime minister, a minister, a judge and so on, in order to have a legislation of wide scope. Honestly, I do not see any difference between a police officer, a deputy police chief or a prison guard and a prime minister. Nowadays, more prime ministers are killed than prison guards. I do not see any difference, even less from a sentimental point of view, for I suggest that the life of my wife or of my children is just as important as that of all the people I have listed. I say: "just as important"! This is the opinion of most people. Then, why is such a restrictive legislation introduced in the House, after accepting the principle of capital punishment. The principle is accepted and it is intended to apply it to a small specific group. This is wrong.

This is why, Mr. Speaker, I do not support all the provisions of this bill. I suggest that this measure should have the most essential quality of any legislation, namely, universality. Only then will it be possible to talk about justice.

Mr. Speaker, I do not want a selective justice, either for myself or for anyone else. I want the same justice for all, throughout this country. This is the kind of legislation we want.

It is claimed that something is changed, where I suggest there is only a change in wording from the phrase "capital murder" to "murder that is punishable by death". Mr. Speaker I do not see much difference.

• (1520)

I have often said that we are in favour of the death penalty in the case of capital murder. That is why we are supporting the same cause today.

Some of my colleagues will speak on the famous parole system. Several members had the opportunity of hearing the opinion of experts, great Canadian jurists who were definitely against parole. I believe that this bill is only the continuation of a former bill that was already submitted and against which we voted. We hope that a free vote will be held and that the members, aware of their responsibilities and of the protection that they owe the public, will vote as sincerely as possible.

Mr. Speaker, I would like to read a few quotations for the benefit of the various parties in the House. If I may, I will read remarks made by a former member, a jurist named Rémi Paul who wrote the following in 1964:

CAPITAL PUNISHMENT IS NECESSARY IN ORDER TO PROTECT SOCIETY.

The commutation of Georges Marcotte's sentence, the announcement of a debate on capital punishment and of a free vote on this matter have brought once more the subject to the fore in parliamentary circles.

We asked a member who is a lawyer, who previously objected to the abolition of hanging and who recently pleaded in the House in favour of Marcotte, to express his current opinion on this problem.

The reference is to Mr. Rémi Paul, a former Progressive Conservative Member of Parliament. I shall read one or two excerpts to call the attention of Progressive Conservative members to the opinions of their former colleague,

I continue quoting:

Mr. Rémi Paul, Progressive Conservative member for Berthier-Maskinongé-De Lanaudière is still in favour of the death penalty. The reason for his intervention in favour of Marcotte was the special treatment given by judicial authorities to Jean-Paul Fournel, who informed on the alleged Santa Claus murderer.

Everyone, remembers the celebrated trial of the alleged Santa Claus murderer.

I shall now quote from an article in the March 7, 1966 issue of the *Journal de Montréal*;

YOUNG CONSERVATIVES IN FAVOUR OF MAINTAINING DEATH PENALTY

Over two thirds of the young Conservatives who met in Ottawa for a conference have just declared themselves in favour of maintaining the death penalty in Canada.

Some Progressive Conservatives may vote for keeping capital punishment and maybe some will object to it, but I just want to give these two examples to the Progressive Conservatives to say that not only senior citizens, but even the young also want retention of capital punishment.

As for the New Democrats, it is always pleasant to hear them for they express such contradictory views. For as long as I have known them, they have been for the protection of murderers just as they are for abortion on request and all other human depravities. As soon as there is a murderer to defend, they are there to do so. But they agree wholeheartedly with this slaughter of innocents—abortion on request—and this after having fought for murderers. How pitiful! Look at Paul Rose who is in jail. He complains that he is not well fed because he does not get dessert three times a day. But what did he do to Mr. Laporte? That is what we often forget. We shed tears over the plight of those poor murderers, but we allow to be killed thousands of innocents, helpless children who want to be born. This is why I call them innocents. And the New Democratic Party advocates abortion on demand. As late as last year, I heard some of those members plead for the protection of animals and ask that legislation be passed to that effect. But the protection of human beings, is that of secondary importance?

Why are we here? Above all, to establish justice, inasmuch as it is possible and to protect society. One must not consider, Mr. Speaker, the punishment in the light of the murderer himself, but from the point of view of the community as a whole which demands the most complete protection against those individuals. If punishment is to be proportionate to the offence, it must be above all a deterrent in order to protect society. Laws are made above all for the individual and society, not for the criminals.

So I soon realized that that was the reason why thousands of people took the time to answer the survey I made in my riding, because when I speak here, I speak on behalf of 90 per cent of my constituents who are in favour of capital punishment. Indeed, as I said, out of 2,000 answers I received, 90 per cent were in favour of retaining capital punishment. And this result can be explained by the many murders of all kinds committed in our country in recent years, for instance those vicious murders by Dion and others, and this same Dion after being released killed four innocents, four young children, and finally, as the State did not impose justice, a fellow inmate did for him a service that society was refusing him.

• (1530)

Taking into account murder, arson, fraudulent bankruptcies, healthy people are terrified by the fact that all death sentences are being commuted to life imprisonment. Resurgence of murder and organized crime should prompt the government to reinstate capital punishment without deliberation. Often we hear the common saying: *Vox populi, vox Dei,* or else that in true democracy the opinion of the majority should be law.

Indeed, Mr. Speaker, I should find it difficult to decide against the will of 90 per cent of the Roberval constituents. Therefore, I shall continue to support those who favour retention of capital punishment. And as a last argument, I should like to quote from an editorial that was broadcast by CJMS on November 21, 1972.

The death penalty imposed on Réal Chartrand for the capital murder of officer Labelle forces us again to question the usefulness of capital punishment.

People know that it is through a decision of the House of Commons that the death penalty has been retained for a few years now in our Criminal Code, and this exclusively in the case of deliberate murder of a police officer or a prison guard, and also that after 1962 there has indeed been no hanging in Canada.

Again in the forthcoming months the members of the House of Commons will have to study this question. First of all, even for those in favour of capital punishment, such a sentence is totally inadequate.

As I said at the beginning of my remarks, it is inadequate because selective. And now I resume the quotation:

In fact, there is absolutely no difference between the well-planned murder of a police officer and that of a bank manager . . .

—or of any other person in Canada, for that matter.

Again I resume my quotation:

. . . In our case, we must carry the debate further.

Is the death penalty really useful as a deterrent against crime? It would seem, from the comparative scientific studies carried out where it exists and where it does not, that it serves no such purpose. Therefore we sincerely feel that the despicable individuals who have lost all respect for human beings should be given life terms, and that hanging or killing them would bring nothing more to society.

Mr. Speaker, I have a few minutes left, I believe, and should like to quote from a speech Mr. Wagner delivered in 1965—when he was Minister of Justice in Quebec—inviting people to write to the federal government and tell them that the death penalty should not be abolished. When he gave this speech Mr. Wagner surely never expected that one day he would be elected to the House of Commons and would become the leading progressive conservative member in the province of Quebec,if not the only one. The hon. member for Saint-Hyacinthe (Mr. Wagner) is a man I respect, and a great jurist. This is what he said:

The Minister of Justice, Claude Wagner . . .

An hon. Member: There are other opinions.

Mr. Gauthier (Roberval): Someone has said that there are other opinions. I agree, but you cannot rob anyone of his opinions. This is my opinion and I have the right to express it.

An hon. Member: Indeed you have!

Mr. Gauthier (Roberval): On December 30, 1965, l'*Action* of Quebec City printed the following, and I quote:

The Minister of Justice, Mr. Claude Wagner, who recently said that he would suggest to the federal government to hold a national referendum to abolish capital punishment, was not surprised to learn that Mr. Pearson did not favour such a referendum. He says that Mr. Pearson is entitled to his views and opinions.

But, the minister added, if the government does not want to go to the people, the people will go to the government.—

I don't know if he expected that during the last election campaign, but this year the people went to the government. The people have elected a government for themselves. And I continue to quote from that newspaper:

And the minister is inviting everyone to write to the federal government to say that in the present circumstances, it would not be advisable to abolish capital punishment in Canada.

Mr. Speaker, I see that I have taken just about all my time and that I cannot read from that letter any longer. However, I would like to quote the following statement from the Civil Service Association of Canada.

As a Member of Parliament, you will be requested, during this Parliament, to take a stand on the matter of abolishing the death penalty in Canada. Due to its very nature, the Civil Service Association would not usually interfere in such a controversial issue involving public policy. We would think that our members would rather express their own opinion on this matter as the government seemingly intends to do so in Parliament, leaving to everyone the opportunity to make up one's own mind.

It so happens however that, in this particular case, our Association has a major interest to uphold concerning a particular aspect of the problem.

The association is opposed to the principle of selective law which would protect police agents only and not all its members and I wholeheartedly support them just as I hope that, by the end of this debate, a truly national and universal law will be adopted. It is then only that we will begin having justice for all.

[*English*]

Mr. S. Victor Railton (Welland): Mr. Speaker, this is the first time I have risen to speak in this House and I should like to congratulate you and your confreres upon the election to your posts. You, Sir, go about your duties in such a way that you have my unbounded admiration. I do not want to revert to the Speech from the Throne but I must mention my two fellow freshmen who moved and seconded the address in reply. I think they added a great deal of distinction to the first days of this parliament.

Some hon. Members: Hear, hear!

Mr. Railton: During the last few months we have all received many letters from our constituents, many of whom favour the retention of capital punishment for the killing of prison guards and policemen. In essence, this is the program the government supported five years ago and which the Solicitor General (Mr. Allmand) is asking us to support now. I believe we all realize that half a loaf is better than none. A few people have written me saying that capital punishment, right across board for all degrees of murder, should be instituted. On the other hand, many people are asking for complete abolition of the death penalty. So it is extremely difficult to attempt to assess a true picture of the wishes of the electorate.

Many kinds of polls have been taken, but these cannot give the complete public viewpoint. Aside from that, they are almost always untrustworthy. It is unrealistic to attempt to hold a referendum on the subject. Just think of the recent national referendum in England, which later entered the common market and ignored the results of the referendum which did not favour that move. This took courage—but it took a majority government, Mr. Speaker.

For all these reasons, though where possible we should try to respond to the wishes of the electorate, we as responsible Members of Parliament must vote according to our consciences on the question of capital punishment. We must stand up for our personal principles, no matter how they may be received by the electorate. Fortunately, we will have a free vote in the House on this question, and I do not think Members of Parliament should vote in any way except for that in which they believe. It is hardly possible to be a good Member of Parliament and act only according to the expressed wishes of the electorate alone, because sometimes the great mass of our people are not reached by educative media. So frequently if we follow opinion blindly, we are bowing to the will of the vocal few.

• (1540)

Unfortunately, there has been a great lack of public education on the subject of capital punishment. However, we as members have had access to a lot of information from parliamentary sources, the press and research bureaux as well as from the Minister of Justice (Mr. Lang) and the Solicitor General (Mr. Allmand). Thus, we have been able to do a great deal of reading and I think by now must have developed our attitudes fairly definitely. In my view no one should take part in this vote unless he has undertaken considerable study, had acquainted himself with the different facets of the problem and, finally, has struggled with his conscience.

It is unfortunate that the public of Canada has not in turn been able to read more impartial literature. A great many pamphlets and material from organizations, broadcasts and the press tend to strike emotional attitudes. These, in turn, really have the effect of clouding the real facts. If we look at the evidence impartially, most of us will agree that the state has the right to put to death anyone who has committed a crime against the state. The person who is trying to overthrow the state by violent means is a traitor. Indeed, when the War Measures Act was invoked, if things had come to the worst and there had been a real revolution, I think the state would have properly discharged its duty by putting people to death for committing treason. It would have been for the courts to decide at that time what treason really meant and to stand by the decision.

In considering the present question, as we are a civilized country all available evidence pertaining to murder should be pondered deeply. The subject has been studied from the standpoint of the value of capital punishment as

a deterrent to the potential murderer. There are other considerations as well. For instance, is the death penalty required for its deterrent effect? Does not killing a culprit give a poor image as to the value of a human life and the dignity of the human being? Has life imprisonment, without an attempt at rehabilitation and parole, any place in modern society? Finally, is it true that there is only a small percentage of recidivism in respect of murderers?

Also, is it true that anyone who murders should be considered in a narrow sense to be insane? In my opinion, we can prove that all murderers have a unique personality defect. These varying areas of the subject under discussion have been covered in the literature which is available and I think there is no need to dwell on the minor points but only on the question of a unique personality defect.

As to the prevention of murder, we can accept the fact as proven beyond doubt that capital punishment of itself has no deterrent effect: this should be emphasized. This point can be discussed further from the standpoint that the murderer, whether he has committed an atrocious, ghastly, premeditated murder, whether he has killed with cold-blooded reasoning or whether he has killed in an agitated and emotional state, is so obsessed with the accomplishment of the end he desires that he will kill at any cost, even at the risk of losing his life. He does not think that the penalty is likely to apply to him or, if he does think so, he considers this only a faint possibility.

I would like to put some new evidence before this House. Dr. Robert McKie, within the last two years, wrote a thesis for his PhD at Michigan State University. He and other psychologists were studying at Jackson state prison which contains one of the largest number of murderers in the world. The subjects of the study were 20 murderers and 20 other prisoners who were serving long sentences. The findings showed conclusively that the murderer is a strange individual who has a definite personality defect. It is the opinion of this study that we have many potential murderers in the population, and the group is larger than one would think.

The unique inheritance and early development of these people is such that when confronted by a certain set of circumstances, whether the act is sudden or planned in detail the action usually takes a violent course. In an emotional, sudden murder the criminal does it unthinkingly because it is the only way in which he can find a solution to the dilemma in which he finds himself. In addition, in a premeditated murder the criminal possesses such a decided personality defect that the taking of a life means nothing in the accomplishment of his goal. At the same time, in the case of sex slayings, whether of a grown woman or a child, the murderer views the sexual partner with immediate revulsion and his solution to that emotion is to kill. Although sometimes we say that hanging is too good for him, we still must be influenced by the fact that capital punishment has no deterrent effect on his actions. That is my first argument. My second will not take long.

Murderers, we know, can be model types of prisoners, as good as any Sunday school boy. Apparently they often exhibit shame and they can be guilt ridden. Frequently they will carry out religious and moral rituals or atonements. However, this apparent reformation should not be

taken at face value. For the very reason that a murderer is this type of person it must be stated that when he is released on parole or is enabled to rejoin society, even on a short pass, or whenever a set of circumstances, even in prison, presents itself which remotely resembles the original crime, because he wants his freedom his reaction to the set of circumstances will be the same as it was originally.

Therefore, Mr. Speaker, it is my feeling that we must make two decisions. Firstly, we must abolish capital punishment as a modern approach to punishment for murder and also as a deterrent to potential murderers. Secondly, we must imprison these people for life—and I mean life. We must as a society recognize that murderers are not capable of responding to any attempt at rehabilitation. So, Mr. Speaker, on this one important point it is my opinion that murderers need to be treated with humanity but they must be locked up for ever.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in the short time remaining I wish to put on record a few comments with regard to the question of capital punishment and what I think about this bill. In 1966 there was a free vote in the House. The House voted 143 to 112 to retain capital punishment. The government, in assessing the situation and wanting to push through an abolition bill, agreed to a compromise. It eventually compromised with its own retentionists who wanted capital punishment for the murderers of prison guards and policemen. The government agreed to compromise and induced the retentionists to allow passage of a bill for a five-year trial ban of the death penalty. That bill passed by a vote of 105 to 70.

Was the five-year trial period long enough? That is the question concerning us in this debate. The minister in his speech said it was not a question of the period being long enough; he is for the abolition of capital punishment. Thinking that the House would not pass an absolute abolition bill, he is putting forward this lame-duck bill that will extend the five-year trial period. He wanted complete abolition.

Anybody who votes for this bill is voting for abolition. The government said it would accept the obligation entailed in its compromise of 1967. It was obligated to permit the execution of criminals in cases where prison guards or policemen had been insolvent. The government did not live up to its end of the bargain. Do hon. members think it will live up to it in the next five years? I suggest it will not, because the Prime Minister (Mr. Trudeau) and the Solicitor General (Mr. Allmand) are abolitionists. In facts, practically all the front bench except the Minister of Finance (Mr. Turner) are abolitionists. In 1966 the Minister of Finance voted for the retention of capital punishment, but in 1967 he was one of those who was sucked into the compromise. Will he hold the government to its bargain? I doubt it. He will endorse this additional five-year trial proposal because he is a senior member of the cabinet, and the cabinet will accept this legislation. Here and there, maybe, there will be the odd member who will be allowed to show his independence by voting against the bill, but basically this is not a free vote.

• (1550)

Some hon. Members: Oh!

Mr. Horner (Crowfoot): Virtually all the cabinet will vote in favour of this bill. Virtually all the backbenchers over there will support it. The only parties which will allow a free vote are the Conservative party and the Creditistes, perhaps.

Some hon. Members: Oh, oh!

Mr. Horner (Crowfoot): It is not a free vote and it was never intended to be one. The situation with regard to the rate of increase in premeditated murders is that in the last five years there has been an increase of 39 per cent—greater than the increase in population during that period. The most effective means of dealing with these circumstances is the legislation which was passed in 1961 setting out areas in which capital punishment or non-capital punishment were applicable. That was a good piece of legislation if the government had only carried it out.

Some members have argued that the death penalty is not a deterrent, but, Mr. Speaker, no punishment is a deterrent unless it is used. Capital punishment has not been applied for the last 12 or 15 years in Canada and it has therefore simply lost all its deterrent value. The Minister of Justice (Mr. Lang) can say that capital punishment will be imposed in cases involving the murder of prison guards and policemen, but everyone in Canada knows he and his cabinet colleagues will not do that. So no deterrent at all is involved.

After all, if a hydro company threatens to cut off power to a customer who does not pay his bill, but fails to do so even though the bill remains unpaid, it is not likely it will ever be paid. On the other hand, if power is cut off as a matter of policy in all such cases, the effectiveness of the deterrent is apparent. Many deterrents are used in our system of law and order. The breathalyzer test is a good example. If it were not used, no one would pay any attention to us. But since everyone knows it is used, it has tremendous deterrent value.

I am not one who necessarily believes that hanging is the method of execution which ought to be used. But the threat to take a man's life certainly has a deterrent value if people are convinced there is an intention to carry it out. How can the government convince anyone that the law will be carried out when they are all abolitionists?

Many socialist members on either side of the House believe we must rehabilitate criminals in our penitentiaries and jails, yet there is talk of the Solicitor General bringing in an amendment which would impose 25-year, life imprisonment in place of capital punishment. Well, 25 years would probably amount to life for a lot of people because when you reach 50 you have only another 25 years to go.

Mr. Allmand: I rise on a point of order, Mr. Speaker. I know the hon. member would not wish to mislead the House, but I made no suggestion that I would introduce an amendment to provide for a minimum 25-year period of detention.

Mr. Horner (Crowfoot): It was stated in the newspapers that the minister would look favourably upon such an amendment. If he denies it, his reaction will be noted in the days and weeks ahead when this issue is debated. He will have plenty of opportunity to vote against such an amendment, one which I am told a couple of his henchmen intend to move. A long term of imprisonment is not a solution. To my mind, to lock a man away in a cell for 25 years, with no chance of rehabilitation, is far more cruel than capital punishment.

The whole country is concerned with this issue. Many people are concerned about their safety on the streets of our cities. They are worried lest this country go the same way, in some respects, as our neighbour to the south. Will women and children feel free to walk the streets after the sun goes down? The idea that if there were not public access to guns there would be no more murders, or far fewer murders, is false; a person intending to commit a crime will obtain a gun anyway. The Santa Claus murderer, for example, used a machine gun. It is illegal to buy machine guns; nevertheless he had one and he used it.

Consider the case of the policeman killed recently in Toronto. When the police found out where the young fellows were hiding, they went in with 75 well-armed men, all of them sharpshooters. The criminals knew they had no chance of getting out so they took their own lives. Unless this parliament takes firm action to bring about a balance in the situation, people will begin to use guns in order to protect themselves and we shall slip back into a lawless society rather than strengthen one which tends toward the preservation of law and order.

It is a most difficult thing for men to police one another. It is difficult to arrest one's brother, to put a person in jail, to administer capital punishment. But someone has to do these things, and the responsibility rests upon the government. They have failed to live up to it in the last five years and I do not believe they will do so in the next five years. Therefore I urge the House to vote against this bill.

May I call it four o'clock, Mr. Speaker?

The Acting Speaker (Mr. Boulanger): Order, please. It being 4 p.m., the House will proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, notices of motion and private bills.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I wish to ask the acting House leader or someone in authority on the other side if he will confirm whether on Monday we shall be pursuing debate on this particular bill.

Mr. Lang: That is the present intention, Mr. Speaker.

Abolition of Senate

PRIVATE MEMBERS' PUBLIC BILLS

BRITISH NORTH AMERICA ACT

ABOLITION OF THE SENATE

Mr. Stanley Knowles (Winnipeg North Centre) moved that Bill C-10, to amend the British North America Act, 1867 (abolition of the Senate), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, a week ago last night there was a vote in this House of 128 to 102 in favour of excluding the members of the other place from an important committee. The purpose of this bill is to finish the job so far as the Senate is concerned, and I am encouraged by that vote of a week ago last night to believe that if this bill could come to a vote today there would be enough consistency around here to carry it.

• (1600)

As the House is aware, this is not the first time that I have proposed the abolition of the Senate. I suppose I have to say that I have lost count of the number of times I have tried to do it in various ways. However, since this is a day when we seem to be talking abolition from morning until night, perhaps my proposal will be more effective. I said to one of my colleagues a while ago that perhaps I should take a cue from the bill we have been discussing thus far this day and tell the House that if hon. members are not prepared to go for a total abolition of the Senate, maybe they would go for a five-year abolition. At the end of five years I am sure we would not bring the Senate back.

An hon. Member: What would we do with the old boys?

Mr. Knowles (Winnipeg North Centre): The five years will take care of most of them. Perhaps I could dispose quickly of one or two minor arguments in favour of my bill. It does cost over $6 million a year to maintain and operate the Senate. While that is not a large sum of money as federal expenditures go, I can think of a good many more useful ways to spend $6 million a year. Another argument that I am sure will appeal to many members of this House is that if we were to abolish the Senate we could make very good use of their office space in this centre block.

The main and most serious reason for my proposing that the other place be abolished is my belief, and that of my colleagues, in the principle of democracy. We believe that the laws of the land should be enacted by persons who are chosen by the people of this country, by persons who are responsible to the people. That is the case with the members of the House of Commons. We can make mistakes, but when the next election comes along, if the people back home do not like the mistakes we have made they can get rid of us. In the Senate we have a body of men and women, fine and able persons though they may be, who are not chosen by the people of this country and who, once they are in their places as Senators, are literally responsible to no one. They are not even responsible to the prime minister who recommended their appointment to that other place.

It may be that 106 years ago when the constitution of this country was drawn, it was the accepted belief that democracy had not sufficiently matured to be trusted completely. It was the accepted belief that there was a place for a body of elder statesmen, a body of individuals divorced from politics to give sober second thought to, and to check on, what was done by the elected representatives. I think that is no longer true; I believe democracy has reached the point where we should believe in it and trust it. I believe that there is no place in the Parliament of Canada for a group of persons with the power which Senators have, considering the fact that they are not elected by, nor are they responsible to the people of Canada. Therefore, I express very strongly the view that we should do away with the other place.

I referred in passing to the powers of the members of the other house. Their powers are very great. The fact that they do not exercise them does not detract from the fact that they have those powers. They have a veto over what we can pass in this House. That is not just a veto for one session, two sessions or three sessions; they could go on for a thousand years, if they lasted that long, vetoing any legislation that this House might pass. I think that in principle, in theory, this is wrong and that very serious consideration should be given by the members of this House to my proposal that the Senate be abolished.

Let me come back to the allusion that I made a moment ago to sober second thought. I think that is a cliché that does not have any real meaning. There are many second thoughts given in this House of Commons. When legislation goes through from first to second reading, then to committee and to report stage and then to third reading, a great deal of thought is given to it. In fact, that is one of the reasons our rules are structured in the way they are, so that we can give proper thought to the legislation we are considering, keeping in mind the reactions and the views that we get from our constituents while the legislation is going through. If there is to be a rethinking of legislation, the place for that rethinking is here. It should be done by members responsible to the people of Canada, not by a group in another place who are responsible to no one.

It is argued sometimes that the reason for the Senate is to protect the minorities in this country. Because it has been said that that is the reason for the Senate, some people seem to labour under the illusion that minorities are protected, that minority rights are secured because there is a Senate the composition of which is different in number from that of the House of Commons. I submit members will have a hard job to find in our history many cases, if any, where minority rights were protected by Their Honours in the other place. We protect those rights in this House by our representation, based on our responsibility to our constituents. The other place where minority rights are protected is in the courts of the land. So I see no reason for having a Senate on the basis of that argument.

The fact that Quebec and Ontario do not have the overpowering number of members in the Senate that they have in the House of Commons—in other words, that representation is on a fixed basis rather than on a representation by population basis—is nice window-dress-

ing but it does not really give protection. Prince Edward Island, Manitoba and Saskatchewan are no better protected by the Senate of Canada because the number of Senators is, proportionately, not as low as is the number of Members of Parliament. Therefore, I suggest that that argument, which has been bandied about for 100 years, really has no merit.

Another argument that is sometimes used in defence of the Senate is that they do great work in committees. That is an argument that is made in this place too. In fact, it used to be said, when members were less active on the floor of the House of Commons than is the case today, that the member who did not say much on the floor of the House was a great man in committees. I have in mind, of course, the days before we had the sound amplification system, when that was true. I recall that fewer members did take part in debates on the floor then, compared with the case today. I think it is a happy development that many more members are now taking part. But the argument that Senators do great work in committees is, I suggest, hardly an excuse for maintaining, at a cost of over $6 million a year, 102 potential committee members. If we want a special job done, whether regarding poverty, land use or what have you, there are plenty of people in academic, business, labour or farm circles who can be engaged to do that particular piece of work.

• (1610)

In fact, the vote I referred to that took place in this House a week ago last night has dealt a serious blow to the argument about the value of the other place for committee work, because we decided in this House, by a majority vote, that we did not want them on the important food prices committee which has been established. So I submit that maintaining, at over $6 million a year, a group of potential committee members—and very few of them actually take on the work of committees; just a handful—is an argument that does not carry any weight.

It is sometimes said that those of us who want to abolish the Senate go too far: why do we not advocate its reform? Some will say in reply to my argument that what is wrong with the Senate is that its members are not elected, therefore are not responsible to the people and that the answer to the problem is to provide for the election of members of the Senate. I think that would be a ridiculous course for us to take. We already have enough struggles, conflict and confrontation in the governing of this land. We have the conflict between the executive arm of government and the House of Commons. We have the issues that obtain between the federal government and the provincial governments. If we had an elected Senate which had the legal and moral authority to stand on its own feet, as it does not now do, we would just have another incidence of confrontation which would slow down the decision-making process and the governing of this country.

Just as some countries have got rid of their upper chambers, and just as we have done it in this country in our provinces, I think we should do it in respect of our upper house. There was a time when we had an upper chamber in Manitoba, Nova Scotia and Quebec, but the day came when those provinces—if not the others—realized that there was no real value to their chambers. By the same token, I think the day will come when we will realize that, so far as our upper house or other place is concerned there is no real value.

Some hon. members, if they read Bill C-10 carefully, will see that it is designed to abolish the Senate, but they may also see a number of things in it that puzzle them. May I point out that the only purpose of Bill C-10 is to abolish the Senate by cutting out the provision for it in the British North America Act. Obviously, if one cuts out of the British North America Act any reference to the Senate, one has to amend quite a few other sections in a consequential way so that the provisions of the fact that we based on the fact of the Senate have some other base. It means, for example, that it is necessary to re-enact clauses about the use of the French and English languages, leaving out references to the Senate.

I hope hon. members will not feel that because those clauses are being re-enacted in their present form, that is taking any decision in respect of the language question or any of the other questions. Indeed, in drafting my bill to abolish the Senate I knew that if I had tried to solve some other problems as well, I would have had trouble getting my bill passed in one hour this afternoon. The point I wish to make is that much of the language in Bill C-10 is consequential; it is simply a question of necessarily changing other sections of the British North America Act in order for the Senate itself to be abolished.

Some hon. members may say, "Supposing we do pass this bill in this House this afternoon; does it not have to be passed by the Senate, and is there not some slight doubt that their Honours would do that?"

An hon. Member: Oh, no.

Mr. Knowles (Winnipeg North Centre): I quite agree, despite the confidence of my seconder, that at first blush the Senate would not like it. I believe that if the representatives of the people elected to this House took the decision that the Senate ought to be abolished, after an election or two with the members in this House taking that stand the members of the other place would realize that is what the people of this country wanted. If we cannot do it any other way, we could let the efflux of time take care of them. There would be persons appointed to the other place who would know the will of this House and the will of the country and would act accordingly. Certainly there are problems. But we have the right to do it, and if in this country there is the opinion that we ought really to be a democracy, governed by persons who are responsible to the electorate, we can solve the technical and constitutional problems.

Therefore, I present this bill once again, hoping that the members of the House will give it the consideration it deserves. By five o'clock, if we have not passed the motion for second reading so that the bill can go to the committee for study, at least we will be a little farther down the road of trying to make this parliament one that is truly democratic, one that will have in it only those persons who are elected by and responsible to the people of Canada.

[*Translation*]

Mrs. Albanie Morin (Louis-Hébert): Mr. Speaker, may I pay my respects to you on the occasion of my first speech in the House.

Abolition of Senate

[*English*]

Rightly or wrongly, Mr. Speaker, the Senate of Canada seems to have the worst reputation of any legislative body in the world.

[*Translation*]

In 1942, Senator Grattan O'Leary, then a reporter, wrote and I quote:

A Senate appointment is not employment and the Senate is not a place where they are supposed to work.

And he was appointed senator in 1962!

When Jean-Luc Pepin was an hon. member as well as a cabinet minister, he called the Senate a political house of refuge, a house for the dead, the most exclusive pensioner's club in the world and a tourist attraction. In short, he saw it as being the only flaw in the British North America Act of 1867.

What must we think of these views, Mr. Speaker?

[*English*]

That is especially so now that the hon. member for Winnipeg North Centre (Mr. Knowles) has presented a bill to abolish the Senate. Is the Senate such an outdated institution that it should be abolished, or should it be reformed?

[*Translation*]

Why should we abolish a chamber which Sir John A. Macdonald called:

[*English*]

"The sober second thought in legislation".

[*Translation*]

Mr. Speaker, in a federative country like ours, the Upper House has a very important part to play. For instance, in the United States, each of the fifty states, whatever their size and population, is represented by two members in the Senate.

In Australia, each of the six states sends to the Senate ten senators.

[*English*]

Indeed, Mr. Speaker, there are very few countries in the world without an upper house. They may vary in composition, but the reasons for their existence are always the same. The authors of the constitutions of England, France, Germany, the United States, Italy, and even Spain have considered it wise to provide their countries with the safeguard of an upper house.

• (1620)

[*Translation*]

However, I wonder, Mr. Speaker, why our Senate should be abolished? Why not reform it? The Senate is an Upper House similar to the House of Lords in England but, contrary to widespread popular opinion, it does not have such restricted powers as the British House. Our Senate is not a representative house, that is true, and its members are not elected directly by the people, that is also true, but it is a House of the people as much as the House of Commons. Its members do not come from any particular class or caste. They come from all walks of life.

However, Mr. Speaker, there is a basic difference between the two legislative assemblies of Canada. The House of Commons is and should be a deliberating assembly. It is a place where holders of opposite opinions meet, come to grips and decide on the fate of legislation before them. The Senate, on the other hand, the upper House, is and should be a workshop and not a theatre. Its function is to review legislation brought forward by the House, a task which should be carried out perfectly and boldly.

What are now the powers of the Senate? The Senate of Canada has all the powers vested in the House of Commons, except that no bill can be initiated there which involves a tax or a disbursement. The Senate can review legislation brought forward by the House of Commons, bring thereto such amendments as it deems necessary or useful, accept or refuse to pass the legislation and debate—this is essential—at any time, freely and in detail, matters related to the government's official policy.

[*English*]

Mr. Speaker, if bills are inadequately prepared and insufficiently thought out, it is the duty of the upper house to delay their adoption.

[*Translation*]

The Fathers of Confederation wanted it to be the duty of the Upper House to give willingly sympathetic opinions to the government, and to postpone, modify or even reject government measures according to its own judgment, and without political prejudice.

A second Chamber that would merely rubber stamp the decrees of the Lower House would have no value. The Senate must be independent and be able to act freely. It is, so to speak, the regulator who can prevent hurried or ill-conceived legislation from being passed.

[*English*]

In fact, Sir John A. Macdonald was of the opinion that an upper house would be of no use if it did not exercise, when it thought proper, the right of opposing, of amending, of postponing the legislation of the lower house.

[*Translation*]

Of course, there are times when the two Houses oppose each other; they have obviously done so repeatedly in the past. That is doubtless why the hon. member for Winnipeg North Centre (Mr. Knowles) wants it abolished. For instance, during the 1961 session, when the progressive conservative government of the right hon. member for Prince Albert (Mr. Diefenbaker) was in power, there was a test of strength between the two Houses. The Senate rejected Bill C-114 which declared vacant the post of governor of the Bank of Canada and removed Mr. James E. Coyne from office. Was it wrong? The Senate's move allowed Mr. Coyne to be heard and clear up a complex matter.

Please allow me now, Mr. Speaker, to speak of a few Senate committees which accomplish serious work. The senators on those committees, whether they sat alone or with Members of Parliament, made serious inquiries.

[*English*]

I would like to speak particularly of some special committees of the upper house and the influence they have had on subsequent legislation.

[*Translation*]

For example, the Land Use Committee established in 1957, a committee which made the inventory of Canadian lands, conducted soil studies and research on agriculture, water pollution, drainage, erosion, land financing and farm credit. Its report resulted in ARDA in 1961 and in at least seven other important pieces of farm legislation.

The Public Service Committee sat in 1966 and 1967 and before it appeared several representatives of the Civil Service, industry and various government agencies. Its most important recommendation was to grant to civil servants the right to collective bargaining.

[*English*]

The special committee on manpower and unemployment established in 1960 made a complete study of this question. The results of this study led to the formation of the Department of Industry in 1963, to the creation of the Economic Council, to the creation of the Atlantic Development Council and to the creation of the regional economic expansion program. The Senate Committee on Aging contributed greatly to the establishment of the guaranteed income program for persons over 65. The same committee recommended the training and retraining of workers. The Senate Committee on Science Policy was formed in 1967. It provided a national forum for the assessment of our country's efforts to date in scientific research. The recommendations of this committee led to the creation of the ministry of state for science and technology and a minister was appointed to head it. Then the Senate Special Committee on Mass Media was formed in 1969.

An hon. Member: That was a waste of money.

Mrs. Morin: For several months it studied the question of the ownership and influence of the mass media in Canada. The Senate Committee on Poverty visited all the provinces and held many hearings. The main recommendation in its report suggested the establishment of a guaranteed minimum income system to replace the existing social security plans.

[*Translation*]

The Divorce Committee was established in 1966. Its recommendations brought about drastic changes in the Divorce Act.

Now, in Quebec and in the other provinces, divorce cases are dealt with by provincial courts.

The Committee on Consumption and Corporations was established in 1966. The most important recommendation of this Committee resulted in the establishment of a Department of Consumer and Corporate Affairs in 1967.

I only mentioned a few of those committees, Mr. Speaker, made up of men of wide experience. They bring to committee work a degree of experience and stability which is sometime lacking in the Commons.

Thanks to the work of those committees, the Senate debates contain a great deal of information and considerations ignored by this House.

The members of the C.C.F. party, and later the NDP members, have always asked for the abolition of Senate. Whay not talk then of reforming the Senate?

[*English*]

Governments have often boasted of improving the Senate by the quality of those they appointed to it. Occasionally they have been concerned with choosing people with great reputations. However, so long as there is discretion in the choice of Senators there will be no real reform. Thus, there has often been talk of having each province designate a certain number of Senators who could be appointed for a five or ten-year term. This system would have the advantage of conforming to the requirements of federalism and, in particular, it would open the Senate to representatives of parties which have never succeeded in forming a government in Ottawa but which have held power in the provinces.

[*Translation*]

If for a quarter of a century such a system had been applied, there would not be in the Senate so many Liberals and Progressive Conservatives. Alberta and British Columbia would have sent some Socreds there, Saskatchewan some Socialists, and Quebec, Liberals and Progressive Conservatives with an autonomist tendency.

Again, as regards reforms, Mr. Speaker, a very important one has been introduced in the Seante these past few years when the retirement age was set at 75. Perhaps it would be possible to make it compulsory for all at age 65. And, speaking of reforms, since the retirement age is normally 65, should we not consider applying this also to the Senate?

Still in the field of reforms, why could more bills not originate from the Senate? This would relieve the workload of the House of Commons and enable it to consider more thoroughly some other legislation.

• (1630)

[*English*]

Some have advocated an elective Senate. This would make the other house simply another House of Commons, divided along party lines and holding debates characterized by the expression of party points of view, like those occurring in this House. The Senate is a storehouse of many talents and abilities and its members are ready and waiting for opportunities to serve the Canadian people. For example, the inquiries conducted by royal commissions could be handled by the existing Senate committees, thus saving the country several millions of dollars.

The Senate has always attempted to act as a sort of ombudsman to safeguard the supremacy of parliament and to ensure that the rights of individuals and minorities are respected. Through the many amendments made to certain bills the Senate has demonstrated that, when necessary, it is also capable of placing limits on the ambitions or demands of an all-powerful executive. It is for these reasons that I think the Senate should not be abolished; but maybe we should think of reforms for it.

Some hon. Members: Hear, hear!

Mr. J. H. Horner (Crowfoot): Mr. Speaker, before beginning my speech on Bill C-10 I would like to congratulate the hon. member for Louis-Hébert (Mrs. Morin) who has just spoken. She made a very good speech.

Some hon. Members: Hear, hear!

Abolition of Senate

Mr. Horner (Crowfoot): I enjoyed listening to her, although I would not agree with all she has said. I am interested in the Senate.

Some hon. Members: Oh, oh!

Mr. Horner (Crowfoot): Yes, Mr. Speaker. A year ago some Liberals offered to put me there, I think in order to convert me. But I am interested in the Senate mainly because I have had a rather long association with it. I have witnessed it at work a little more closely than many other hon. members, and I have listened to discussions about the reform or abolition of the Senate a little more often than possibly the hon. member for Winnipeg North Centre (Mr. Knowles).

The Senate was devised to give sober second thought to legislation passed by this House. I do not think it is now working very well, although it has conducted some good studies and some bad ones. Why is it not working well? That is the matter we should try to analyse. Last year it passed a mammoth tax bill consisting of 739 pages—and there were an additional 70 amendments which must have brought it close to 800 pages—in about a day and a half. Senators could not possibly have read it in the time allowed them to pass it. Why did they pass it in such a short time? Was that exercising sober second thought? No. They passed it because political influence was brought to bear. Hon. members may recall Bill C-176 which took a year and a half to get through this House. The Senate took about four days to pass it. That bill was not given sober second thought with respect to the regions of the country that were going to be affected by it.

Another reason for the establishment of the Senate was that it would protect regions of Canada, which did not have large populations, to be well represented in the House of Commons. I repeat that the Senate did not give sober second thought to Bill C-176 and the way it would affect certain regions. Here, again, we saw politics at work in a group of people appointed to work for the good of the country and not for the good of the political party which appointed them to the Senate.

Senators have forgotten the main purpose of the other place. I do not favour complete abolition of the Senate. There should be a body to give sober second thought to our legislation. I am willing to give the Senate a second chance. The Senate should be a non-political body once its members are appointed. No Senators should be allowed in the caucus of any political party. But look at the position of the Liberal party. Where do we find the president of that party? In the Senate, Mr. Speaker. Where do we find the former president of the Liberal party? In the Senate, Mr. Speaker. Where do we find the vice-president of the Liberal party? In the Senate, Mr. Speaker.

They have not given the Senate a chance to work in a non-partisan, non-political manner. They have not given it a chance to work for the good of the country. They do not deserve a second chance. But being of the generous nature that I am, I would give them that second chance. However, I would change the Senate to make certain that it did work for the good of the country and not for the good of a political party.

We need some legislative body to protect the various regions of Canada which do not have large populations. This House is dominated by elected representatives who come from the two most densely populated regions of Canada. The politics demonstrated in this place influence politics in the Senate, thus completely destroying the protection of the 24-24-24 system devised when the Senate was first established.

Over the years, we in this chamber have had difficulty finding a neutral enough person to act as Speaker of the House of Commons; but no such attempt is made in the Senate. The government appoints the Speaker over there, and he takes over. In the present case it is a she: she takes over and runs it in a partisan manner. I believe a chairman should be chosen who is not a senator to preside over debates in the other place. Further, Senators should not sit in the other chamber in political bodies to the left and to the right of the Speaker. Perhaps they should sit according to the 24-24, and seven for Newfoundland, system.

Mr. Knowles (Winnipeg North Centre): There is another 24 in there.

Mr. Horner (Crowfoot): Yes.

Mr. Knowles (Winnipeg North Centre): You mustn't forget western Canada.

Mr. Horner (Crowfoot): Did you think I would? Now I wish to deal with the question of conflict of interest. We still appoint Senators whose main concern is the directorship of companies: they are shareholders in one company or another. It may be wrong or it may be right, but I have heard the story that when Washington imposed the 10 per cent surtax on Canadian goods, the first thing Canadian Senators wanted to find out from Washington was whether that surtax applied to the companies of which they were directors. That is an evil thing. When people accept appointments to the Senate they should pledge themselves to work for their country, not for a political party or for a company in which they hold shares.

• (1640)

They should completely divorce themselves from political parties, from directorships of companies and from holding shares in any company in Canada. They should use their knowledge in a fair-minded way for the good of the country. Many things that a political party must do are sometimes unpopular in the country. The Senate in that way is unique. It is an appointed body and can recommend to this house or to the country measures which may not be popular. Senators need not worry about what the country thinks. They need only worry about what is good for the country and whether the measure will serve the country. This they are not doing today.

I point out that the president of the Liberal party is a Senator, and the vice-president of the Liberal party is a Senator. They are concerned with upholding the Liberal party in a favourable position in this country. I think that is wrong. I sometimes think we play too many party political games in this House. There is too much partisan debate for the sake of partisanship, and not enough attention is paid to the subject matter being discussed. That should never happen in the other place, but it will contin-

ue as long as we allow Senators to play a political role. All the same, they have a role to play.

It is perhaps sometimes overlooked that in an election the best man does not always win. I am sure hon. members will agree with me. Often small, but important segments of our society are not able to elect members to this place. That is why I think it is a good idea to appoint representatives provided those in the other place in a non-partisan and non-political manner.

The former prime minister, the right hon. member for Prince Albert (Mr. Diefenbaker) appointed the first Indian to the Senate, which I think was commendable. That provided representation for people in our society who had not been able to elect one of their own to this house. Since then two men of Indian extraction have been elected. I think such appointment to the Senate is very worth while. Another worth-while appointment to the Senate was that of a railroader. The Senate should be composed of representatives of a cross-section of the industries and peoples of Canada. That is the beauty and benefit of a non-elected body as part of our legislative process.

To conclude my remarks, I suggest the Senate is certainly worth keeping but it needs serious overhaul. Senators should be brought down to earth, shaken up and told they are here to work for the good of the country and not necessarily for the good of the party which appointed them. Certainly, they should keep out of politics completely.

[*Translation*]

Mr. J.-J. Blais (Nipissing): Mr. Speaker, may I first of all express my surprise at the fact that a member with the experience of the honourable member for Crowfoot (Mr. Horner) could say that he wishes that the Senate not become a political forum. One must go far in order to be able to state that politics has no relation to a Chamber of Parliament. If this is all the seriousness that can be contributed to a debate such as this one, I do not think that what has been said by the honourable member for Crowfoot should be considered with much interest. May I however say to him that I agree with one of the points he made.

The Senate needs reform. I would suggest one dealing with membership and appointments.

Mr. Speaker, the Senate has lost part of its powers because, when it was first established, the intent was to grant it powers equal to those of the British House of Lords which obviously has not been the case.

At the time the Senate was being instituted, during negotiations concerning the Confederation Act, Sir John A. Macdonald made the following remarks concerning the Senate:

> In order to protect local interests in each province, we have deemed it necessary to give the three broad divisions of British North America equal representation in the Upper House, since the interest of each division will be different. Therefore, the Legislative Council, whose task it will be to temper and regulate the legislative process ... will be made up of an equal number of 24 representatives for each division.
>
> Of what use would the Upper House be if it were not to exercise, as and when required, its right to oppose legislation proposed by the Lower House, to alter or postpone such legislation. The Senate should not be merely an office for the recording of Lower House decrees.

That is the whole mistake. In order to protect regional interests, it was sought to vest in the Upper House actual legislative powers.

And as early as 1868, the year following the creation of the Canadian Confederation, a study was already launched to determine why the Senate was not functioning properly.

Of course it did not work because it had been given legislative powers while its members could not be elected by the nation.

[*English*]

I think the Prime Minister of that time indicated, as suggested by Mr. Dafoe in the Winnipeg *Free Press* in 1943, that without the Senate and without the arrangements which have been made there would not have been confederation. At the time the problems facing the Fathers of Confederation made it essential that those regional jealousies be protected. At that time this question was very important. Of course, we have seen its importance diminish. I agree with the hon. member for Winnipeg North Centre (Mr. Knowles) when he suggests that there has been regional protection. When the Senate was created we worked under a two-party system. Now we have more than two parties; there are fragmentary parties in the House. Historically, these smaller groups have protected and represented regional interests.

There has been no difficulty about the protection of regions because of that development and also because of the phenomenon of the Privy Council of England having given to the provinces power greater than that which was intended under the British North America Act. However, the Senate foresaw the situation which we are now facing, inasmuch as within our own demographic design there are minorities. Reading the latest census report, I see that there was in Canada in 1971 a population of 21,568,315. Of this number, those who indicated their mother tongue as English numbered 12,973,810; those who indicated French as their mother tongue numbered 5,793,000; those whose tongue was German numbered 561,000; Indian and Eskimo, 179,000; Italian 538,000, and there were 144,000 whose mother tongue was Dutch.

• (1650)

Here are further figures: Polish, 134,000; Ukrainian, 309,855; other nationalities, including Japanese and Chinese, 932,000. And these nationalities are spread all across the country. These people will tell you it is impossible to receive effective representation by population in the case of a small minority distinguished because of racial origin. We have in this country espoused a policy which recognizes and, indeed, encourages multiculturalism. This is as it should be because we are a new country.

[*Translation*]

And we must invite all the citizens of the world to come and settle here. On the one hand, we can't invite them or encourage them to keep their traditions and, on the other hand, fail to give them at least some indication that they will be involved in the government of the country. To declare today that the Senate is expendable is to deprive those people of the opportunity of being appointed to a

Canadian legislature where they could be urged to take part in our democratic process.

This is the situation as it exists today. It is all the more serious that according to the last census, Canada had a birth rate of 16.8 per cent per 1,000 inhabitants. In the province of Quebec, it is 14.8 per cent. Although 1968 statistics show that the death rate in the province of Quebec was 14.8 per cent.

Therefore, our population is in a static position in that the birth rate is equal to the death rate. There will be no increase in the birth rate in our country if present tendencies persist. Moreover, I should like to point out that we create 200,000 new jobs every year in Canada for those born in 1945, 1947, 1948, 1949, when the birth rate was 30 per 1000 inhabitants.

But while huge institutions are set up to accommodate all those people, what is being done? The populations's natural growth is checked through birth control. When the people who are working now are gone, who will replace them in those huge institutions we are setting up? We must promote immigration; it is the only solution. We have birth control, but foreigners—

The Acting Speaker (Mr. Boulanger): Order please. I think the hon. member should get back to Bill C-10, for he seems to have wandered away from the subject of the bill.

Mr. Blais: Mr. Speaker, I thank you for reminding me that I might have been drifting away from the subject. We have reached a point where we will have to encourage immigration. Then, we will have more new Canadians who are neither of French, English nor Italian origin. They will then ask for the right to be represented. That is when we will see the need for keeping the Senate.

You wanted to know what I was leading up to: well, there you have it.

Mr. Speaker, when one sees far into the future one is at times hard to understand. In any event—

[*English*]

What I wish to stress is that to go as far as the hon. member for Winnipeg North Centre (Mr. Knowles) suggests would be to deprive Canada of that camera—

Mr. Knowles (Winnipeg North Centre): That camera?

Mr. Blais: —of that camera within which we can achieve such representation. I agree with the hon. member with reference to the removal of the section respecting the qualifications of Senators. I was aghast when I read section 23 of the British North America Act to see that only landed gentry are permitted access to the Senate. I cannot believe that an act for which I have such great respect would permit the continuance of a distinction whereby only a man who has equity of $4,000 clear and free of indebtedness would be entitled to a seat in the Senate.

Mr. Knowles (Winnipeg North Centre): Whether he has ability or not doesn't matter.

Mr. Blais: I would agree to the complete removal of that provision were it possible. However, the other clauses of the hon. member's bill are most repugnant to me, though I do not quarrel with his sincerity. When I addressed myself to the subject, I did so with some trepidation because it is a serious one. I do not intend to begin a tradition of opposing the hon. member's bill every year. I would appreciate it if the information contained in these debates were conveyed to the public so that the views expressed could receive the attention they deserve. There could be a question of public interest here: a constitutional amendment is proposed.

Reverting to the discussion in the House a while ago, society has a hard time getting somebody else to push the button which will take away an individual's life. Imagine the difficulty we would experience in getting a murderer to hang himself by his own hand. I take it the hon. member's bill would need to be accepted by both Houses expressing themselves as in favour of such an amendment. I confess I find it difficult to imagine such a situation.

The Acting Speaker (Mr. Boulanger): Order, please. The hour provided for the consideration of private members' business has now expired.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, January 29, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

TABLING OF TEXT OF IDENTICAL NOTES TO PARTIES PARTICIPATING IN PARIS CONFERENCE ON VIET NAM

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I wish to table in the two official languages the texts of four identical notes dated January 27, 1973, communicated to the parties participating in the Paris conference on Viet Nam.

* * *

INDIAN AFFAIRS

SIT-IN AT KAMLOOPS OFFICE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Frank Howard (Skeena): Mr. Speaker, pursuant to Standing Order 43, on a question of urgent and pressing necessity, namely, the sit-in of Indian people at the Department of Indian Affairs and Northern Development offices at Kamloops, and the necessity of dealing with the situation there, I should like to move, seconded by the hon. member for Comox-Alberni (Mr. Barnett):

That the Standing Committee on Indian Affairs and Northern Development be authorized to inquire immediately into the recent band council election at the Kamloops Indian Reserve and into the involvement of the Department of Indian Affairs and Northern Development in that election, and especially into events subsequent thereto.

Mr. Speaker: Is there unanimous consent under the terms of Standing Order 43?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity. The hon. member's motion cannot be put.

* * *

POLLUTION

DISCHARGE OF OIL FROM "IRISH STARDUST"—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Randolph Harding (Kootenay West): Mr. Speaker, under the terms of Standing Order 43 I ask permission to move a motion on the grounds of urgent necessity. I move, seconded by the hon. member for Skeena (Mr. Howard):

That the special committee of the House of Commons on environmental pollution be re-established, composed of not more than 20 members to be later designated by the House, to investigate all matters relating to the discharge of oil by the bulk carrier *Irish Stardust* into the waters of Johnstone Strait and the Strait of Georgia, including, without restricting the generality of the foregoing, the ownership and operating authority of the ship; the condition of the ship both before and after the incident; the role played before, during and subsequent to the incident by each and every agency established by act of parliament with responsibilities related to preventing or minimizing the damage; and the adequacy or inadequacy of relevant legislation and regulations, with powers to report from time to time its observations, opinions and recommendations thereon;

And that the committee be empowered to send for persons, papers and records; to sit during sittings and adjournments of the House either in Ottawa or British Columbia, and to travel between Ottawa and British Columbia; to print from day to day such papers and evidence as may be ordered by the committee; and to appoint from among its members such subcommittees as it may deem advisable or necessary, and to delegate thereto all or any of its powers except the power to report directly to the House.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

NATIONAL PARKS

PROPOSED GROS MORNE PARK—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I ask leave to present a motion under Standing Order 43 on a matter of urgency. Bearing in mind the memorandum of agreement signed by the appropriate ministers for Canada and Newfoundland on October 31, 1970, respecting the establishment of a national park on the west coast of the island of Newfoundland, and in view of the imminence of the necessary expropriations, I move, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan):

That the Minister of Indian Affairs and Northern Development recommend to the Governor in Council that the communities presently designated within the boundaries proposed for the Gros Morne National Park not be subject to the relocation clauses which would have the effect of destroying the traditional way of life, and rights, of several communities and their citizens.

Mr. Speaker: Again, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Order Paper Questions

Some hon. Members: No.

Mr. Speaker: There is not, and the hon. member's motion cannot be put at this time.

* * *

NATIONAL HOUSING ACT

On the order: Introduction of Bills:

January 26, 1973—The Minister of State for Urban Affairs—Bill intituled: "An Act to amend the National Housing Act".

Mr. MacEachen: Stand.

Mr. Speaker: The minister has asked that this bill stand. Perhaps I should draw to the attention of the House an error in the French version of the recommendation attached to this bill to amend the National Housing Act.

[*Translation*]

The French version of the recommendation reads in part as follows:

... augmentant de quinze milliards à dix-neuf milliards de dollars le montant global ...

Whereas it should read:

... augmentant de seize milliards à dix-neuf milliards de dollars le montant global ...

The English version of the recommendation is accurate.

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ESTABLISHMENT OF SATELLITE PARK—NOVA SCOTIA

Question No. 5—**Mr. Crouse:**

1. Is it the intention of the government to establish a satellite park along the coast of Nova Scotia as a supplement to the facilities provided by Kejimkujik National Park and, if so (a) what are the boundaries of the area selected (b) what is the estimated size of the park?

2. How much money has been set aside for the development of a satellite park?

3. On what date does the government estimate development work for a satellite park will be undertaken?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. A proposal to establish a coastal adjunct to Kejimkujik National Park has been under study for several years and in response to negotiations with the Province of Nova Scotia, this proposal has been given a low priority. (a) Precise boundaries have not been established; (b) The size of the proposal cannot be determined until boundaries are agreed upon.

2. No funds are currently programmed for this purpose.

3. No date has yet been determined.

[Mr. Speaker.]

COMPANY OF YOUNG CANADIANS—CONTRACTS TO OUTSIDE PERSONS AND ORGANIZATIONS

Question No. 124—**Mr. Nystrom:**

1. What was the total amount of money spent in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72 by the Company of Young Canadians on contracts to outside persons and organizations for research, development and other consulting services?

2. What are the names and addresses of these outside persons and organizations and what amounts of money were involved in each contract?

3. What was the purpose of each contract and title of each report submitted?

What are the names and addresses of outside persons and organizations who were awarded contracts for research, development and other consulting services in the current fiscal year, what are the amounts of money involved in each case and what is the purpose of each contract?

Hon. James Hugh Faulkner (Secretary of State): I am informed by the Company of Young Canadians as follows: 1. 1968-1969, $15,913.30; 1969-1970, $6,192.13; 1970-1971, Nil; 1971-1972, Nil.

2 and 3. Contracts over $2,000:

Walter Kubiski 249 Talbot Street Apt. 108 Winnipeg, Manitoba	Consultant to advise Executive Director	Fees: Expenses:	$4,125.00 $2,273.35
Berger, Tisdall, Clark and Lesly Ltd. Box 61 Toronto Dominion Centre Toronto, Ontario	Public Relations	April 15, 1968—January 14, 1969 Fees: Expenses:	 $6,225.00 425.00
Bruce Becker 40 Hazelton Avenue Apt. 7 Toronto, Ontario	Technician consultant (Technician, Radio station Kenomadiwin)	Fees:	$2,400.00
M. W. Bright 97 Queensline Drive Ottawa, Ontario	Accounting consultant	Fees: Expenses:	$2,850.00 14.95

4.

1972-1973

J. P. Gareau 2695 Dezeny Montreal, Quebec	Researcher—Social Welfare Recipients	Fees: Expenses:	$2,830.00 458.90
Vincent D. Burk 18 Greengrove Crescent Sherwood Park, Alberta	Economic Development North Eastern Alberta	Fees: Expenses:	$2,000.00 $1,107.00
Michael J. Woodward 55 Menlo Crescent Sherwood Park, Alberta	Economic Development North Eastern Alberta	Fees: Expenses:	$2,000.00 569.00

BUDGET—REVENUE ESTIMATES VERSUS ACTUAL ESTIMATES

Question No. 156—**Mr. Broadbent:**

In each budget since 1968 (a) what was the estimate of revenues and what were the actual revenues collected on both a budgetary and national accounts basis (b) what accounted for the difference

between the forecast and the actual amount collected in each case where the discrepancy was greater than 2 per cent?

Hon. John N. Turner (Minister of Finance): The following table shows, for each budget presented in the period from fiscal 1968-69 to the present, the published forecast of revenues both on a budgetary and on a national accounts basis. It also shows the actual outcome for each year, and the percentage difference between forecast and actual revenues.

Fiscal Year	Budget Date		Budgetary Revenue	% diff.	National Accounts Revenue	% diff.
1968–69	Oct. 22,	Forecast	10,105	−0.9	12,125	−2.2
	1968	Actual	10,191		12,397*	
1969–70	June 3,	Forecast	12,025	−2.5	14,310	−1.4
	1969	Actual	12,324		14,505*	
1970–71	Mar. 12,	Forecast	13,150	2.6	15,620	0.5
	1970	Actual	12,803		15,545*	
	Dec. 3,	Forecast	13,035	1.8	15,700	−0.2
	1970	Actual	12,803		15,731	
1971–72	June 18,	Forecast	13,660	−4.2	17,050	−4.1
	1971	Actual	14,227		17,752	
1972–73	May 8,	Forecast	15,670	n.a.	19,250	n.a.
	1972	Actual	n.a.		n.a.	

*Prior to Historical National Accounts Revisions.
n.a.—Not available.

Disregarding the sign of the difference, the average difference between forecast and outcome was 2.4 per cent on a budgetary basis and 1.7 per cent on a national accounts basis. It should be noted that these averages have been somewhat distorted by virtue of the fact that some budget forecasts were rendered obsolete by a subsequent budget within the same fiscal year, or by discretionary changes introduced without the benefit of a formal budget.

For the five budgets for which "forecast versus actual" comparisons are available, three underestimated budgetary revenues, while two overestimated them. An important factor causing the underestimation was a higher than anticipated rate of price inflation. The overestimations occurred in 1970, and were attributable to the greater than anticipated deceleration of the economy experienced in that year.

In considering the accuracy of these forecasts, it is necessary to note that there is some imprecision in the published National Income Accounts, which constitute the point of departure for economic and fiscal forecasting exercises. For example, there is at the present time a residual error of approximately $2.0 billion or two per cent between the income and expenditure sides of the accounts. In addition, there is always uncertainty regarding the rapidity with which persons or companies respond to fiscal measures.

CANADA MANPOWER MOBILITY PROGRAM

Question No. 191—**Mr. Orlikow:**

1. What were the names of employers who offered at least 20 jobs to the recipients of grants under the Canada Manpower Mobility Program, in each of the fiscal years 1967-68, 1968-69, 1969-70, 1970-71, 1971-72, 1972-73 to date?

2. How many jobs were offered by each of the above-mentioned employers in each of the above fiscal years?

3. What was the total value of mobility grants in each of the above cases in each fiscal year?

4. What are the objectives of the program?

5. Has the department conducted any evaluative study of the program and, if so, what was the date of the latest report?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. Grants under the program are given individually to workers who meet the eligibility criteria prescribed by the Manpower Mobility Regulations rather than to employers and therefore the Department does not maintain a record of the names of employers offering jobs to manpower mobility grant recipients.

2. See 1 above.

3. See 1 above.

4. The primary objective of the Canada Manpower Mobility Program is to optimise the use and geographical mobility of all manpower resources available to the country by assisting unemployed, underemployed and about to become unemployed workers, who cannot get suitable employment locally to move to more productive and more remunerative employment. The aim of the Canada Manpower Mobility Program is not to subsidize all worker mobility, but rather to assist and serve as an incentive to those who need to move but require financial assistance. The program also helps workers to travel to and take advantage of training and retraining opportunities which are not available in their home communities. The Manpower Mobility Regulations provide three types of assistance: Trainee Travel and Commuting Allowances: to enable adults to take training in a locality other than that in which they reside. Exploratory Grants: to enable a search for employment in another area. Relocation Grants: to facilitate permanent relocation.

5. Yes. December 1972.

LOANS GRANTED BY EXPORT DEVELOPMENT CORPORATION FOR PURCHASE OF SHIPS BUILT IN CANADA

Question No. 202—**Mr. Laprise:**

Has the Export Development Corporation granted any loans to the Compagnie Maritime des Chargeurs Réunis and to the Société Navale Chargeurs Delmas-Vieljeux for the purchase of ships built in Canada and, if so, what amounts and interest rates have been granted to each of these two companies?

[*Translation*]

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Export Development Corporation states: 1. On September 10, 1971 it made an agreement with La Compagnie Maritime des Chargeurs Réunis of Paris, France, agreeing to lend that company $15.12 million repayable in instalments after delivery, to finance a sale by Marine Industries Limited, Sorel, Quebec, of two 15,600 ton multi-purpose vessels.

2. On September 10, 1971, also, it made a similar agreement with La Société Navale Chargeurs Delmas-Vieljeux of Paris, France, to lend that company Can. $37.8 million on the same terms to finance a sale of 5 similar vessels by the same shipbuilder.

3. The same rate of interest applies in each case; it is a commercial rate negotiated on the basis of rates prevailing internationally at the time; interest rates in Canada's long term financing are not published because negotiations now in progress may be hurt by publication.

[*English*]

ST. LAWRENCE ISLANDS NATIONAL PARK—MALLORYTOWN LANDING SECTION

Question No. 227—**Mr. Cossitt:**

1. Is it the intention of the government to proceed with improvements to the beach and swimming areas at the Mallorytown Landing Section of the St. Lawrence Islands National Park?

2. Is it the intention of the government to improve the adequacy of the camping area at Mallorytown Landing by (a) utilizing undeveloped land presently government owned and lying north of Highway 2S (b) acquiring additional land presently privately owned and lying between Highway 2S and Highway 401?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. Improvements at the Mallorytown Landing Section of the St. Lawrence Islands National Park that are planned for 1973/74 consist of: (a) A small building in the area will be remodelled into an Interpretive Centre. (b) Some renovations to the Outdoor Theatre. (c) Continuing the enlargement of the beach area by adding sand.

2. (a) No. (b) No.

*CANADA MANPOWER TRAINING PROGRAM—STATISTICAL INFORMATION CONCERNING PEOPLE IN RECEIPT OF ASSISTANCE

Question No. 265—**Mr. Stackhouse:**

Will the Minister of Manpower and Immigration inform the House how many people received federally funded retraining programs in 1972, or any part of it for which statistics are available, and how many of them obtained jobs in fields in which they had been retrained?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, during the 1972 calendar year a total of 327,950 persons received assistance to enrol in federally funded training programs, distributed as follows among the various types of programs:

	No. of Persons Enrolled in[1] Federally Funded Training Programs—Canada, 1972
1. Full time institutional	153,952
2. Training on the job	44,429
3. Part time institutional	46,951
4. Apprenticeship	32,888
5. Training in industry	49,730
Total	327,950

(1) Enrolments represent numbers starting training courses during the period; an individual may participate in more than one course during the year, and he is counted each time he starts a new course.

While persons participating in programs 3 to 5 are usually employed, the bulk of those involved in programs 1 and 2 above are unemployed when enrolled in training.

According to the latest follow-up results for full time institutional training, 76 per cent of trainees who completed skill courses in 1971-72 were employed three to four months after graduation. 48.5 per cent of the graduates found employment in occupations for which they were trained, and the remaining 27.5 per cent were employed in occupations not related to their training course.

Of the 44,429 persons enrolled in the training on the job program in 1972, 66 per cent completed their training. 93 per cent of those who completed training were employed after federal funding was terminated; 89.8 per cent were with the same employer working in the occupations for which they were trained; another 1 per cent were in a different occupation, while the remainder found employment with another employer.

ELDORADO NUCLEAR LTD., URANIUM CITY, SASKATCHEWAN

Question No. 526—**Mr. Nesdoly:**

1. What was the total number of employees in the latest 12 month period at the Eldorado Nuclear Ltd. mine operation at Uranium City, Saskatchewan?

2. How many were hourly-rated and how many were salary-rated?

3. What was the total payroll?

4. What was the breakdown of the payroll between hourly-rated employees and salary-rated employees?

5. What was the total production of ore in each of the past ten years?

6. What was the cost of producing a pound of uranium oxide for each of the past ten years?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Eldorado Nuclear Limited reports as follows: 1. 388 average.

2. Hourly rated, 246.25 average; Salaried, 141.75 average.

3. $4,045,238.

4. Hourly rated, $2,591,165; Salaried, $1,454,073.

5. 1963, 1,885,212 pounds; 1964, 1,837,029 pounds; 1965, 1,800,467 pounds; 1966, 1,687,501 pounds; 1967, 2,003,369 pounds; 1968, 2,001,648 pounds; 1969, 1,562,357 pounds; 1970, 1,531,893; 1971, 1,204,406 pounds; 1972, 1,334,647 pounds.

6. The requested information is of a proprietary nature, the disclosure of which would be prejudicial to the Company's—and the public's—interests in light of the competitive position of Eldorado Nuclear Limited in marketing uranium on a worldwide basis.

* * *

QUESTION PASSED AS ORDER FOR RETURN

SUBVENTIONS FOR COAL TRANSPORT PROGRAM

Question No. 166—**Mr. Broadbent:**

1. What were the names of corporations benefitting from subsidies under the Subventions for Coal Transport Program (SCT), in

each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72, 1972-73 to date, and what were the amounts of subsidies in each case?

2. What are the objectives of the above program?

3. Has the department conducted any evaluative study of the program and, if so, what was the date of the latest report?

Return tabled.

• (1410)

Mr. Diefenbaker: Mr. Speaker, may I point out that starred question No. 53 and starred question No. 56, both of which have been on the order paper since January 4, have not yet been answered. It is very difficult to ask questions in the House before orders of the day, restricted as we are by the rules, and the reason for starred questions is to enable answers to be given.

It is obvious that the answer to starred question No. 53, having to do with the removal of the descriptive letters "RCMP" from detachments, automobiles and other vehicles, might be embarassing to the finer sensibilities of the cabinet, but that is no excuse for not answering it. Starred question No. 56 asks:

Since January 1, 1972, have any departments of government removed from mail envelopes the letters O.H.M.S. and, if so, what departments—

That question is in the same category. In view of the newly-found devotion to Her Majesty on the part of the Prime Minister, I see no reason why I should not get an answer to this very simple question.

MOTION TO ADJOURN UNDER S.O. 26

POLLUTION

DAMAGE FROM OIL DISCHARGE BY VESSEL, "IRISH STARDUST"

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, under the provisions of Standing Order 26 I ask leave, seconded by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) to move the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the failure of the government to exercise its authority under the Canada Shipping Act to enact the regulations and to establish an administrative organization which could have prevented the widespread damage to seashores and coastal waters off British Columbia resulting from damage to the hull of the vessel *Irish Stardust*, the subsequent voyage of this ship to Victoria and the discharge of fuel oil therefrom.

Mr. Speaker: The hon. member for Comox-Alberni has forwarded the notice required under Standing Order 26. I have given serious consideration to the hon. member's proposed motion that the House adjourn to discuss the matter referred to in his notice. Essentially, the hon. member proposes that the House debate what he terms the failure of the government to take certain action. Thus the hon. member for Comox-Alberni wishes to put before us a motion of censure against the government. With respect, I suggest to him that Standing Order 26 cannot be used for this purpose. He knows, I am sure, that there are many precedents to this effect. As the House knows, there are a number of avenues open to hon. members to bring on a debate based essentially on a censure motion. In particular, Standing Order 58 is available for this purpose.

In the circumstances, I regret that the hon. member's motion cannot be put under the terms of Standing Order 26.

ORAL QUESTION PERIOD

INCOME TAX

DECREASE IN DEDUCTION FROM 1973 INCOME ALLOWED PERSONS 65 YEARS OF AGE OR OLDER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of National Revenue arising from the fact that Canadians 65 years of age or older are permitted to claim an exemption of $1,000, as opposed to the $650 previously permitted, in completing their income tax returns for the year 1972. Will the minister indicate what exemption is available to Canadians 65 years of age or older in computing their tax deductions in connection with employment for the year 1973?

Hon. Robert Stanbury (Minister of National Revenue): The exemptions are those provided for in the law, Mr. Speaker.

Some hon. Members: Oh, oh!

Mr. Nielsen: He doesn't know the answer.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister whether there is any explanation of the fact that in the TD-1 forms being sent out by the department, that is, the form on which the employee's tax deduction is computed for the year 1973, the exemption available to Canadians 65 years of age or older is $650 rather than the $1,000 such a person can claim in respect of income in the year 1972? Is there any explanation for this other than confusion within the minister's department and the government?

Mr. Stanbury: Mr. Speaker, the explanation is that the exemptions will be subject to the law that parliament passes.

Some hon. Members: Oh, oh!

Mr. Stanfield: Mr. Speaker, in view of the importance of this question to Canadians 65 years of age or older who are now completing their tax deduction forms and, therefore, on the basis of these forms are being subjected to tax deductions in excess of those that would be made on the basis of the $1,000 exemption being applied by the govern-

ment for the year 1972, can the minister assure the House as to any steps he proposes to take to prevent taxes being deducted from Canadians of the age of 65 years or older on the basis of the lower exemption included in the form? I ask this question, Sir, because if this is not done immediately many Canadians of the age 65 years or older are going to suffer an injustice and will have to wait for a year or so for a tax rebate instead of getting the benefit of the exemption that has been made available to the same people for the year 1972 but which is not being made available to them for 1973 through confusion in the department and the government.

Some hon. Members: Hear, hear!

• (1420)

Mr. Stanbury: Mr. Speaker, I expect that an adjustment will be possible and we will be anxious to see that is is made just as we were very anxious to see that the forms were available as quickly as possible at the usual time so that people could take full advantage of any increase in exemption that parliament accepts.

Mr. Stanfield: Will the minister come into the House tomorrow and state what emergency measures the government proposes to take to correct this injustice? I ask the question in view of the fact the minister has no idea what this is all about.

Mr. Stanbury: Mr. Speaker—

Mr. Speaker: Order, please.

Mr. Stanbury: Mr. Speaker, there is no injustice and many—

Some hon. Members: Order!

Mr. Speaker: Order, please. The hon. member for Winnipeg North Centre.

DECREASE IN DEDUCTION FROM 1973 INCOME ALLOWED PERSONS 65 YEARS OF AGE OR OLDER—REQUEST FOR IMMEDIATE LEGISLATION TO CORRECT SITUATION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a supplementary question, but may I direct it to the Minister of Finance as the minister responsible for introducing tax legislation. In view of the confusion to which reference has just been made, will the minister consider separating from his other budget proposals of May 8 of last year the proposal regarding the amount of the exemption for those aged 65 and over and will he bring it in right away so that last year's arrangment can be confirmed and so that this year's arrangement can be put into effect without delay?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, there is no confusion, but the hon. gentleman's representation will be considered.

[Mr. Stanfield.]

POSSIBLE REASONS FOR DELAY IN ANNOUNCING DATE OF BUDGET

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have supplementary question for the Minister of Finance. Is the delay in announcing the date of the budget contingent upon the conference of federal-provincial ministers on welfare and other related matters later this week in which old age security matters are going to be discussed? Also, must we await this determination before we get the date of the budget so that all related matters, including that alluded to by the Leader of the Opposition and by the hon. member for Winnipeg North Centre, can be straightened out, because there is a great deal of confusion in the mind of the Minister of National Revenue?

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Wellington on a last supplementary on this subject and will then recognize the hon. member for York South.

COMPLETION OF 1972 RETURNS—AVAILABILITY OF DEPARTMENTAL OFFICIALS TO ANSWER TAXPAYERS' QUESTIONS

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary question for the Minister of National Revenue. In view of the confusion that exists and the problems faced in filling out income tax forms, are the minister and his department considering making members of that department available at strategic points to help answer some of these questions?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, there is no confusion thus far—

Some hon. Members: Oh, oh!

Mr. Stanbury: Hon. members opposite may be wishing to promote some hysteria among the public, but that is not the case yet. We have made available this year additional facilities for providing information to the public. For the first time citizens can call their income tax office from wherever they may live in Canada without toll charges, so they can get this information readily and without expense.

Mr. Speaker: Order, please. We will return to this matter as there are a number of supplementaries. We will hear the hon. member for York South and a representative of the other party to complete the first round of questioning and return to this matter later.

* * *

EXTERNAL AFFAIRS

VIET NAM—REPORTED CEASE-FIRE VIOLATIONS—CANADIAN PARTICIPATION IN SUPERVISORY COMMISSION—METHOD OF REPORTING

Mr. David Lewis (York South): Mr. Speaker, I want to ask some questions of the Secretary of State for External Affairs arising out of the situation in Viet Nam and out of the disquieting reports that the cease-fire agreed upon is apparently not yet fully observed and that there any many violations. Are he or the observers watching the situation

carefully, and have the parties to the Paris agreement, and particularly the joint military commission set up under it, been informed that if violations of the cease-fire continue Canada may have to reconsider its acceptance of a part in the International Control and Supervisory Commission?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, while it is regrettable, I do not think it is surprising that after a war that has lasted for a generation there has been a continuation after the hour of the cease-fire. In a number of public statements and in representations made to the various parties I drew attention to the possibility that this might be so, and that the international commission should not be expected to undertake its responsibilities immediately, that it was necessary to provide some time before the cease-fire could be considered to be in effect. However, I do hope that this situation will not continue and that we will then be in a position to carry out our responsibilities in the hope that the truce will in fact be observed.

Mr. Lewis: Mr. Speaker, if I may say so I am very glad that the minister made that statement. I want to ask a supplementary question. In view of recent allegations that Canadians on the old International Control Commission made separate reports containing military information to the United States authorities, I would like to ask the minister whether present Canadian personnel have been formally instructed to make all reports, whether unanimous reports or separate reports, as provided for in the Paris agreement, to all four parties to the Paris agreement and not to any one of them alone?

Mr. Sharp: Mr. Speaker, I also have heard these allegations. They have not been pinpointed. It is not clear from the reports I have heard whether there are charges in fact that Canadians did give this information or whether in fact these were simply third-hand reports to the effect that somehow some information had got into the hands of the Americans, perhaps through Canadian eyes. Our personnel on the old International Control Commission were authorized to give individual reports only to Ottawa. They were never authorized to give reports to any other country, including the United States, and that is the situation today. I do hope that the measures we are taking will remove even the suggestion that we might be engaged in spying activities.

Mr. Lewis: Mr. Speaker, to understand the minister correctly I should like him to clarify the situation. My reading of the agreement indicates that the members of the International Control and Supervisory Commission may issue either unanimous reports or each member of the commission may issue reports to the parties to the agreement. If my understanding is correct, will the minister take steps to make certain that such reports, even when there is not unanimity on the commission, will go to all parties to the agreement as well as to Ottawa, and that such reports will be made public so that people can know exactly what is happening on the ground?

Mr. Sharp: Mr. Speaker, I think that is a reasonable suggestion. It is certainly what we have in mind and I hope it can be carried through.

VIET NAM—CEASE-FIRE AGREEMENT—FREEDOM OF MOVEMENT BY SUPERVISORY COMMISSION PERSONNEL

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I appreciate the point the minister makes about the commission taking a bit of time to get established, but could we know whether the observers have yet been able to obtain the freedom of movement that the protocols call for?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the commission is just being organized now and, as the hon. gentleman knows, it has to work along with the military commissions to discharge its responsibilities. We are not yet in a position to know whether in fact the agreement will be carried through with respect to those sections that do give reasonable access to the areas in South Viet Nam.

VIET NAM—CEASE-FIRE AGREEMENT—DISPATCHING OF DESTROYER, "TERRA NOVA", TO SOUTH PACIFIC

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish to direct a supplementary question to the Minister of National Defence. Can he advise the House whether the *Terra Nova* or any other Canadian war vessel is to proceed to Viet Nam immediately or in the near future and, if so, for what purpose? Could he also tell us whether he and the Secretary of State for External Affairs are satisfied with respect to the propriety of Canada stationing a ship that may be provocative, in the sense that it is armed, in Vietnamese waters?

Mr. Speaker: The hon. member will appreciate that the second part of his supplementary asks for an expression of opinion. The minister may want to reply to the first part.

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the *Terra Nova* is sailing today for the South Pacific but is not sailing directly to Viet Nam and will not be going into the territorial waters of either South or North Viet Nam. It is on an extended training exercise and is also part of our contingency planning in the event that we require a possible evacuation.

• (1430)

Mr. Forrestall: Mr. Speaker, will the minister not carry his answer further and tell us whether or not these training exercises include plans for the *Terra Nova* to carry any live armament on board? Also, where will it be serviced?

Mr. Richardson: Mr. Speaker, the ship will be armed in the conventional way. It does not carry helicopters but it will carry the normal armament such as depth charges, cannon and other normal destroyer equipment. It will be supplied at the ports of usual call such as Hong Kong and Singapore.

Oral Questions

[*Translation*]

AGRICULTURE

FEED GRAIN—MEASURES TO STOP PRICE INCREASE

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

Since the price of feed grains noticeably increased last week in eastern Canada, can the minister say whether he intends to take the required measures to curb this price increase?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I do not have the latest prices on feed grains but I am aware of the increases which are mostly due to the protein supplement. We are meeting with the Canadian Feed Manufacturers Association and I am having another meeting tomorrow with the people directly involved in the industry in eastern Canada.

FEED GRAIN—SUGGESTED ASSISTANCE RESPECTING PROTEIN SUPPLEMENT

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture. Has he had time to consider the recommendation of the Maritime Farmers Council that feed grain protein supplement be added to the feed freight assistance program? If so, when will he make an announcement?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, that is one of the things we are discussing and will be discussing later this afternoon with the National Dairy Farmers of Canada.

* * *

GRAIN

FLAX—PROVISION OF SUFFICIENT SUPPLY AT WEST COAST PORTS TO MEET EXPORT DEMAND

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I ask a further supplementary and direct my question to the minister in charge of the Wheat Board. In view of the lack of supplies of flax, a protein oilseed, at west coast ports to meet export demands, can the minister assure the House that action is being taken by the Canadian Wheat Board and the transport committee to put sufficient supplies in place?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, this, of course, is normal procedure under the block shipping system. Without doubt, as ships are scheduled grains as required are sent to meet them. In the case of flax a very large ship can occasionally require some additional supplies and some waiting time. This has not happened often in recent weeks.

Mr. Gleave: A further supplementary question, Mr. Speaker—

[Mr. Richardson.]

Mr. Speaker: Order, please. The hon. member's question, in my view, was not supplementary but related. Perhaps the hon. member might be given an opportunity in a moment to return to this subject. I will recognize him in due course. I had undertaken when we were on the first subject to return to it after the first round of questioning. I believe the right hon. member for Prince Albert has a supplementary to the first question asked this afternoon.

* * *

INCOME TAX

INTERPRETATION OF 1972 FORMS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, may I ask the Minister of National Revenue whether it is not a fact that across the country there is great difficulty among taxpayers in interpreting the new income tax forms? Indeed, they might as well be written in Sanskrit.

An hon. Member: Or put out by Information Canada.

Mr. Diefenbaker: I ask the minister whether he will send out instructions on the interpretation of some of these sections to the various offices across Canada, because I have found that when they were communicated with their answer was, "Well, how do you expect me to know what it is?"

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Will he send them some information so they will be able to explain the unexplainable?

Mr. Speaker: Order, please.

Mr. Diefenbaker: What is the answer?

An hon. Member: What is the question?

Mr. Diefenbaker: Mr. Speaker, I do not know what the answer was. I think it would be about as intelligent as I would expect.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. May we have order, please?

Mr. Diefenbaker: Mr. Speaker, I should like to know what the answer was.

Mr. Speaker: Order, please. My interpretation of the right hon. gentleman's intervention is that it was a suggestion or representation.

Mr. Diefenbaker: No, no.

Mr. Speaker: I think he can assume that the minister has heard it. I do not think it was a question in the usual form. If the minister wants to reply briefly, perhaps it would be simpler if he were allowed to do so and then I will recognize the hon. member for Don Valley.

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I would not want to leave the impression that I did not want to answer the right hon. gentleman's

question. I was anxious to answer. I would be glad to consider his representation, but very clear guides have been sent with the forms this year and I think his constituents will find them helpful.

Mr. Diefenbaker: Mr. Speaker, I am speaking about people in Ontario who have written.

Mr. Baldwin: What would Gordon Sinclair think about it?

Mr. Stanbury: Mr. Speaker, I have taken the trouble to compare the forms this year with those of 1962.

Mr. Speaker: Order, please.

Mr. Stanbury: I find them as simple this year and the exemptions are much higher—

Mr. Speaker: Order, please. Would the minister kindly resume his seat? The hon. member for Don Valley.

Mr. Diefenbaker: People do not know what the forms mean.

* * *

THE CANADIAN ECONOMY

CONTINGENCY PROGRAM FOR PRICE AND WAGE CONTROLS—DISCUSSION WITH PROVINCES

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Can the minister tell us whether or not the contingency program for price and wage controls, which has been mentioned off and on in the House, has been discussed with the appropriate officials of the provinces?

Hon. John N. Turner (Minister of Finance): No, Sir.

Mr. Gillies: Is it the position of the Minister of Finance and the government that a price and wage control program could be put into effect in Canada without the support and co-operation of the provinces?

Mr. Turner (Ottawa-Carleton): If that should ever become necessary, and the hon. gentleman knows my view about that, of course we would need a national consensus and that would require provincial co-operation. In constitutional terms it is probably not necessary.

* * *

HOUSING

INCREASE IN RENTS FOR LOW COST APARTMENTS—REQUEST FOR INVESTIGATION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I had wanted to direct a question to the Minister of State for Urban Affairs but maybe the Minister of Finance will answer it in light of the great increase in certain costs. As Central Mortgage and Housing Corporation has agreed to permit rents for low-cost apartments to go up immediately, would the minister be prepared to investigate this increase of between 15 and 20 per cent in low-cost housing, particularly as an agency of the Department of Urban Affairs has agreed to the increase?

Mr. Ian Watson (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, I will take the question as notice and bring it to the attention of the minister.

Mr. Woolliams: Mr. Speaker, I appreciate the parliamentary secretary's attempt to answer the question, but I directed it to the Minister of Finance. Perhaps I should direct it to the Prime Minister. As rent increases are affecting tenants all across Canada, with the rents paid by thousands of people being increased by 15 per cent, would the Prime Minister ask the minister responsible to investigate the matter and report immediately upon his return?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am sure the subject is an important one and it will not be lost on the minister who is in Toronto today addressing the annual convention of the Housing and Urban Development Association of Canada. I feel rather certain that they will be discussing this kind of question with him, officially or unofficially, and the minister may have some answer when he comes back.

* * *

FOOD PRICES

PRESENTATION OF GOVERNMENT'S CONTINGENCY PLAN FOR PRICE AND WAGE CONTROLS TO SPECIAL COMMITTEE FOR ANALYSIS

Mr. Walter Baker (Grenville-Carleton): I have a question for the Minister of Finance, Mr. Speaker. Is it the intention of the government to present to the committee on food prices its contingency plan for price and wage controls so that the committee will be able to rule and judge whether it will be an effective plan if and when the government decides to bring in wage and price controls?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the very nature of the question deals with a contingency plan. It is a contingency question. I would have to give a contingency answer.

* * *

SOCIAL SECURITY

OLD AGE RECIPIENTS IN NURSING HOMES—SUGGESTED PROTECTION OF PORTION OF PENSIONS AGAINST RISING RATES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a very serious question for the Minister of National Health and Welfare. Can he advise the House whether he is giving consideration to the recent proposal from a number of very prestigious deliberate bodies that legislation be introduced to protect a substantial portion of the pensions of old age security recipients living in nursing homes, who find that the rates there rise much faster and more frequently than pension increases?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the matter will certainly be discussed when I meet with welfare ministers this coming Friday. I am sure they are aware of the situation, just as I am aware of it, and I am sure it will be discussed.

* * *

• (1440)

AIRPORT

VANCOUVER INTERNATIONAL—REQUEST FOR TABLING OF REPORT ON LANCASTER EXPROPRIATION

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I have a question for the Minister of Public Works. The hearings on the Lancaster expropriation at the Vancouver international airport have been completed and I am wondering when the report on these hearings will be tabled in the House of Commons?

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, a decision in connection with this expropriation has to be made before Friday. I have not given any thought to tabling the report of the hearing, but if it is the wish of the House I will do so.

Mr. Reynolds: In view of the fact that these reports have not so far been tabled and that hearings started today on expropriations in connection with the runway at Vancouver airport, and in view of the fact that members of this party and of other parties have asked that the hearings be stopped until they have had a chance to review the report of which the minister spoke, would the hon. gentleman agree to halt the proceedings until the report is tabled and the people in the area have had a chance to review it?

Mr. Dubé: No, Mr. Speaker, I cannot agree to stop the hearings because if too much time is spent the expropriation would be declared abandoned. But I agree to table the report on the first expropriation.

* * *

POLLUTION

OIL SPILL, ALERT BAY, B.C.—REQUEST FOR INFORMATION ON GROUNDING OF SHIP

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Transport about what can only be described as the incredible saga of the *Irish Stardust*. In view of conflicting news reports, can the minister tell us exactly where this ship went aground, in what circumstances, and under whose authority or direction the vessel proceeded to Victoria after grounding?

Mr. Speaker: Order, please. I trust the minister can give this information briefly. Otherwise he would have to give the information to the House by way of a statement on motions.

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the Minister of Environment is now in British Columbia for the specific purpose of conducting a thorough inquiry and receiving all reports and thus be able to inform the House of what happened.

I have partial information which I can give the House. For instance, the amount of oil spilled I know was 340 tons. I know there were a pilot and an assistant or apprentice pilot on board, that there was an opening of some four feet by two in the hull of the ship. For any further information, I think we shall have to await the return of the Minister of Environment for details.

* * *

[*English*]

THE CANADIAN ECONOMY

RECOGNITION OF NATIONAL CONSENSUS FOR INTRODUCTION OF WAGE AND PRICE CONTROLS

Hon. Paul Hellyer (Trinity): Mr. Speaker, I should like to address a question to the Minister of Finance. Would the minister advise us how he intends to recognize a national consensus in favour of wage and price controls when it occurs?

Hon. John N. Turner (Minister of Finance): That will be a matter of judgment, Mr. Speaker.

Mr. Baldwin: That is what you are short of over there.

Mr. Hellyer: Since there have been innumerable polls indicating that more than 70 per cent of the Canadian people already favour them—in some provinces such as British Columbia the percentage is as high as 86 per cent—

Mr. Speaker: Would the hon. member ask the question?

Mr. Hellyer: —when will the minister agree that the percentage of agreement has reached a national consensus? Or does he believe there ought to be 100 per cent agreement?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I watch opinion as closely as does the hon. gentleman. And I have found great difficulty in trying to establish the opinion of the party to which he now belongs.

Some hon. Members: Oh, oh!

Mr. Hellyer: A further supplementary—

Mr. Speaker: Order, please. I suggest this is debate between the hon. member and the minister and I am afraid it could go on for a long time. I shall return to the hon. member eventually, but a number of hon. members who failed to be recognized last Friday are still waiting, in particular the hon. member for Edmonton Centre who has a supplementary from last Friday.

Some hon. Members: Hear, hear!

COMMUNICATIONS

IMPLEMENTATION OF RECOMMENDATIONS OF DAVEY REPORT ON NEWS MEDIA

Mr. Steven E. Paproski (Edmonton Centre): Thank you, Mr. Speaker. I was beginning to wonder whether I was becoming the most invisible member of the House.

Some hon. Members: Explain!

Mr. Paproski: My question is to the Prime Minister. It is now two years since the Davey report on the news media was presented to the government. When does the government propose to implement the recommendations contained in that report, tabled December 9, 1970, in particular the one proposing the establishment of a federal press council?

Right Hon. P. E. Trudeau (Prime Minister): I think the hon. member is mistaken. There was no report to the government. It was not demanded by the government nor was the report made to the government. It is a report regarding which both opposition and government members can form various opinions.

Mr. Paproski: My supplementary is directed to the Minister of State in charge of multiculturalism. Would the minister advise the House who are his federal multicultural centre program representatives, and whether they are speaking for the minister's department or for the Liberal party when they travel across Canada promising multicultural centres?

Mr. Speaker: Order, please. The hon. member's question is visibly out of order.

* * *

RESTRICTIVE TRADE PRACTICES

INITIATION OF PROCEEDINGS AGAINST PFIZER COMPANY FOLLOWING RECOMMENDATION OF PROSECUTION FOR PRICE FIXING

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, my question is for the Minister of Justice. Inasmuch as officials of the Department of Consumer and Corporate Affairs have completed their investigation of the Pfizer Company Limited in connection with price fixing and have made a recommendation to prosecute to his department, what steps have the department taken to initiate proceedings against this company?

Hon. Otto E. Lang (Minister of Justice): I would want to look into the exact status of that matter to see whether there is anything I could reasonably report to the hon. member at this time.

UNEMPLOYMENT INSURANCE

PROJECTION OF UNEMPLOYMENT LEVEL TO ASSIST IN ESTIMATING COST—TARGET FOR YEAR

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Finance, one which has a good deal to do with the Unemployment Insurance Commission. Has the minister arrived at any projection of the level of unemployment for this year in order to be able to calculate the cost of unemployment insurance? If so, has he passed this information on to the Minister of Manpower and Immigration in order that the latter might be in a position to calculate the cost this year?

Hon. John N. Turner (Minister of Finance): Any projection would be bound to contain a number of ingredients, not only the level of unemployment but the average number of weeks per benefit and the average weekly payment during those benefits. As the hon. member knows, there are a number of ingredients that would go into such a projection.

Mr. Alexander: The minister seems to have forgotten that one of the prime criteria embodied in the Unemployment Insurance Act calls for government intervention once unemployment reaches 4 per cent. Can I assume from the minister's answer that the unemployment target as far as the government is concerned is the 4 per cent referred to in the Unemployment Insurance Act? I ask this question because it seems important to me that no change should have been made in the act in this regard. In other words, is that the limit which the government accepts?

Mr. Turner (Ottawa-Carleton): I am not too sure I would be happy even with that target. That was the threshold at which parliament decided to bring in contributions from the people of Canada over the employer-employee contributions. As I have said on other occasions, the target for me and for the government is that we would not be satisfied unless every man and woman in the country able to work and seeking work could find work.

Some hon. Members: Hear, hear!

Mr. Alexander: A supplementary—

Mr. Speaker: Order, please. I will recognize the hon. member on a supplementary and then the hon. member for Yukon, but it seems to me that this kind of exchange that has been going on, from day to day, I may say, between the hon. member for Hamilton West and the minister on this same point is not very helpful, from a procedural standpoint, at least.

Mr. Alexander: On a point of order, Mr. Speaker, I beg the indulgence of the House, but it seems to me it is of extreme importance, because of the calculations required for the Unemployment Insurance Act, that the minister have a projected figure of unemployment. My last supplementary is this: in order that we may arrive at some idea of the government's thinking on this subject, will the minister advise us whether his target is to reach an unemployment rate of less than 6 per cent this year?

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

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary for the Acting Minister of Manpower and Immigration who I assume would be the Minister of Labour. Would the hon. gentleman inform the House whether the discussions with the leader of the New Democratic Party are yet concluded with respect to Bill C-125, so that we may know when to expect this legislation to be proceeded with.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): The answer is, yes.

* * *

POLLUTION

OIL SPILL OFF BRITISH COLUMBIA COAST—RESPONSIBILITY FOR CLEAN-UP COSTS

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Transport in connection with the grounding of the *Irish Stardust* off the British Columbia coast. Who will be responsible for the clean-up costs resulting from this oil spill?

Hon. Jean Marchand (Minister of Transport): The master of the ship was brought into court last Friday and a bond of $20,000 has been deposited with the court pending the report we are to receive. So legal action has been taken, though I do not know the result of it.

• (1450)

Mr. Harding: Mr. Speaker, I have a supplementary question for the Minister of Transport. In view of the fact the cost of the clean-up of the pollution from this oil spill will greatly exceed $100,000, may I ask the minister whether the fund that has been set aside through a levy on the import and export of oil will be applied to the cost of cleaning up this disaster, or can it be applied?

Mr. Marchand (Langelier): Mr. Speaker, as I said previously, I do not have a complete report on this spill. The Minister of the Environment will be here tomorrow and I think he will be in a better position to give the information requested by the hon. member.

* * *

[*Translation*]

SPORTS

MONTREAL OLYMPIC GAMES, 1976—POSSIBLE REVISION OF GOVERNMENT'S POSITION

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a question to the right hon. Prime Minister.

An inquiry, the results of which were published over the weekend, reveals that 59 per cent of all Canadians favour federal help to the 1976 Olympics: would the right hon. Prime Minister then tell us whether his government will study the possibility of revising the position taken last week?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know on what point the hon. member would have the government revise its position. It is identical to the position Mayor Drapeau has always taken, that is, that the Olympics would not cost the Canadian government a penny. I am wondering whether the hon. member is now suggesting that I should disagree with Mayor Drapeau.

[*English*]

Mr. Allan Lawrence (Northumberland-Durham): I have a supplementary question, Mr. Speaker. I wonder whether the Prime Minister could also report to the House when his minister returns on the number and amount of LIP applications in the hands of the government respecting the Olympic games?

Mr. Speaker: Order, please. The hon. member cannot seriously suggest that that is a supplementary. The hon. member for Dauphin.

Mr. Lawrence: I am sorry, Mr. Speaker; it was supplementary to the question about the Olympic games. These LIP applications are with respect to the games.

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Dauphin.

* * *

FINANCE

POSSIBLE REDUCTION OF SALES AND EXCISE TAXES AS MEANS OF CONTROLLING INFLATION

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of Finance. Is the minister considering cutting federal sales and excise taxes in the forthcoming budget as a means of containing inflation?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am glad to have the hon. gentleman's opinion.

* * *

REGIONAL ECONOMIC EXPANSION

AMENDMENT OF AGREEMENT WITH MANITOBA ON SPECIAL AREA

Mr. Keith Taylor (Churchill): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. In view of the fact lengthy delays have occurred in completing an amending agreement with the government of Manitoba for the Manitoba special area, would the minister advise the House whether an amending agreement has now been completed and, if not, when such an agreement will likely be completed?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I too am unhappy, as I am sure the hon. member is, that delays have occurred. I do not think they are entirely one-sided in that this is a complex issue. We are continuing our talks and I have

indicated that I am prepared to meet with the officials of the Manitoba government any time they are ready.

Mr. Taylor: Would the minister advise the House what additional areas and projects are being discussed with the province of Manitoba and which of these projects have been agreed upon?

Mr. Jamieson: Mr. Speaker, until such time as an agreement is actually signed there can be no definitive agreement. In fairness to the government of Manitoba, I think I would have to get their consent to the disclosure of any matters that are now the subject of negotiation.

* * *

VETERANS AFFAIRS

APPOINTMENT OF CONSULTANT ON HEALTH PROBLEMS OF FORMER PRISONERS OF WAR IN EUROPE—METHOD OF DECIDING CASES

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is to the Minister of Veterans Affairs. Now that a consultant has been appointed to deal with the health problems of former European prisoners of war, would the minister tell the House whether or not all applicants are going to have an opportunity, if they desire, of appearing before the consultant? Or how will each case be decided?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in answer to the hon. member's question may I say that I spent some time this morning with the gentleman who was appointed the other day, and no specific rules have been laid down yet. Considerable time will be taken in doing this very important job. The doctor who has been appointed is under no particular rules and is not strapped down. No one is telling him what to do. It will probably take him six months or more to do his job. As far as laying down any specific rules at this time is concerned, we are not intending to do so since we do not think it would be proper. He will be reporting to us and we will watch the situation with him. Our department and all doctors across Canada who have some familiarity with this sort of thing will be giving him all the assistance possible.

* * *

FOOD PRICES

AVAILABILITY TO SPECIAL COMMITTEE OF STUDIES AND REPORTS BY PRICES AND INCOMES COMMISSION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Consumer and Corporate Affairs whether he has now had an opportunity to peruse the studies, reports and recommendations of the Prices and Incomes Commission, and can the minister indicate to the House whether any such studies will be made available or put at the disposal of the House committee on food prices?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, certain studies have already been made public and they will be available. With regard to other studies that we expect will be published as soon as the work of translation and printing has been completed, they will be available as they are disclosed to the public.

* * *

INDUSTRY

AUTOMOBILES—NATURE OF REPRESENTATIONS BY MINISTER TO COMPANIES RESPECTING PRICES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. In view of the fact that on the weekend the president of General Motors Corporation described the minister's efforts to get that company to bring its prices into line with those in the United States as being somewhat less than aggressive, would the minister inform the House of the nature of his attempts to get this corporation and the other automobile companies to bring their prices down, and with what success?

Mr. Speaker: I would hope that the minister will attempt to reply briefly. It seems to me that this question is very wide and would normally invite a statement on motions.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I agree the question is very wide. The first thing I should like to say is that the president of General Motors issued what he described as an emphatic denial of the statements attributed to him in the *Financial Post* article. As to my efforts with respect to narrowing the price differential, I did meet, as I told the House earlier, I think on our first day back, with the president of General Motors and the presidents of the other auto companies. I secured a commitment from the president of General Motors and from the president of Ford Motor Company that there would be no increase in 1973 model year cars respecting economic costs, and a further commitment with respect to 1974 year model cars which would respect the government's objective of narrowing the price differential.

Mr. Broadbent: Mr. Speaker, I have a supplementary question for the Minister of Finance. In view of the fact these companies have already increased their prices on 1973 models after they gave that assurance to the Minister of Industry, Trade and Commerce, and in view of the fact that in announcing his budget proposals last year the Minister of Finance specifically said that he would expect the automotive industry to take into account in their pricing policies the tax reduction they received and they have not done so for the 1973 model year, can the minister indicate what plans his department has in mind to bring these companies into line?

Mr. Speaker: Again I suggest that this information should be given by way of a statement on motions.

Oral Questions

EXTERNAL AFFAIRS

CANADIAN PROPOSALS TO FORTHCOMING LAW OF THE SEA CONFERENCE—OPPORTUNITY FOR MEMBERS TO STUDY BEFORE PRESENTATION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs. Would the minister inform the House whether he has taken any steps to prepare a comprehensive Canadian approach to the conflicts of political, military, legal, economic and fisheries problems which confront us on our Canadian continental shelf? If so, will the people's representatives in this House have an opportunity to study these proposals, either in the House or in committee, before they are presented to the next Law of the Sea Conference?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have had the international legal section of my department engaged in this matter for a very long time now and they are very well prepared for the next Law of the Sea Conference. In appearances before committees of the House I think they have been very forthcoming and I am sure they will continue to be so under the questioning of my hon. friend and others.

• (1500)

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, in view of the fact that Iceland has declared its position, which has been known to the various nations for almost a year, can the minister indicate when Canada will make its position known publicly or at least to members of the House of Commons so we can react to Canada's position?

Mr. Sharp: Mr. Speaker, I hope members on the other side, as well as on this side, will all be agreed in respect of protecting Canadian interests.

Mr. Speaker: Order, please. We have reached the end of the question period and have gone beyond it by a few minutes. Perhaps the hon. member for Gander-Twillingate might ask a supplementary question and then I will have to call orders of the day.

Mr. Lundrigan: Mr. Speaker, I do not want to jeopardize the chance of the minister gaining international recognition again but would he answer the question? I should like to ask why Canada cannot make its position known in respect of the Law of the Sea Conference, which is very vital to the marine parts of this country, just as the position of Iceland has been made clear for almost a year?

Mr. Sharp: Mr. Speaker, I do not think there is any mystery about Canada's position or the vital questions to be raised at the Law of the Sea Conference. As I say, when the committees are in session I am sure my officials will be very happy to appear and answer questions. I do not think it would be appropriate, however, to put before the House the various views that have been considered internally. What really matters is the position we take at the conference, and we will be very happy to oblige the hon. member.

Mr. Lundrigan: We have no position; we have nothing.

[Mr. Speaker.]

Mr. Speaker: Order, please. Perhaps the hon. member for Humber-St. George's-St. Barbe might be allowed to ask a supplementary question. And then I will call orders of the day.

PROPOSAL TO NORTH ATLANTIC ASSEMBLY RESPECTING INVESTIGATION OF MARINE RESOURCES OF NORTH ATLANTIC—CANADIAN POSITION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wonder whether the Secretary of State for External Affairs has been apprised of an all-party delegation proposal put to the North Atlantic assembly in November past which calls for an investigation of marine resources in the North Atlantic prior to the Law of the Sea Conference, and will he indicate what answer he has given or what decision has been made in this regard?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the House may know, the North Atlantic Assembly is an organization which is not dominated by governments. It is a group of members of parliament who meet as members of NATO. The government always gives very serious consideration to the proposals made. I cannot answer in respect of this specific one because it has not yet been brought to my attention.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

The House resumed, from Friday, January 26, consideration of the motion of Mr. Allmand that Bill C-2, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Peter Reilly (Ottawa West): Mr. Speaker, there have been several other members who have spoken before me in this debate on capital punishment, and I should like to congratulate them. They have all spoken eloquently and, I am sure, from deep conviction. This topic so transcends in its value many of the others we have before us that, in my view, it does not admit of partisanship.

I regret that I cannot agree with all those who have spoken before me, including members of my own party, because I cannot agree with those who think it is proper for the state to deprive its citizens of their lives. We have heard much argument in favour of that proposition, Mr. Speaker, and we shall hear more. In fact, I am resigned, as I comprehend the situation now, to being on the losing side of this debate.

Some hon. Members: Oh, no.

Mr. Reilly: My hon. friends say no, but I am afraid that too many members of this House will not vote according to their consciences, but that they will vote according to the way they believe their constituents want them to vote.

An hon. Member: What is wrong with that?

Mr. Reilly: That, of course, would result in the reinstatement of the death penalty in this country. I hope I am wrong in that assessment. I hope I am wrong because if there was one thing that impelled me to leave private life and come to this House, if there was one motivating force, it was the belief that the most sacred thing in existence is human life, and the most lasting and beautiful things that men do are those things they do to enhance it.

None of us is here to impose harsher restrictions on life. In my submission, we are here for one thing and one thing only, and that is to ensure that Canada is a good place to be and a country in which everyone may be free to pursue the course he deems best for him. It is only when people behave in such a way that is a menace to the happiness and well-being of their fellow citizens that the state has the right to intervene. Even then, in my submission, that right of intervention is qualified in this way, that there must be as little force as necessary to ensure the public safety. This is the rule followed in the courts of this country when a person is accused of assault and pleads self-defence. The rule is that some force or some restraint may be allowed, but only enough to repel the attack. I believe that approach is the one which the government should take toward crime. If that principle were to apply, then capital punishment would disappear in this country for all time, regardless of circumstance.

Capital punishment does not protect anyone who could not as effectively be protected by imprisonment for life, if necessary, of the murderer, and I shall deal with that later. We will hear many facts and statistics on both sides of this question. We will hear pro and con on the proposition that capital punishment is a deterrent to murder. We will hear, and I wish this were not so, from many people who will claim that obedience to the word of God Himself requires the reinstatement of capital punishment.

I have received, as I am sure all hon. members have, a good deal of mail on this topic. It has come from those on both sides of the question, but the central theme repeated in nearly every piece of pro-hanging mail I have received, the common theme that runs through all of these retentionist's letters is this blasphemy on the name of a being whom all of us, regardless of our religious affiliations or backgrounds, have been taught to believe is above all else, a God of love.

I do not propose to tell you how God feels about this. I am not that arrogant. He does not tell me how He feels on this or any other human concern. But I was raised a Christian, and the most puzzling anomaly in the pro-hanging argument is the ability of the proponents of capital punishment to equate the Christ of the manger, the Man-God who chose to come among us as a weakling infant and who suffered Himself to be reviled, tormented and beaten, and finally murdered in a horrible fashion, but who in the midst of all that was able to forgive his tormenters, with a person of stern being who demands an eye for an eye. I cannot understand that.

Let me quote from *Hansard* on this matter. Almost seven years ago the hon. member for York South (Mr. Lewis) was asked a question about God's will in the matter of capital punishment. He said, as recorded at page 3286 of *Hansard* for March 28, 1966:

> Mr. Speaker, may I say very simply to the hon. member as seriously as he asked the question, that in all the teaching I received about God and about the duties of all men to God the central point was that mercy and charity in the human breast and human mind are the most obvious and most essential characteristics of a religious and godly life. This is as true for society collectively as it is for every individual in society. Second, all the teaching I received on the subject has taught me that it is not right for me to state certain ideas and seek refuge in the assertion that they come from God but that it is much more important for me, as it is for all members in this house, to use the intelligence and the conscience which God gave us to arrive at the conclusion at which we are intended to arrive as human beings exercising our own will.

I share those sentiments of the hon. member for York South. I have not heard them better put and I shall not try to improve upon them. We learned from different teachers, but the principles were the same. We learned, I think that the same principles are common to all human institutions, and if one of them is immutable and universal it must be that human beings, individually and collectively, are the most precious things in the world.

I do not oppose capital punishment because I harbour any sympathy or concern over the fate of murderers. I must confess that I do not spend too much time mulling over their fate. I do care very much about the society in which I live and the effect on that society of state murder. If I may quote a former member of this House, I should like to cite a speech by the former member for Winnipeg South, Mr. Sherman.

• (1510)

He said on March 28, 1966:

> I am opposed to the death penalty because it brutalizes me and brutalizes society. It forces me to descend to the same level as the murderer I am hanging. It is sanctioned murder and I resent having to participate in it or have any part in it because it drag me down to the level of the person who is sentenced to death.

That is the matter we should be concerned about, Mr. Speaker. The society that puts people to death is a sick society. It is sick because those societies that insist on the practice almost invariably choose the most painful methods of execution available to them.

There have always existed painless ways to kill people. If those proponents of capital punishment really believe it is necessary as a deterrent to others, or for public safety, they could accomplish their aim in painless fashion. But they do not, Mr. Speaker. They strangle their prisoner; they break his neck; they crush his windpipe. They send thousands of volts of electricity through his body and cook his insides. They choke him to death with poison gas. Did you ever hear of a society that killed its prisoners by giving them an overdose of a pleasant, easeful narcotic? That would be very simple. But if I were to propose in this chamber the adoption of that course, the angry reaction from one end of the country to the other would be heard by all hon. members. The reason such a reaction is that a prisoner would not be struggling in agony, in pain, even as he surrendered up his most precious possession, his life.

In my experience these proponents of hanging are the same people who are the first to moan piously about the fate of the fetus whenever the question of abortion is raised. Even before a fetus has achieved growth to the point where it could survive in the human environment by itself, they insist that its quasi-human status be prolonged. Why? Is it because of their reverence for human life? Or is it because they insist that the errant woman who carries that fetus should suffer the shame, the indignity, the torment, and the opprobrium of society for her so-called crime? I wonder, but I don't wonder very long.

There is one reason, and one reason alone why people insist on capital punishment, and that is revenge. It is easy to understand why people seek revenge. It is easy to sympathize with them. I have three small children, Mr. Speaker. If one of those children were harmed or killed by someone, my immediate reaction would be to want to murder in return, as horribly as I could contrive to do it, the person responsible. That wish is not rational, and its fulfilment would do me a terrible disservice. It demeans me and brings me to the level of that pitiable creature who wronged my child. It renders me no less contemptible than the murderer. I submit that to the extent that one of us is demeaned and sickened in this fashion, society is contaminated by the disease. I do not want that kind of society, and I do not want it for my children.

It has been said by those who want to reinstate hanging in this country that violent crime is rising everywhere and that people are not safe on the streets. I do not know whether this is true. Certainly, I have never encountered any difficulty walking the streets of this or any other Canadian city in which I have lived or visited. But supposing it were true, would the reinstatement of capital punishment change it very much? I seriously doubt that. I believe that our society places far too high a premium on material things, and far too low a premium on human well-being and safety. For that reason, I urge a much more drastic approach to crimes of violence, crimes against the person as opposed to crimes against property.

Only last week I read about a man who kidnapped three young people, two girls and a boy. He struck the young man over the head with an axe, then raped the two girls, struck them over the heads with his axe, and threw all three of his victim into a river. He was convicted of these offences and received a sentence of 18 years in prison. In my opinion, that is not enough. I believe he should never again see daylight except in the exercise yard of some prison, not to punish him but to protect society against the possibility that he would do it again, and to protect him from himself because he has shown that he cannot cope with life among us. His violence could be directed anywhere, even against himself. I do not believe that a man who viciously and wantonly attacks like that is a misunderstood individual. I understand him; I understand him all to well. I understand the message he is sending. He is saying he cannot live in our society, that he cannot cope with our society, and that for his own good and that of society he should be locked up. That goes not only for those who kill people, who kill others, but it also goes for all violent people.

But it is not necessary for us to authorize the state to do something that we have not the courage to do ourselves.

[Mr. Reilly.]

The killing of another human being guarantees only one thing. If he is a murderer, it guarantees he will not be here tomorrow to repeat his offence. However, that is equally true of car thieves, forgers and pickpockets, and it is not the answer. We must learn to distinguish between the crime and the person. Just as there are non-capital crimes committed by people who would never be turned loose, who ought to be imprisoned for life, there are capital crimes committed by people for whom one day in jail would be unnecessary. This kind of approach and emphasis on public safety and rehabilitation, with the one before the other, would take a great deal of money to put into effect. The present slapdash approach to sentencing and parole, which is under justified attack from all sides, would have to be scrapped. In its place we should put a system which does not punish but protects, which does not destroy but renews where possible. It is always more difficult to save a bad situation than to quit cold and move along; but very often, Mr. Speaker, the rewards are worth the trouble.

We are told that capital punishment is a deterrent. If that were so it would seem to me that when it was suspended for all but one category of murders, the number of offences within that one category would either stabilize immediately or diminish. Yet we find, and these are the only statistics I shall cite, that in 1968, the first year after the Criminal Code was amended, there were eight persons charged with the murder of policemen, the only offence which still carried the death penalty. That was an increase of 800 per cent over the previous year when only one person was so charged. In 1969, that figure fell to seven persons charged with murdering a policeman, and in 1970 it fell back to one. If those figures tell us anything, it is that the presence of the death penalty did not deter anyone, and that the incidence of crime, violent and otherwise, is a totally unpredictable thing.

In any case, Mr. Speaker, I do not believe, and I am getting rather weary of the proposition, that the burden of proof in this matter rests upon me or upon those who support my position. In a sense our position is analagous to that of defence counsel, and I submit that the only thing incumbent upon us is to demonstrate a reasonable doubt. The burden of proof, if any proof exists, is clearly upon those who would commit this state perpetually to a policy of cold blooded murder. They have not established even a prima facie case for their position, Mr. Speaker, and their only contributions have been those of obfuscation, bloated rhetoric and alarmist nonsense about what happens on the streets when the sun goes down. They have deliberately tried to confuse the issue of rising violence in general with that of whether the state should demand and collect a life for a life, and they are behaving irresponsibly when they do so.

• (1520)

I do not believe you can prove ultimate principles, Mr. Speaker. You cannot demand a reason for everything. But that does not mean that these principles are unintelligible or imponderable or that they cannot be reflected upon. And surely one of them is that no man, individually or through the agency of the state, has the moral right to kill another, unless his own life is in peril. I want to deal now with the question of our responsibility as Members of

Parliament. The theory is being advanced, most recently by the Canadian Association of Police Chiefs, that members ought not to vote according to their individual beliefs or their consciences but according to what has been described as the expressed will of the Canadian people. I do not know of any satisfactory way in which to determine the wish of the electorate, short of holding a plebiscite and requiring every citizen to take part in it upon pain of penalty. But even if there were a way to determine the wish of the electorate it would make no difference to me. I intend to vote according to my conscience, because I believe this is my responsibility as a Member of Parliament.

Some hon. Members: Hear, hear!

Mr. Reilly: In support of that position I should like to quote part of an essay on representative government by John Stuart Mill. He says that he disagrees with those who insist that a Member of Parliament is in fact an instructed delegate. He goes on to say that constituents:

> ... are entitled to a full knowledge of the political opinions and sentiments of the candidate; and not only entitled, but often bound, to reject one who differs from themselves on the few articles which are the foundation of their political belief: That in proportion to the opinion they entertain of the mental superiority of a candidate, they ought to put up with his expressing and acting on opinions different from theirs on any number of things not included in their fundamental articles of belief: That they ought to be unremitting in their search for a representative of such calibre as to be entrusted with full power of obeying the dictates of his own judgment: That they should consider it a duty which they owe to their fellow-countrymen, to do their utmost toward placing men of this quality in the legislature: and that it is of much greater importance to themselves to be represented by such a man than by one who professes agreement in a greater number of their opinions: for the benefits of his ability are certain, while the hypothesis of his being wrong and their being right on the points of difference is a very doubtful one.

I hope that members will listen to that message, Mr. Speaker, and that those who have not been listening will read it because I think it is an important doctrine. I hope they will be able to vote according to their own consciences, and when they have finished voting I hope they will be able to contemplate their action free of doubt. It is a fearful responsibility and I am sure most Members of Parliament wish, as I do, that they did not have to accept it.

For me, once I have been forced to take the responsibility, the choice is relatively simple. I have been able to make it a highly personal issue. Recently my wife and I were fortunate enough to have born to us a son. He is now two months old, a little tiny person just becoming aware of the world around him. Some of the happiest moments that I spend—and they are very few these days—are with this little person before I come up here to work in the morning. He is not capable of doing any wrong now but in the years to come if I fail him as a father—and God knows I am a fallible man—or if something vital to humanity is left out of his make-up, he could go wrong. He could come to grievous harm or even do harm to others. I do not like to think that will ever happen, but I have to recognize that it could. Then, I have to ask myself if I could ever contemplate with calm and equanimity the idea that one day my son could be taken out and brutally strangled because he failed or I failed? Could I ever bring myself to believe that society was in some way better off because it destroyed that body that I helped to create? Could I ever believe that one decent purpose was served by choking off for all time that brightness and being of my son? Mr. Speaker, the answer is, whatever he has done, God help me, no, I cannot. I will not ever believe that. My son is no different from anyone else's son.

Those are my arguments, Mr. Speaker. They may not be strong enough to move any hearts. They are not buttressed by ledgers full of facts; they are intuitive. But they are none the less valid because I believe that when men and women presume to decide whether they should kill their brothers and sisters there are more important things to consider than facts. I think they should listen to their inner voice. I have listened to mine and it tells me simply that killing is wrong and we should not do it. I urge all members to support the government bill.

Some hon. Members: Hear, hear!

Mr. Jim Fleming (York West): Mr. Speaker, it pleases me that I rise immediately after the hon. member for Ottawa West (Mr. Reilly) to make my remarks on this very difficult bill before us. He and I come from similar professional backgrounds and share, from our experience of the world as journalists, the belief that the death penalty is wrong.

My stand as an abolitionist goes back about 11 years to December 11, 1962. In Toronto, at the Don jail on a very cold drizzly night when Canadian society for the last time—and I hope it was for the last time—took life in the name of its laws. That was the occasion of the hanging of Ronald Turpin and Arthur Lucas, both convicted of capital murder. To me, as a young newsman of 22 or 23 years, it seemed like something out of "A Tale of Two Cities", something very medieval or Dickensian; waiting until midnight after all the lights had gone out in the jail and that single, symbolic light remained; waiting for the 30 or 35 minutes for the crowd of drunks to emerge from the nearby bars and the motocycle gangs to come revving their engines; waiting till that light went out and the notice was posted on the door of the jail. Then, I went with the other newsmen to the old city hall where I listened to the sheriff of York county, a witness to the hanging, a man shaking and shaken, declare that he would never again have any part of it, that he had changed his views on the necessity for the death penalty.

In the dark of night, in the 1960's, in Canada, two men were hanged, back to back, because society said that would stop somebody else from committing the same crime. I cannot believe that, Mr. Speaker. I do not believe that any member of this House, having considered the mass of material that is being circulated to us, can possibly believe that the death penalty is a deterrent.

We all agree that statistics can be manoeuvred and manipulated to make our point. However, I should like to present a few statistics to show that they do not prove a thing, that they are not conclusive and we must refer to facts, because only then do we find some satisfaction in our views or the possibility of changing our views.

I have a list of the murder rate in various American states, those with the death penalty and those without. I am going to refer to it very briefly. In the State of Alaba-

ma they have electrocution. According to the latest statistics available for 1971, the murder rate in Alabama was 11.7 per one hundred thousand of population. If I wanted to play with statistics I could go to Rhode Island, which has not had the death penalty for many years. There the murder rate is 2.2 per one hundred thousand. If I were to be more responsible in reciting these statistics I ought to mention those for Massachusetts and Maine. Those states are in about the same part of the U.S.A., both are composed of the same types of people who live in similar environments. In Massachusetts, where electrocution is retained, the murder rate is 2.8; in Maine it is 0.4; so, we still come out ahead in that circumstance. Now let me compare New York with New Jersey. New York, without the penalty, has a rate of 5.4, but New Jersey, with electrocution, has one of 3.9. There, the tendency is in the other direction. What does this prove? It proves nothing when you try to compare murder rates with the imposition of capital punishment or the non-imposition of capital punishment. There is simply no relationship between the punishment and the murder rate.

• (1530)

Of more immediate concern to this House are Canadian statistics. I believe those most recently available are for 1970. The statistics are reported by the various police departments across Canada. I will use them, but I point out the inadequacy of statistics and their use unless there is a very deep study of how those figures are arrived at, and unless they are fully understood and related to the various tables. Briefly, the number of murders reported in Canada in 1970—and this figure will be repeated time and again so I ask hon. members to bear it in mind—was 430. This figure, I repeat, relates to two years ago. According to police records, 430 people were killed. Well, the number of people sent to trial, in other words the number of murder cases that were heard, and I mention murder cases because we are talking about the crime of murder, was 153. Out of 153 cases, only one accused was convicted in 1970 of capital murder under the law of that time; only 34 of 153 were convicted of non-capital murder and 56 were convicted of manslaughter.

So, if we are talking about capital punishment versus non-capital punishment, let us remember that out of 430 cases, or reported cases, there was only one conviction for capital murder. There was a grand total of one convicted out of all that number, under the law. Yet that law remains on the statute books. It is the law of our country and of our society. In other words, we feel that we must take a life, as a society, in order to stop people from taking a life. That is a very strange rationale. Let me repeat the 1970 figure, because we shall return to it again and again. Out of 430 cases or incidents reported by the police departments, one accused was convicted of capital murder. To be fair, there are 33 cases still pending. Nevertheless, one was convicted of capital murder and 153 cases out of 430 incidents went to trial.

The Solicitor General (Mr. Allmand) said, in opening this debate the other day, that there is a two-year delay in the provision of adequate statistics and that therefore he would like to have this legislation in existence for another five-year trial period. He suggested that if statistics are to be valid they must be taken from a broad cross-section of the population; only in that way can you reach any conclusion. Any single set of statistics is of questionable value. I am not sure that we need more statistics.

However, if the minister thinks we do then, since he is a member of the government I support, I am prepared to support him in that position only if we cannot do better. I am sure we all harbour our own doubts as to the proper way statistics should be used, because statistics have been compiled for decades around the world. We have seen exact statistics compiled in the United States over the last ten years. There are our own statistics, as I mentioned a moment ago, for 1970. Indeed, if we need more, let us have more, but what will they show? We have already seen that there was one conviction out of 430 incidents.

The issue of a national referendum was introduced into this debate. I think the Solicitor General referred to it and dealt with the matter much more adequately than I could deal with it. Some question arose about the referendum in California where public opinion demanded the return of the death penalty. That referendum had the force of law; it would not have the force of law in Canada. Much more important and more to the point, it seems to me that if we in this House react to popular issues with popular decisions, there is no reason for the existence of this House. We cannot escape the obligation of making decisions on behalf of those who voted for us. I think we should set a very dangerous precedent indeed if we were to try to escape making such a difficult decision as this through the mechanism of a referendum, and thereby set a precedent that could have an effect in law. In any crisis in future when any unpopular decision would have to be taken by parliament, that is the precedent we would follow.

It is said that the polls show that an overwhelming number of people want the return of the death penalty. Without trying to be biased, and forgive me if I am, I remind hon. members that our system of law and parliamentary procedure is very much based on the British system. I do not think that parliament across the water is disintegrating and I do not think its effectiveness as one of the best trial by chance, true democratic means of carrying on government and holding together a society is failing. I think we respect it and do not try to impute motives to whatever government is at the helm at the moment. It should be remembered that just before the government of Great Britain voted for the permanent abolition of the death penalty, 80 per cent of the people polled had said, "No, we want the death penalty." Would anyone say that the British parliament turned against its people, or that it had not tried to act wisely and carry out its heavy responsibilities under that system.

The hon. member for Yukon (Mr. Nielsen) mentioned the RCMP when he spoke in this debate a few days ago. He said that there was great concern over declining morale of the NDP—

Mr. Stanfield: Not the NDP.

Mr. Fleming: I beg your pardon. I did not mean the NDP; I withdraw that. I meant that there is concern over declining morale in the RCMP.

Mr. Woolliams: I expect to see the NDP leader rising on a question of privilege.

Mr. Fleming: Mr. Speaker, I do not want to speak about improving the morale of that party, if it needs improving. I was talking about the RCMP. The hon. member for Yukon said that the RCMP suffered from low morale and that morale should not be further eroded as it would be if we permitted the bill before the House to pass. I for one, along with any really involved Canadian who cares for his country and participates in its activities, take great pride in the RCMP and the respect it has brought us around the world. Yet, surely to goodness there is a basic difference to be remembered; they are law-enforcers and we are law-makers. We must take into account their views and their experiences, but the decision is ours. If the morale of the force is low, surely to goodness it is not low because we are not hanging people—even if the RCMP thinks we ought to. We must consider that morale and correct it, if anything is wrong, without resorting to that kind of red herring and without embellishing the kind of argument that pits the morale of that force against society taking human life under its laws.

An old friend of mine who is a prison psychiatrist has written me a letter. He is not a wild-eyed dreamer, but a practical man. He wrote to me and I wrote to him; we do not agree completely, as one can see from the contents of his letter. However, we do not think the issue of the death penalty is simple. It is much more complicated than, "Execute and be safer or do not execute and be unsafe." He wrote:

> I would rather confine my remarks to my observations, after ten years of forensic work, on convicted murderers. At least one I know is probably completely innocent. Several others were undoubtedly mentally ill at the time of their offense, but not so markedly so as to convince a court of their lack of guilt by reason of insanity. Several (especially the women) were with a person who committed a murder, but struck no blow themselves, and often deny any knowledge that a murder was planned. Most Canadian killers commit murder only once within a highly-charged emotional relationship, often within the family. It seems entirely capricious to me that some of the accused in a homicide offense are found not guilty for reasons of accident, self-defense, automatism, or are found guilty of manslaughter rather than murder. This might depend on the calibre of the lawyers, the judge, the public reaction to the apparent facts, the demeanour or social class of the accused, etc. The point seems to revolve around this—there is a tradition that the lawbreaker should be punished, and most severely for severe crimes. After society has exacted its retribution, and reminded the populace of its basic sanctions, then how many of these people remain dangerous?

According to the experts, not many remain dangerous. Some do, and we ought to enact laws that will protect us from those few. That does not mean that we need to kill those people in order to be protected. I shall deal with that argument in a moment. What is the relationship between a death penalty and the number of convicted murderers? I read from the second paragraph of this letter:

• (1540)

> You tell me that those who wish to retain capital punishment are concerned about the rising crime rate, violence in the streets, and the safety of the public. So are all decent citizens. The growth of crime may have its roots in a very complex causality—e.g. the decline of the stable family structure, over-population, urbanization, the dishonesty of corporations or unions, parole, drugs, government waste, the Bail Reform Act, the welfare philosophy, the decline of the churches, etc.

Any one of those reasons is important. Not just because the law says you may hang or you may not hang.

I want to make one further quote if I may. This is a quotation from Lewis Lawes who was the warden of Sing Sing Prison for many years. Warden Lawes said:

> Not only does capital punishment fail in its justification, but no punishment could be invented with so many inherent defects. It is an unequal punishment in the way it is applied to the rich and to the poor. The defendant of wealth and position never goes to the electric chair or to the gallows. Juries do not intentionally favour the rich, the law is theoretically impartial, but the defendant with ample means is able to have his case presented with every favourable aspect, while the poor defendant often has a lawyer assigned by the court . . . with no experience.

In making his case the other day, Mr. Speaker, the hon. member for Yukon showed his great debating skills. These are, I am sure, known not only to members in this House but elsewhere as well. Before I came here I had heard about them. He has what I would call an excessive ability to manoeuvre words and situations. As an example, he quoted the Toronto *Star* of January 18, 1973, and he seemed to imply, in his use of that quotation, that the rule of majority must be the rule this debate should follow. The hon. member for the Yukon said that in an earlier debate on this subject he had made a long and objective study and had taken a particularly unemotional look at the question. He went on to say that statistics did not prove anything. On that point I must agree.

The *Star* article the hon. member quoted was cited without reference to its author. The newspaper itself, I would like to make clear, is on record as being in favour of abolition, but it is in favour of abolition with a proviso that would guarantee the real safety of society. I quote from an editorial which appeared in the same newspaper, the Toronto *Star*, two days later than the article quoted by the hon. member for Yukon. It is headed, "A substitute for the gallows", and reads as follows:

> One of the basic problems in the debate over retaining the ban on capital punishment is what to do with hard-core murderers—the type who were almost always hanged under the old system. The penalty for non-capital murder is now, nominally, life imprisonment, but under present practice prisoners sentenced to life may be released on parole after serving 10 years.
>
> If the National Parole Board had an infallible record in selecting prisoners suitable for release, there might be no quarrel with this; but the board is unfortunately anything but infallible. As a result a great many people are haunted by the fear of hardened, vicious killers being turned loose to kill again, and their fears have contributed to the demand for the return of the gallows.

The article goes on, Mr. Speaker:

> To meet this problem, Solicitor-General Warren Allmand has indicated that he is considering a mandatory minimum sentence of 25 years for all convicted murderers.
>
> This is altogether too sweeping. Murderers after all, fall into many categories.

The article goes on to make reference to crimes of passion and so on. The article later goes on to say:

> But there are other types of murderers for whom long minimum sentences are certainly justified. They include hired killers, political assassins and terrorists, sexual psychopaths and other psychopathic killers. These are the types who, if released, are likely to repeat their crimes. Keeping them under lock and key for as long as possible is therefore a measure of public safety.

If Allmand's proposed 25-year minimum sentence were restricted to murderers in these classifications, it would do a good deal to reassure the public, and it might disarm a good deal of the opposition to the permanent abolition of the death penalty.

I apologize to the minister if the 25-year minimum idea has been hung upon him but the non. member for St. Denis (Mr. Prud'homme) and I do propose it. I will get back to that point in a moment. I am sure most hon. members are aware that we had intended to propose something along that line. We are not making a formal amendment at this time. We are still considering how the principle might be adjusted a little.

The hon. member for Ottawa West (Mr. Reilly) made reference to the question of crime in the streets. I was pleased to hear that he feels safe in our streets and I must admit that I share his feeling. However, many women and children do not feel safe. In the suburban part of Metropolitan Toronto from which I come there has been a great deal of crime, including several murders, over the last year or two. There has been an increase in drug problems, and evidence of increasing fear among the people. It is unfortunate that people have focussed upon the death penalty as a means of regaining their safety, as if this vengeance would put fear into criminals. I do not believe that retention of the death penalty will have the effect they desire. The general rate of crime has gone up more rapidly than has the murder rate. The fact is, Mr. Speaker, that we cannot relate the two. I cannot believe that a couple of hangings, terrible as it would be for society to return to that condition, would change the trend of crime.

I agree we have to review the bail system, the parole system and tighten them where necessary. We have to work toward a healthier society, and I appreciate that this sounds lofty, as does being in favour of motherhood and so on. Right now, in my opinion, it is more necessary to work toward this healthier society than it has ever been. Perhaps we should direct ourselves to improving our environment and education—and when I say "education" I mean not just education to be scholarly, but education in coping with the tremendous drives and strains of our day.

While I will, if I must, support the bill before us, I do hope that at a more appropriate time, perhaps in committee, I may argue with its principle to some small degree. I wish to say that I would rather not have half the principle, but the whole principle, while recognizing the need for deterrent power and especially the feeling of public safety through whatever final legislation is approved by this House. For that reason, as many are probably aware from statements outside the House, the hon. member for St. Denis and myself will attempt at a more appropriate moment to get a life imprisonment term for first degree murder which will mean a 25-year incarceration period, without release for any reason other than, perhaps, to attend a funeral of a mother whilst under guard escort; 25-years of incarceration with just a possibility of parole to give a glimmer of hope. At this point, I think it is important to put emphasis on the safety of people rather than on that of the criminal.

If some are alarmed at this idea on the grounds of the impossibility of rehabilitation, let them argue the point as statistics become available. Maybe, if they prove their point, this regulation can be rolled back. But only by parliament. I believe that the taking of life by society has proved not only ineffective, but that it is wrong. Meanwhile I do believe we must give our people some reassurance that we are acting in the interests of their safety.

There are two letters I would like to read, if I may, Mr. Speaker, because I hope that some hon. members have received similar reactions. The first letter reads:

Dear Mr. Fleming:

I have just read in this morning's *Gazette* that you and Mr. Marcel Prud'homme propose to introduce an amendment to the bill regarding capital punishment whereby convicted murderers would not be eligible for parole for 25 years. Congratulations. I hope you are successful. I have just written my own M. P., Mr. Warren Allmand, to this effect.

Until now, people like myself, and I believe we run into thousands and possibly millions, have had no alternative but to ask for the return of the death penalty because any other punishment was ridiculously easy on the murderer. Loss of freedom for 8 - 10 years seems ridiculous to me for such a crime anyway, and I believe if you are successful with your amendment the feeling of the population toward banning the death penalty either permanently or temporarily would be completely different.

• (1550)

Mr. Speaker, my time is running short but in conclusion I should like to make reference to the formation in 1964 of the Canadian Society for the Abolition of the Death Penalty. From time to time during this debate we have heard references made to the "do-gooders" who are in favour of motherhood and against sin. Let me give you an idea of what this Society is. First off, it is not a social service agency, though the work that they do is just great and should always be respected. So often the public's view of such organizations is slanted in that sense. It was founded by a young man named Ted Matlow, who was a law student at the University of Toronto. He had read some news stories and reports and became concerned when this issue was building here that no one in society was trying to focus on the wrongness of taking life under our law. He wrote letters to 30 Members of Parliament and former members of parliament who got together and formed this society.

To show that this is not a matter of political philosophy but rather a matter of conscience and understanding, let me give the House an example of the kind of people who belong to this society. For example, the hon. member for Fundy-Royal (Mr. Fairweather) was a member of the founding group. The leader of the New Democratic Party, the hon. member for York South (Mr. Lewis), was also a member of that group. Senator Wallace McCutcheon, who can hardly be described as a left-wing Liberal, was a member of that group. The late Mr. Ross Thatcher was also a member. So was Frank McGee, once a member of this House. The hon. member for Peace River (Mr. Baldwin), very respected by his fellow members, especially those on the benches opposite, was a member of that group. All of these were men and women who felt concerned enough to get together and decide to fight for the principle that society should not take life.

I want to make one thing clear as I conclude. This does not for one moment mean that I, as an abolitionist, have any right to be pious, to look down my nose at those people who honestly believe that the death penalty is necessary. If those people succeed in this debate and we

return to the law as it stands today, and as it stood before the trial period, then the onus on them will be much greater than that which the rest of us, as abolitionists, will bear if we succeed. Because by voting for retention they in fact carry the weight of society's decision to take a life. If these 120 votes or so succeed, that will start the gallows working again. I do not scoff at the responsibility that they bear or how deep their conviction is within their conscience, for they must live with that. But I am sure that they must be as aware on their side as we are on ours of the real concern. I am not afraid to live with an angry public because of a superficial understanding of what I believe. The retentionists may have the public with them this time, but they must live with themselves if we in fact go back to hanging.

In studying this matter in the past I remember making some reference to what was said by the right hon. member for Prince Albert (Mr. Diefenbaker). It is a small point and not the most important point in this debate. I think the most important point is the issue of deterrence and whether or not society should take life; whether it is for the public good to do so. Public safety is also important. The right hon. member for Prince Albert is on our record as having said that in his own experience as a criminal lawyer he saw one client of his condemned, executed, and then six months later the star Crown witness came foward and confessed to the crime.

I should like to refer to one final letter, if I may. This letter came to me a week or so ago and reads as follows:

Dear Mr. Fleming:

I would like to sincerely approve of the proposal to be put forth to the Federal Government (and also by Marcel Prud'homme) re capital punishment.

I cannot quite bring myself to advocate the death penalty for murderers, either of the police doing their duty, or of a civilian, in spite of the fact that my husband and two business associates were murdered in Hamilton in 1937.

The murderer, father of a lawyer in that city, served a term in Kingston, during which time he apparently became a model prisoner and went about teaching religion to other inmates.

He was released some years later—where he is or what he is doing I have no idea, nor do I wish to know, and I never discuss it with anyone.

I did, however, call our member, Mr. Terry O'Connor of Oakville, and told him of this tragedy in my life and of my approval of your proposal—with accent on 25 year minimum sentences.

The guilty man (or woman) has to live with this dreadful act he has committed and perhaps, by the grace of God, can make something of his life.

I support the government, and I hope very much that this bill, after receiving the support of this House on second reading, will go to committee. At that time I hope with my colleague, the hon. member for St. Denis (Mr. Prud'homme), to make some proposals with regard to a 25 year minimum life sentence and also with regard to the categories of first degree murder.

More than anything, however, I hope that the hon. member for Ottawa West (Mr. Reilly) is wrong—I know that he speaks in honesty and conscience—when he says he believes that the retentionist side will win. I appreciate that all of us have to act in accordance with our own conscience and in light of our own experience, reflecting, of course, the views of our electorate. But I would find it incredible if today we voted for retention, in view of the number of states that have abolished the death penalty and the example of Great Britain, whose government stood in the face of a public that was not fully aware of the situation and voted according to conscience to abolish the death penalty. The British parliament continues its tradition of making difficult as well as easy decisions. Then, there is the example of the United States which has to cope with the terrible dilemma posed by the referendum that was held in California recently and which resulted in a mix-up of the law. I hope that when the moment comes for the final vote, we shall take the responsibility upon ourselves, and as individuals, be we retentionists or abolitionists, vote according to our own mind, not simply reflecting the will of our constituents or any other group.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I hope that the calibre of my remarks will be equal to the calibre of the debate we have had to date. I listened with great interest to the Solicitor General (Mr. Allmand), to the hon. member for Yukon (Mr. Nielsen), to the hon. member for Ottawa West (Mr. Reilly), the hon. member for York West (Mr. Fleming), and also to the brief remarks, in view of the shortness of time, of the hon. member for Crowfoot (Mr. Horner). I think the debate has been of very high calibre.

Let me come down to the nub of the matter. I think parliament wants to know where I stand on the abolition bill. I am going to oppose the bill. I will support only law that retains some from of capital punishment—and I emphasize some form of capital punishment—for planned, premeditated, deliberate killing, known as culpable homicide, and for the killing of a person by violent means where any reasonable person would or ought to know that death would ensue. This is defined as capital murder. That is the provision in the law today, unless this bill receives a vote of confidence in this House.

I support the formula that was devised by the Diefenbaker government under which murder was defined as culpable homicide, categorized either as capital or as non-capital murder. From my experience, only in exceptional cases does a trial judge let the matter go to the jury as capital murder under the formula of 1961. In other words, only when the evidence indicates a certainty that the killing of another person was planned, premeditated, deliberate or caused by violence that was planned and premeditated, and as a result death ensued, is the jury asked to decide, first, whether the murder was capital or non-capital. Ninety-five per cent of cases under the old formula went to the jury as non-capital murder cases, which called for a penalty of life imprisonment. Hence, for most murders the death penalty was abolished as early as 1961. That was the first step in the reform of our criminal law. I think all of us would agree, whether we are abolitionists or retentionists, that that was the case.

Before discussing the merits of my argument for capital punishment as an effective punishment for capital murder, let me repeat that in my opinion—I say this quite frankly—there was no need at this time, when Canada is suffering from a lack of economic policy, to have a debate on this bill.

Why do I say that? Since the Trudeau government was elected in 1968 capital punishment has been abolished as a

fact, or as we lawyers say, de facto, if not totally by law, or *de jure*. As the Solicitor General told me last Friday in response to my questions, no one has paid the price according to law by suffering death for killing a police officer or a guard, and no one is waiting in custody for a commutation of the death penalty at this time. Those are the facts and that is where we start on this debate. There has been a complete softening and easing, in my opinion, on capital punishment under the present government with reference to those found guilty of murder and violent crime.

• (1600)

The 1967 bill was only approved by this House of Commons on the grounds that capital punishment would remain for all those convicted of killing police officers and guards. The government would never have been able to get this bill approved by certain areas of this country if that solemn undertaking had not been given by the government, which is lead by the same man today. No sooner had the bill passed than a group of prisoners awaiting penalties had their sentences commuted. There were 12 of them who were found guilty of murdering police officers and guards who had their sentences commuted, and I will deal with their names later. A number of them were awaiting the sentence, but the bill was no sooner passed and received Royal approval than their sentences were commuted. In my opinion, this was a fraud perpetrated on parliament.

The Trudeau government has not changed and the Prime Minister (Mr. Trudeau) has not changed. All those people convicted of capital murder under this bill will have their sentences commuted as has been done previously. I would rather see a government come in today and say honestly that it intends to abolish capital punishment absolutely, and then let us have a vote on that. Truly that is what we will be voting on when this bill comes back from the committee for third reading.

In my opinion this debate was called by the government for the purpose of sweeping under the carpet serious problems of unemployment and inflation, as well as the suffering and frustration of our senior citizens and those on fixed incomes who are waiting for relief in respect of all these economic cares. In a sense, the Prime Minister has carried out the emasculation of the democratic process by ignoring the will of the people who are asking for immediate relief, and this course is being supported unfortunately by the NDP because it must do so for its own survival. It is that support which is the reason this government, defunct and bankrupt of ideas, is now still in office.

Let me now turn to the names of those people convicted by due process of law in Canada, which means a trial by jury in most provinces, with the exception of one, the right to an appeal and the right with leave, and under certain circumstances without leave, to go to the Supreme Court of Canada, of murdering police officers and guards but who have had their sentences commuted since January 4, 1968. There are 12 in all, and they are as follows: Douglas J. Booth, René G. Castellani, Jean-Jacques Boivin, David A. DeLeon, Henri Boivin, Herbert M. Myers, Harold A. Ortt, Ovila Bonlet, Leonard Otto Borg.

[Mr. Woolliams.]

By the way, Borg's sentence was commuted on July 3, 1969.

Then we have Clifford Wickett Lurvey, December 23, 1970; William R. Rosik, February 4, 1971, and the twelfth, Thomas Mason Shand, March 8, 1972. So twelve people convicted of murdering police officers and guards had their sentences commuted, even though there was a solemn understanding that if we passed the bill those people convicted of such crimes would be subject to capital punishment. It is true that there is the Royal prerogative, but it was never intended to be used in that fashion. Where a discretion is exercised 100 per cent one way, there is no discretion at all.

The Solicitor General left the impression by his speech, perhaps unintentionally, that there were only four convicted killers of police officers and guards who had their sentences commuted since January 4, 1968, whereas there were four under the 1967 bill but 12 in total since January 4, 1968. I repeat that there were four as a result of the 1967 act, but the government stayed eight executions of killers of police officers and guards while the 1967 bill was being approved and receiving Royal Assent. In brief, all 12 were convicted under the same kind of law. There was no change in 1967 from what existed in 1966, when it comes to that, because in 1967 the law in respect of killing police officers and guards did not change the penalty.

Then on Friday, and I am not breaking a confidence here because this is a matter of information, I received the following letter from the Solicitor General:

Eldon.

I just got more information on your question. There were 17 commutations on January 4/68—

This means that over and above the eight, there were nine found guilty of capital murder under the old law who received commutation of sentence on that date. The letter continues as follows:

The government decided to get these matters dealt with before the new law got fully under way.

We have really had complete abolition. There is no question but that the government wanted complete abolition, so it could have gone ahead with the economic problems and I am sure this would not have bothered the conscience of any Cabinet member. That is the point I wanted to make.

All arguments and points of view in reference to capital punishment have previously been discussed, stated and restated in this parliament. We have had two lengthy debates. Nothing has changed and nothing new will come out of this debate. Do you think any person will really change his mind after the debate is over or because statistics and figures will be given by various people to support their own viewpoints and special interests, showing increases or decreases or a holding of the line in respect of murder convictions? Murder victims are not mathematical figures; murder victims are human figures and spell human suffering at all levels.

We have had a tremendous amount of statistics. I received a call from the Calgary *Herald* on January 18, 1973 which indicated there were some statistics left out. I am not going to spend too much time on statistics because my time is limited and I do not want to waste it in this

way. I can only draw the conclusion that a breakdown of homicide has been made into 10 or 12 categories. When we look at those categories we must make some deductions. When you lump them together they do not mean very much.

The number of murders in the course of robbery and theft, which is violence, shot up almost 100 per cent during the first three years after the ban. After seven years with fairly level figures, about 65 or 68 killings, there were 119 in the next three years. If you analyse the statistics and motives you will find that murder shot up in numbers in connection with crimes of all kinds; sex crimes and others. The only type of murder where the figures did not go up were those murders caused by passion, generally killings between spouses, which always, as I suggested in my introductory remarks, would be categorized as non-capital murder as a judge would withdraw a different charge from the jury.

I am the first to admit that this subject is a highly emotional and highly controversial one. That is why I was so happy to hear the hon. member for Ottawa West (Mr. Reilly) speak as he did. In this party when we say there will be a free vote, we mean a free vote. There will be no duress on members of this party from anyone. Certainly, we all feel sympathy for an accused awaiting trial and at the time of conviction. I have had experience and I know the feelings of the family, the accused and the community as a result of a conviction. We have sympathy at the time when there is an agonizing waiting period in the penitentiary. You only have to talk to the people who have been in penitentiaries for years to know what kind of a penalty that is.

All of these things after the event tend to work men and women into an emotional frenzy. However, on the other hand, if there were as much emphasis and publicity about some of the monstrous, horrifying and brutal crimes committed against society, the emotional frenzy and sympathy could well run the other way and certainly would be more inflammatory. One only has to consider how the people felt in Vancouver after the Head case.

Let us consider the Head case. This is a man who had been convicted on four different occasions of brutal, sexual assaults on girls between the ages of six and nine years. During the time he was under a life imprisonment sentence he was once declared criminally insane and had the sentence reduced to 15 years. He was released illegally, in my opinion, and I have not time to go into that, and while out of the penitentiary he was accused and found guilty of murdering Tanya Busch, a girl of about six or seven years of age who was the daughter of a prison guard. This apparently was a vendetta against the girl's father.

• (1610)

There are many other cases I could outline and if this bill should go to the committee I hope to deal with them there. I was criticized when I cited the Head case in the House of Commons. The Prime Minister in order to defend his solicitor general, tried to accuse me of linking the two, meaning Head and the victim, prior to the charge of murder. I ignored that remark then and I do so now. My purpose in this debate is to see that society is protected in these cases against administrative asininity. Of course, the minister must take responsibility in this case. The previous minister went on and on and on, and would not stop until finally it became a chronic situation and changes were made. Certainly, we should have rehabilitation of convicted prisoners. I should like to congratulate the new Solicitor General in that regard. It should be remembered that the former solicitor general never understood the priority; that the protection of society must be paramount over rehabilitation and paramount over any other consideration is the protection of society. That is the fundamental matter to be considered in this debate and no other.

I speak from experience. It is not for me to discuss how many times I have been called upon to use my energy and ability to defend those charged with murder. The Solicitor General was teasing me the other day because he had gone to a certain institution and met 12 inmates who had been convicted of murder and who had got a new trial. He was somewhat surprised, but I know something of standing in court with the responsibility of defending people charged with capital and non-capital murder. I mention that only to emphasize that my experience should permit me to speak from the other side of the fence as it were.

Many of my friends suggest that basically I should be an abolitionist, but in the face of violent crime and the lack of consideration for the most precious civil right of all, the right to live within that degree of freedom and liberty that a free society guarantees the individual, I say that the most important civil right is life. I must measure up, therefore, to the responsibility and oppose the bill. Those who obey the law must have rights as well as those who deliberately and violently break the law. If I thought imprisonment was the answer I would support the bill. However, I only have to refer to examples such as the Geoffroy case and the Laporte case to see how much consideration is given to the accused and how little consideration is given to the victims or their relatives, even to the extent that Geoffroy should spend his honeymoon in Spain. I once described it as "going the Goyer way".

The bill flaunts the will of the people of Canada. I dare this government and the abolitionists to test the will of the people on the question of capital punishment by plebiscite. I have started to take my own plebiscite but I did not have time to send out house mail so I advertised asking for a straight yes or no. In the last three days, 996 replies came in from Calgary North asking for the death penalty on planned and premeditated murder but only 70 replies were against it. Total replies were 1066 so that gives me some idea of how people are worked up about the way our society is protected today.

We all dream of a day when society would be safe for the smallest and the frailest. I listened to the hon. member for Ottawa West and I wish to congratulate him on the recent birth of a son. We all reject the law "an eye for an eye and a tooth for a tooth" and hope that in the 20th century the scaffold will be dead, war will be dead and violence will be dead—but they are very much alive, Mr. Speaker.

Where have we failed in society? Today, we look around us and see that monstruous, planned and deliberate murder is committed and for what purpose? I will deal

with questions of insanity and provocation in a few minutes, but why are most murders committed? They are committed for power and materialism.

One of the arguments presented by the hon. member for York West (Mr. Fleming) in favour of abolition is the fear of judicial error. Let us talk about that, Mr. Speaker. It would have been more likely to occur prior to 1961 when the definition of murder was changed. The penalties were changed too; for example, life imprisonment for non-capital murder and the death penalty for capital murder. When you have a capital murder case before a judge and jury and the evidence leaves any doubt, not any reasonable doubt but any doubt, in the judge's mind, he reduces the charge to non-capital murder and the jury then only has to decide the question of guilt or innocence. That has been my experience before the high courts in Alberta and Saskatchewan, and I am sure that the judges in the other provinces also understand their responsibility and duty. We have a great judiciary in Canada; our judiciary cannot be compared with that of the United States. Since 1961, few have been convicted of capital murder because where the evidence leaves any doubt—not any reasonable doubt—the judge would withdraw the question of capital punishment from the jury and they would have to decide only on the question of guilt or innocence.

What are some of the defences to murder? Some people believe that if a person has been killed, there has been a homicide. That is not necessarily the case, Mr. Speaker. Let us deal with insanity, Mr. Speaker. Is it any defence? The law of insanity has been more liberally interpreted by the courts. Although parliament has not amended the M'Naghten rule in reference to the law of insanity for 100 years, our knowledge now of diseases such as schizophrenia, paranoia or a combination of both, has increased. From scientific and medical experiments, experts are able to advise the court far better than they did 100 years ago or even ten years ago. The courts have liberally interpreted the section which sets the following test: First, did the accused know the nature and quality of his act and, second, did he know the act was wrong? In other words, did he know what he was doing and did he know it was wrong? Some people lack social conscience and cannot determine what is right or wrong. I had a case once where one brother shot another on the golf course and, because of something in his environment or make-up, he was declared insane. He did not know that what he was doing was wrong. The law provides protection in such a case.

Provocation is another defence. In my experience, courts are giving a more liberal interpretation of the law where culpable homicide may be reduced to manslaughter if provocation is proven. This is where a reasonable man is provoked beyond what a reasonable man can take. For example, if a man came home and found his wife in bed with somebody else and, without any time elapsing, killed that person, that is not murder but it may be manslaughter.

Last but not least, the courts are now being presided over by younger, more progressive thinking judges and, in consequence, there is a more liberal interpretation of the law. I know when I was a young lawyer some of the judges I appeared before used to make me shake and tremble. Today, the atmosphere is more homey and the judicial atmosphere is that justice not only must be done but must be seen to be done.

• (1620)

Life imprisonment and capital punishment have proven to be inadequate with the administration ignoring the Criminal Code which demands that before a person is released there must be an order in council permitting his release. In consequence, these people are released only to duplicate or substitute another crime of violence. I ask hon. members to check their copies of the Criminal Code. Section 684(3) reads:

> Notwithstanding any other law or authority, a person in respect of whom a sentence of death has been commuted to imprisonment for life or a term of imprisonment or a person upon whom a sentence of imprisonment for life has been imposed as a minimum punishment, shall not be released during his life or such term, as the case may be, without the prior approval of the Governor in Council.

When our late prime minister, Mr. Pearson, introduced that provision, I thought it was somewhat dangerous because it put the matter in the field of politics. But today, released criminals wander around. Just today I was told of a case in Calgary—I will check it out—where a young person was sentenced to 15 years for kidnapping a girl and locking her up in the trunk of a car for a period of seven or eight hours. Now, that offender is going to university, and spends one or two days a week in jail. That is a fine way to get a schooling. If you cannot afford university commit the right crime, such as kidnapping.

In his speech, the minister stressed swift administration of justice. In my opinion, he overlooked one of the most important things, namely, proper punishment. Mr. Justice Mackay of the Court of Appeal of Ontario had something to say about this matter in 1954. He visited prison institutions in the United States, and also at Kingston in Canada. The honourable lady behind me in this party knows something about Kingston, Mr. Speaker. Over the years a few riots have broken out at Kingston. Here is what Mr. Justice Mackay said:

> The ultimate justification of any punishment is not alone that it's a deterrent, but that it is the emphatic denunciation by the community of a crime, and from this point of view there are some murders which, because of the enormity of their horror, demand the most emphatic denunciation of all, the death penalty.

He was talking about two young men who had taken an old couple in Northern Ontario and sat them on an electric stove, turned on the burners and tortured them in order to get a few pennies from their pension cheques. The punishment must suit the enormity of the crime. As I say, in 1954 Mr. Justice Mackay had interviewed many prisoners in the United States. Bank robbery was a common crime in those days, and criminals told him on occasion they would not take ammunition with them fearing that if they used guns, and were caught, they might fry. Those were their words.

I am not here to say whether capital punishment is a deterrent, but I agree with the hon. member for Yukon (Mr. Nielsen) in that regard. The most precious civil right is surely the right to life. Today we heard one speech about humanity. The hon. member for Ottawa West (Mr. Reilly) talked about young girls and boys being safe on the streets. Mr. Speaker, I have kept a file on violent crimes over the last two months, violent crimes against

children. I hold it in my hand. I do not think the streets are that safe. When we talk about capital punishment being a deterrent I will end with these words, and maybe this is the answer:

> There is a rock in a harbour, and upon it a lighthouse is placed to warn ships of the danger. One hears about the ships that run upon the rock in the fog, or during the storm, but one never hears of the ships that passed by in safety.

That is an argument in favour of the deterrent. Who knows how many people capital punishment has deterred from committing murder?

Mr. Andrew Brewin (Greenwood): Mr. Speaker, a previous participant in this debate has remarked that at this stage most of the members have already made up their minds and it is hardly likely their attitudes will be changed in the course of the debate, even by the most eloquent and cogent speeches. For this reason I was inclined to refrain from contributing to the debate, and particularly because I so entirely agree by what was said by the Solicitor General (Mr. Allmand) and by the hon. member for New Westminster (Mr. Leggatt), and also today by the hon. member for Ottawa West (Mr. Reilly). However, I have received, as no doubt have other hon. members, a great many letters from individuals and organizations both within my constituency and outside of it, and I did take an active part in the parliament that passed the act of 1967, the partial test ban, which we are now asked to extend for another five years.

I have deeply held convictions on this subject that I would like to express. I would much prefer the final and total abolition of capital punishment, but I will support the partial ban in the present bill as the best available means of moving towards that final and total abolition.

These are moral issues, and questions of fact are involved as well as questions of principle. In my opinion capital punishment, the taking of life by the state, is degrading. Above all, after the most careful study that I have been able to make, I have come to the conclusion that capital punishment is not an effective deterrent and serves no useful purpose.

Many of those who wish to see the return of capital punishment and argue for its retention do so very sincerely, and because of their belief that it is necessary for the protection of society against the gravest of all crimes, the commission of deliberate murder. But in my view this is a mistake.

The great and preponderant weight of the evidence is in favour of the proposition that capital punishment is not an effective deterrent. Mr. Speaker, the matter has been argued over the years in many jurisdictions. I have not the time and I do not want to go into all of them. I was impressed by the statement of Professor Fattah on this matter in his "Study of the Deterrent Effect of Capital Punishment with Special Reference to the Canadian Situation," prepared for the Solicitor General, which has already been cited in parliament by the Solicitor General himself. He concludes that the effectiveness of capital punishment as a deterrent is so limited that its abolition cannot have any serious effect on the incidence of murder.

He cites the following limits of deterrence: one, deterrence is irrelevant to the bulk of the population who follow the normal norms of society and whose self-concepts will not permit them to commit crimes, including crimes of murder. Two, deterrence cannot be effective in the case of certain acts of impulsive nature where high emotions or strong motivations are involved. I suspect that they are a very large percentage of the crimes of murder. Three, deterrence cannot be effective for certain categories of criminals such as insane, abnormal, impulsive or compulsive offenders or those consciously or unconsciously seeking to be punished. Four, the death penalty cannot be an effective deterrent for those who are not afraid to die or for those who have a conscious or unconscious desire to die. This includes murderers who commit suicide. Five, deterrence cannot be effective in the cases where punishment can be avoided. I suspect that in the case of most murderers they are satisfied that the punishment can be avoided by their own actions.

I have seen, and I have no doubt most of the members of the House have seen the statistics relating to this question from Europe, Great Britain, and from the various jurisdictions in the United States of America where, I believe, some 11 states have abolished capital punishment. As far as I have been able to determine it is not an even balance. The unquestionable conclusion to be drawn from these actual experiments in the abolition of capital punishment must be that abolition does not in fact increase the rate of crime.

Let us recall that crime was more rife in communities such as Great Britain when capital punishment was a penalty for conviction of petty theft and numerous other offences. Indeed there, when to pickpocket was to commit a crime carrying capital punishment, many people carried on their occupation as pickpockets in the shadow of the gallows, and that is a fairly good illustration, I think, of how capital punishment was a deterrent. When it was proposed to abolish capital punishment in England for the theft of goods worth five shillings or more from a shop, Lord Ellenborough, Chief Justice of the Kings's Bench, said that the repeal of the law and the abolition of the death penalty for stealing goods worth five shillings would cause the most dire consequences, including complete loss of security by homeowners in Britain. The same sort of argument is being used today, and it has the same sort of validity.

• (1630)

There are, of course, much more recent examples. There have been in innumerable studies of the matter by those expert in criminology. The great majority of experts have concluded, as stated by Barnes & Teeters, eminent penologists, in a book entitled, "New Horizons in Criminology", as follows:

> History reveals the most varied and numerous proofs that there is no correlation between the severity of the Criminal Code and the infrequency of crime. The statistics that we have available show that there is no ground whatever for holding that the murder rate increases when the death penalty is abolished.

That is stated as a fact by experts and by innumerable people who have taken the trouble to examine the facts.

Let us deal with the moral issue. Let me quote what the Reverend Archbishop Temple of Great Britain, for whom I have the highest regard and reverence, has written:

> I believe that the example of the state taking life, even when it does so in return for life already taken, does more to lower the value of human life in the minds of its citizens than the deterrent influence of this penalty can do to protect the lives of its citizens. In this way I believe that the main influence of the retention of the death penalty is rather to increase than diminish the number of murders.

Those who propose the retention of capital punishment or, indeed, the repeal of the law passed by parliament in 1967 cite facts to show that there has been an increasing number of murders in Canada since the enactment of the legislation abolishing the death penalty, except in the cases of the murder of police officers and prison personnel. What those who cite such figures fail to observe and what is made quite clear in the volume, "Capital Punishment—New Material 1965 to 1972" published under the authority of the former Solicitor General, is that the increase in the rate of that crime has been less than the general increase in the rate of crime in Canada with respect of offences which are not subject to capital punishment. So, even if there is an increase in the rate of murders, that increase is less, apparently, than the common trend of crimes not affected by the existence of capital punishment.

I now want to turn to another item in the book, "Capital Punishment—New Material 1965 to 1972". As mentioned at page 62, the death penalty has been abolished with respect to convictions for rape in Canada. It is of interest to note that at this time, because that law was abolished as long ago as 1955. One would think that if capital punishment had been an effective deterrent with respect to that crime, the abolition of capital punishment would have been accompanied by a substantial rise in the crime rate respecting that particular offence. Exactly the opposite has happened, as shown by the tables. After the death penalty was abolished for that particular offence, the number of offences steadily declined.

I am persuaded, Mr. Speaker, that those most able to recommend on questions involving moral judgment are almost universally in favour of abolition. As recently as November 24, 1972, and may I be pardoned as an Anglican for citing this authority, Archbishop E. W. Scott, Primate of the Anglican Church of Canada, said in a statement to the government that, in his view, the death penalty was immoral as long as there is the faintest possibility that an innocent person might be put to death.

Speaking as a lawyer with some experience in the courts, I know that it is indeed a possibility that an innocent person might be convicted after trial and put to death. In the most advanced jurisdictions of the world there are classic examples of this. The famous Christie case in England is well known because, after an individual was executed for murder, another person confessed to being the guilty party; indeed, it was clear that a miscarriage of justice had resulted. The right hon. member for Prince Albert (Mr. Diefenbaker) testifies to a clear case of judicial error in a murder case in which he was engaged as counsel.

I have the greatest respect for the courts. I have a lot to do with them. They are a necessary and vital institution in our society. Nevertheless, the courts are a human institution. It is notorious that, on occasion, they do err. I, myself, have been involved in cases—not, I admit capital cases—in which subsequent new evidence has shown that decisions made and confirmed by courts of first instance and approved by courts of appeal were, in fact, clearly and entirely erroneous. Another case that comes to mind is the famous Truscott case. That case did not involve the finality of execution. On his conviction, as I recall it, Truscott was either 14 or 15 years old. If he had been older he would have been executed and there would have been no possibility of reviewing his case. I studied his case in great detail and it has always been my view that the dissenting judgment of Mr. Justice Hall in the Supreme Court of Canada, in which he held that there had been a mistrial in the Truscott case, was far more convincing than the judgment of the majority of the court.

Archbishop Scott, in the statement I mentioned earlier, went on to say on November 24, 1972:

> Since there does not seem to be any conclusive evidence that the death penalty does in fact constitute a deterrent, the present legislation should be retained for at least another five years.

The General Council of the United Church of Canada last month confirmed its stand taken in 1956 for the abolition of the death penalty and now asks the federal government to make such abolition a total, permanent feature of the Criminal Code, as of the expiry date of December 29, 1972.

Social workers are another group with experience in this field. In the province of Ontario, the Ontario Association of Professional Social Workers which represents 1,150 professional social workers supports the abolition of the death penalty. They state:

> The issue of the death penalty is really one of ethics and morality. As social workers we feel that the worth and dignity of man is cheapened and lessened by state execution. We are in strong support of the abolition of the death penalty.

There is no lack of high judicial authority on the subject of capital punishment. Quite recently the Supreme Court of the United States, by a five to four verdict, ruled that the death penalty was unconstitutional as it was a breach of the phrase of the Constitution forbidding cruel and unusual punishment. This is a weighty authority in a jurisdiction close to our own and deserves our most careful consideration.

In my view, Mr. Speaker, those countries which can claim the highest measure of social advance have almost exclusively accepted the abolition of the death penalty without serious consequences. I am thinking in particular of the countries of northern Europe, where the murder rates are low and where capital punishment has been abolished for many years. I am thinking of 11 states of the United States of America where the experience has been the same. I am thinking of Great Britain, whose social judgments we have often been content to follow in Canada. In that country, after a checkered career, abolition of the death penalty has now been finally accepted. In my view it would be a retrograde step if, indeed, we were to reintroduce the death penalty as the general consequence of conviction for murder.

Some hon. Members: Hear, hear!

Mr. Brewin: I am well aware, of course, as are all members of this House, that the crime of murder is often accompanied by a disregard for human life, by brutality and horror which causes, and justly so, moral indignation. It is my view, however, that moral indignation is a poor basis for judgment. Sometimes moral indignation results in a cry for vengeance. The state should not be the instrument for vengeance or retribution. There is the duty, of course, to protect society; but if, as I have said, the protection of society does not require the use of the death penalty, then the state should not use this means.

• (1640)

I am aware from letters I receive that many of my constituents believe the death penalty to be necessary for their security. All I can say, and I say it with all sincerity, is that I believe they are mistaken. I do not know whether in my constituency the majority would like to see the death penalty retained or restored. I am deeply convinced, however, that this is a matter of moral judgment and conviction and that I have no right to shelter behind any theory as to the counting of heads. Ever since the famous speech of Edmund Burke to the Bristol voters, it has been clear that our parliamentary system does not require us to be counters of heads or automatic reflectors of opinion in our constituencies. We are elected to use our own best judgment and to obey our deepest convictions.

I believe, with all the conviction I can muster, that capital punishment does not perform the function claimed by its supporters, nor do I think it can ever be made to serve such a function. It does not protect society. It brutalizes society. It is an archaic custom which has disappeared in most civilized countries. I earnestly hope that this parliament will not take a backward step but rather that it will, perhaps after further delay and further study of statistical evidence, move toward total and final abolition of capital punishment.

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, I commend the hon. member who has just spoken. He has given us in such an eloquent way an excellent case for the abolition of what he called a custom which is out of date and which ought to be abolished. It is clear that many of the documents from which the hon. member read are familiar to all of us here, so that in this debate there is bound to be some repetition as we explain to other members of this House and to our constituents why we will cast our votes on this bill in a particular way.

There are those who view the capital punishment debate primarily in terms of its effect on law enforcement and public safety. They argue, correctly I believe, that the prevention of violent crime is one of the most important functions of government, and, indeed, a government which fails to establish and sustain the citizens' safety of life and limb is not worthy of support. Many Canadians today believe hanging should be reintroduced as punishment for murder.

The Gallup poll published on February 2, 1972 asked whether or not the death penalty should be brought back. Of those responding, 63 per cent said yes, bring it back. Of those who favoured reinstatement, 64 per cent cited a rising crime rate as their reason. The heart of the matter, then, seems to be whether or not capital punishment is an effective deterrent against the crime of murder. In certain cases it could so be regarded, as, for example, when a convicted murderer kills again after release from prison. The friends and relatives of victims of such crimes have every reason to feel deeply bitter toward a society which allows a dangerous person to be at large and repeat the criminal act of murder.

In general, however, contrary to popular opinion, there is no clear evidence that the death penalty serves as a deterrent against the committing of murder. In the United States, where the use of the death penalty is determined state by state, there is, in fact, an inverse relationship. The five states with the highest homicide rates all retain the death penalty, while the five with the lowest homicide rates have all abolished the death penalty. Over all, the mean homicide rate in retentionist states is more than double the mean rate in abolitionist states. This, of course, does not prove that retaining the death penalty results in more murders; it simply underscores the difficulty of trying to prove through statistics that the death penalty deters murderers.

The most serious of the social arguments in favour of the death penalty, then, is based on the theory of deterrence. It is claimed that if persons intending to commit crimes know what the punishment will be, they will turn away from committing them. At first glance, this seems to make good sense, but upon closer examination the idea proves less convincing. It has been said that an ordinary person is deterred from crime by comparatively minor penalties. A normal person, if sure of being caught, would refrain from a criminal act out of regard for the consequences. Murderers, however, are surely not normal people. They are abnormal people driven by who-knows-what compulsive forces. Certainly, they are driven sometimes by strong emotional forces, by forces accompanying insanity, even though their particular state of mind at the time may not be legally so defined. In conditions like these, no weighing of consequences takes place within the minds of such persons as they decide to kill. The psychopath will not be deterred by threat of punishment, however severe. Crimes of passion, including violent crimes committed under the influence of drugs such as alcohol, cannot reasonably be assumed to be deterrable by a means such as a death penalty.

If it could be proven that the death penalty was in fact a deterrent—and it cannot be so proved—then, surely, every effort should be made to make the deterrent as effective as possible. As it is now, however, most executions are private affairs rather than public spectacles. Attendance is restricted to the prison warden, a physician, a chaplain and a very few others. Surely, it is illogical to admit to the execution only those who are least in need of such a spectacle to deter them from committing murder.

Why, also, if the death penalty is a deterrent, do we chose a method which is considered to be relatively swift and painless in place of one involving prolonged torture and agony? In Canada, hanging has been accepted as a humane method of execution. In the United States, many states have chosen to electrocute or gas the condemned. If deterrence is the main purpose for imposing the death penalty, then it should not be as humane as possible but,

rather, slow and agonizing. It should not be a private affair but, rather, a public spectacle.

• (1650)

The bill presently before the House seeks to limit capital murder to cases involving the death of police or prison officers. Those who deal with criminals on a regular basis in the line of duty are unusually susceptible to being murdered. There is no doubt that they ought to receive some special protection, indeed, considerable special protection. It is worth noting, however, that the largest number of police murders, a total of 11, took place in 1962 when capital punishment was still in effect, a year in which two murderers were executed. Since 1962, there have been no executions in Canada; nor has there been an increase in the number of police officers killed in the line of duty. Police work can be extremely dangerous and often is, but there is no evidence to show that having the death penalty in effect makes the working life of a police officer any safer.

It is quite true that there has been an increase in criminal homocide in recent years, but a report from the Solicitor General's department on the deterrent effect of capital punishment, which has been mentioned in several instances in this debate, concludes that the increase cannot be attributed to the suspension of capital punishment. Other violent crimes have also increased, and this situation disturbs and troubles us all. But is the answer to the problem to introduce the death penalty? Is not this simply one more violent reaction to violent action? If we use killing in an effort to prevent killing, then surely this is a sign of despair in our society. It shows that we have no answers to the pressing problem of violent crime and how to prevent it. In addition, capital punishment leaves no room whatsoever for the possible errors of those who sit in judgment on other persons.

I take the stand that the lives of others are not ours to dispose of. The state, in its enforcement of the law against criminal homicide, must not itself permit what amounts to legalized murder. If we appeal to private individuals to refrain from killing, we have just as much right, indeed we have an obligation, also to appeal to the state to refrain from killing.

It should be possible, and I believe that it is possible, to protect society without judicial killing as a sanction. Of course, the public must be satisfied that an individual guilty of murder is given a sentence that is appropriate to his or her crime, considering all the circumstances in each case. The public must be assured that a dangerous criminal is not set free again to threaten our safety. There is surely a need for a better system of deterrence to acts of violence in our society. Certainly, however, the imposition of the death penalty is no such deterrent.

In a five to four decision last June, the United States Supreme Court ruled that the death penalty must be forbidden in almost all cases because it had lost its usefulness. In short, as a deterrent to murder it does not work. I say, then, that we ought to abolish, not in part but outright, the death penalty. When we have done that, we should push on with other social and economic measures which hopefully will be effective in decreasing the resentment and hostility harboured by some of our citizens, for these are the emotions which may very well in some cases lead to acts of violence, including murder.

[Mr. Penner.]

Mr. Beattie (Hamilton Mountain): Mr. Speaker, with your permission may I call it five o'clock?

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Dartmouth-Halifax East (Mr. Forrestall)—External Affairs—Viet Nam—Proposed peacekeeping force—Source of funds to cover cost of Canadian participation; the hon. member for Winnipeg North Centre (Mr. Knowles)—Old Age Security—Inquiry as to increase in basic amount and lowering of age of eligibility; the hon. member for Grenville-Carleton (Mr. Baker)—Public Service Amendment of statutes affecting employment—Legislative priority.

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

PRIVATE MEMBERS MOTIONS

FINANCE

ESTABLISHMENT OF A SPECIAL COMMITTEE OF INQUIRY ON CROWN CORPORATION ACTIVITIES

[*Translation*]

Mr. André Fortin (Lotbinière) moved:

That, in the opinion of this House, a special committee of inquiry on Crown corporations exercising financial, commercial or industrial activities be established to study the various Acts establishing such Crown corporations, the Crown Corporations Act sections 76 to 88 of the Financial Administration Act, and all other laws concerning Crown Corporations and to recommend to the House the adoption of a law regarding federal public enterprises; the committee should also study the following subjects without restrictions (*a*) the legal rules pertaining to the employees of such corporations (*b*) their financial structure (*c*) the way in which they are financed (*d*) government control over said corporations (*e*) fiscal regulations (municipal, school, provincial and federal taxes, (*f*) the status of the administrators (*g*) the privileges of such corporations resulting from their being "commissioned by Her Majesty" (*h*) the status of the subsidiaries of these enterprises (*i*) their purchasing policy (*j*) the problem of auditing by the Auditor General of Canada or by private auditors (*k*) the appropriateness of State intervention in the economic field in the form of enterprises; and all other matters concerned.

Mr. Speaker, once again I am introducing this motion concerning Crown corporations and I would like to draw the attention of the House on three specific facts.

• (1700)

Firstly, Crown corporations are creatures of the Government and, as such, of Parliament itself, each one with a specific field of activity. Now, the only information we get as members of Parliament on those corporations is summarized in their respective annual reports. Finally, parliamentary control is just about nonexistent. This I will try to show in a little while.

Secondly, the government to-day, in Canada, ownes and operates about a hundred industrial, commercial or financial corporations the assets of which are in excess of $20 billion. This modern phenomenon of governments involved in business undertakings give rise to many problems especially where parliament and parliamentary control over such corporations are concerned. For instance who will tell me what is the status to-day of a government involved in business dealings? Will it be subject to private law or public law? Will it be given a mixed status and be made subject to both private and public law? What kind of control has parliament over these Crown corporations? How is it that the Auditor General of Canada, who is a parliament employee appointed by parliament cannot audit the books of all these Crown corporations?

For MPs, the main sources of information on Crown corporations are their annual report, written questions on the order paper, and the tabling of documents. We shall see how efficient each of these may be. Why is parliament opposed, through the government, to creating a committee on Crown corporations so that members may control their operations?

Those are questions which warrant consideration since, in this House, Crown corporations are now a forbidden subject. Nobody dares mention them. What means of control do we have over the Crown corporations? They amount to just about nothing. The corporations do send us their annual reports which, and everybody will agree with me, are put away on the shelves to collect dust.

To my mind, normally or ideally, those reports should be referred to a parliamentary committee on public corporations. In a way, such a committee would act as a shareholders' meeting and the members could control the various activities of those companies.

The written questions offer the hon. members another opportunity of obtaining information on Crown corporations. The written questions are those the members put on the order paper. Anybody knows that. They can be technical. However, I would remind my hon. colleagues that in all cases, the minister may decline to answer a question on the order paper without stating his reason for doing so, and it is even against the Standing Orders of the House to insist on getting an answer; furthermore, no debate is allowed under those conditions. In this regard, I refer my colleagues to Citation 181(3), page 158 of Beauchesne's Rules and Forms, 4th edition. In other words, neither annual reports nor questions on the order paper have any value as far as parliamentary control is concerned.

Mr. Speaker, that is why I am bringing forward the motion before us in order that members of Parliament may exercise some control, be aware of what is happening in Crown corporations, and report to the people of Canada on the activities of some hundred Crown corporations handling over $20 billion of the taxpayers' money.

Mr. Speaker, it quite frequently happens that the management of such an agency or the minister in charge refuse to reply to our questions. In fact when a member of Parliament makes an inquiry of a minister or writes to a Crown corporation, inquiring about one area or another, on many occasions he receives negative replies. That is what I particularly want to object to.

For instance, I am concerned with the problem of internal management. A public agency is under no obligation to reply to a question concerning internal management, yet the appointment of personnel of a public agency is solely a responsibility of management. One can make any kind of patronage one wishes. Management never discloses information from the personal files of officers and employees. Also, and I quote:

It is not customary to ask Crown corporations . . . information about their employees or other matters of internal management.

This is why it was so difficult last year, as much for me as for the Royal Commission on Bilingualism and Biculturalism, to learn how many employees of each one of these corporations were bilingual, how many had English or French as their mother tongue, what were their salaries. It is a nonsense to tolerate such a situation.

If a member of Parliament wants to inquire about the salaries of the employees of these hundred or so Crown corporations, what will happen? A public corporation will not answer a question either about the salary of an employee or of a group of employees. The answer will be:

. . . salaries are deemed confidential.

I would refer you to the order paper of October 23, 1963, more precisely to question No. 1246. Regarding salaries, the late Hon. Guy Favreau, then Minister of Justice, said, and I quote:

Let us note here that in the Public Accounts, while the individual salary of every public servant paid more than a certain amount is listed, the salaries of employees of a Crown corporation are grouped under a single item. It is practically only through a question directed in the House to the responsible minister that the salary of an officer or an employee of a Crown corporation will be known if it pleases the minister to divulge it.

Then again, may I remind the House of the citation of parliamentary procedure which I quoted earlier, so that the hon. member still cannot get the requested information.

Again recently, the C.B.C. stated through its responsible minister, and I quote:

. . . it is not the Corporation's policy to divulge the salary paid to an individual.

With regard to fees, any public corporation will also refuse to disclose what it pays to an individual.

This is what appears on page 4975 of *Hansard* for December 4, 1967:

—The Corporation is not usually required to disclose the fees paid to any particular person.

Identical replies were given to questions Nos. 1,713 and 1,868 of December 4 and 18, 1963.

Each time the minister gave exactly the same answer so that one can conclude that CBC is protected by the minis-

ter; he is authorized to refuse to answer if he feels like it so that any member, whether on the government side or on the opposition side, has absolutely no control and cannot get information in any way.

On the subject of the contract awarded following a call for tenders the public firm will refuse—

—to disclose the name of the companies or persons submitting tenders or to give information on the tenders received.

And that at almost any time.

One could also talk about internal studies. It could be interesting sometimes for a member to know the studies made by experts within a given Crown corporation. Those studies, one must admit again, are paid for by the taxpayers.

There again it was decided, and I quote:

—it is contrary to custom ... to disclose the names of persons assigned to studies.

The firm considers those studies to be—

—private documents—

—for the internal use of the firm.

I could refer you to the debates of the House of Commons of February 26, 1969, page 5969. One could also talk about the salary of the president and general manager of a corporation. One can read there:

It is customary not to disclose any information from personal files of civil servants and employees and this custom was supported by the Sessional Committee on Railways and Shipping.

I will refer now to page 5665 of the Debates of December 20, 1967 and page 6387 of the Debates of March 10, 1969.

• (1710)

Mr. Speaker, that answer was given by Air Canada, Northern Transport Corporations Limited, Eldorado Nuclear Limited, Cape Breton Development Corporation and by Polymer Corporation Limited. Nevertheless, the Canadian National, the Canadian Overseas Telecommunications Corporation, the CBC, the CHMC, and the SACE revealed the salary of their chief executive. So there is no established or well defined practice there either.

All that may somewhat bore some of my colleagues but it is nonetheless an extremely important matter. In concluding, I will only call their attention to this: It is a well known fact that a large industrial, commercial and financial area is owned and operated today by the federal government. I will say for the benefit of my colleagues, that the government operates uranium mines, like Eldorado Nuclear Limited, coal mines, like Cape Breton Development Corporation, is carrying out mining exploration through SOQUEM and oil exploration through the Panarctic Oils Limited. The government operates one of the world's largest railway systems with the Canadian National Railways Company. It owns several road transport corporations with the Canadian National Transportation Limited. It operates the most important hotels in Canada with the Canadian National Hotels Limited. It is involved in air transport with Air Canada and Eldorado Aviation Limited as well as maritime transport with the Canadian National and Northern Transportation Corporation Limited.

The State, the federal government, is also one of the largest rubber producers in the world, with Polymer Corporation Limited; it owns and operates one of the largest radio and television systems, namely the CBC, it produces and sells electricity with Hydro-Quebec, Ontario Hydro etc. It grants interest bearing loans through the Industrial Development Bank, the CMHC, the Farm Credit Corporation, the Deposit and Investment Fund, etc. In brief the state owns and operates today more than one hundred of those corporations and thus administers more than $20 billion of the taxpayers' money in goods and capital.

The purpose of the motion I introduced is to urge this House to create a committee to study all factors related to the administration of these corporations. Why is the Auditor General of Canada not allowed to audit the accounts of these corporations? I could refer my colleagues to a question which I asked in the House and that I had to put on the Order Paper. Finally, this question was answered after pressures were put on the minister. I was told that for this or that Crown corporation, the books were audited by a Toronto company, made up of friends of the party in power, etc.

Mr. Speaker, the Auditor General of Canada is the only public officer commissioned by Parliament to audit accounts. I do not understand why this person whom the government does not like but who however has authority, could not audit the books of these corporations on behalf of Parliament. I do not understand why hon. members, who have been elected by their constituents, could not have the privilege and right to sit on a parliamentary committee on Crown corporations, for instance, in order to know the administration, the policy, the investments of such corporations, etc.

Mr. Speaker, I hope that the motion will not only get the attention of my colleagues from all parties in this House, but most of all their support, so that Parliament finds a way to control the Crown corporations and thus account for them to the population in a more efficient way.

[*English*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, the notice of motion proposed by the hon. member for Lotbinière (Mr. Fortin) is similar to a notice of motion standing on the order paper in my name and one on which I spoke a few years ago. In fact, his notice of motion goes further than mine. Mine simply suggested that there should be at least one member of parliament on each of the boards of directors of crown corporations in order to have closer control over the spending of government that takes place through the crown corporations. The hon. member for Lotbinière suggests that perhaps a special committee of the House could be established to look into all aspects of crown corporations. I think this is a good idea, although I do not necessarily agree with all the details the hon. member has mentioned. This is something which is long overdue.

We come here as representatives of the people but are unable to represent them because we have absolutely no say over most of the spending of government which takes place through crown corporations. Even the minister has very little to say in the matter because these corporations have become completely autonomous, and it is a bad thing to suggest political interference. Who represents the

people of Canada if not the Members of Parliament? We should be looking into these matters; indeed, it is our duty to do so yet we are being thwarted at every turn because the Mandarins have built into their organizations so much autonomy and so much independence from the elected representatives. They are trying to head us off at the pass because we have been asking that control be given back to those who were elected. I can give a very good example of this.

Certain bills which are being prepared by the Mandarins propose to include members of the public service on the boards of directors instead of Members of Parliament. They want to keep us as far away as possible whilst retaining and adding to the power that they already have. This is the case in the Air Canada Act which is being prepared at the present time. Until recently even Air Canada had nothing to say about it because the Mandarins were writing themselves into the act as members of the board of directors. Are we going to stand for this kind of thing?

I believe that the hon. member's suggestion that a special committee be formed is an excellent one. Most of our crown corporations report to the Secretary of State (Mr. Faulkner) for Canada and that minister exercises certain statutory powers over some, such as the CBC, CRTC, Canadian Film Development Corporation and the National Museum. However, he is not responsible for the management of them. The role of the minister with regard to some of the other agencies is as spokesman to the House. If we ask a question of the minister in the House, all he can say is that he will refer it to the corporation in question and bring back their answer. In other words, responsibility concerning the management of most of the corporations and agencies under the jurisdiction of the minister does not rest directly upon his shoulders. Consequently, he has no direct control over their activities in spite of the fact that the over-all policy is supposed to be a policy of the government.

In this regard, Mr. Speaker, there are some Crown corporations which have been making policy, although in my view this should not be the role of a Crown corporation. Policy should be made by the government. The merits of independence from the executive power have been questioned by many people on the grounds that any agency which spends public funds should be answerable to a public official who, in turn, must be responsible ultimately to parliament. On the other hand, those who argue in favour of the greatest possible independence of these agencies from the executive power claim that these institutions must have a freedom of action which will keep them outside the political sphere completely, so that they can fulfil their obligations and duties objectively and without partisanship.

With regard to the question of keeping outside the political sphere and being non-partisan and objective, Mr. Speaker, I can tell you that when you get patronage from public servants, it is far worse than any patronage from politicians. The argument that is used is the sensitive one regarding freedom of expression and thought, particularly with respect to the CBC. Government control of the CBC would infringe on freedom of expression and thought, of course, but it seems to me that there is a great deal of difference between control by the government and the other extreme which is abuse or licence and which really cannot be called freedom at all.

The government has several solutions at its disposal. For example, it can name the president of the CBC and it has control over the budget which goes before the committee. In theory I suppose the minister could tell the committee not to approve the budget but, of course, this simply is not done. It would be tantamount to a vote of non-confidence in the government.

Another more difficult problem is the question of control over corporations and agencies by this parliament. Parliament must authorize funds and expenditures. Of course, it could refuse but I have never known this to happen and I do not think it would be a very good idea to refuse funds already approved by the Treasury Board and which have very likely been spent. So, we are beaten before we start in that respect as well. There have been many complaints on the part of Members of Parliament, as well as by the public, and there has been an expression of frustration on the part of Members of Parliament. We represent the people. Therefore, we naturally feel that we should have some say in how the moneys of the people are spent. Yet under the present system when moneys are misappropriated by Crown agencies, the representatives of the people are helpless in stopping such practices.

• (1720)

I agree that it is a ticklish problem to determine where control should be applied. On the one hand, agencies should be free of political intervention if they are to function properly, but they must be kept aware of the fact that the funds are supplied by the people of Canada. The only control possible would be through the representatives of the people in parliament. This is the reason I have repeatedly suggested that on the board of directors of each of the Crown corporations and agencies there should be at least one Member of Parliament. This does not necessarily mean a member from the government side of the House. In fact, in the case of the CNR and the CBC these are large enough agencies that they could have more than one Member of Parliament on their boards, perhaps a member from the government side and a member from one of the opposition parties. This would ensure some kind of political in-put.

When I say political in-put, I am not talking about partisanship. These members would act as watchdogs over the spending of those corporations. Mr. Speaker, I have raised this matter on several occasions in the House, and on one occasion I had a concrete example given to me. Since I have not had the chance to ask for the hon. member's permission, that is, of the hon. member who wrote me this letter, I shall not quote it but merely paraphrase it.

This Member of Parliament ran into a very difficult situation when a Crown corporation laid off a number of men and advised him only the night before the announcement was to be made. Here was a case where the hon. member had several arguments that he could have presented. He was not able to do so because he only knew after the fact. As a result, many people were out of work because of the decision taken by the board of that Crown

corporation. There is no doubt that other means could have been employed such as that political in-put which I have suggested by someone who understands the situation from the people's point of view, someone who represents those people here in this House. Here is a case where that hon. member felt that if he, or another political person, had been on the board of directors of that corporation this unfortunate situation could have been avoided.

So, Mr. Speaker, perhaps the idea of having Members of Parliament on the boards of directors is one of the things that should be considered by a committee. Therefore, I like the idea that the hon. member has put forward. The committee could be made up of members from both sides of the House, as are all our committees. It could go from place to place in order to decide what is the best course to follow to give us more control over these bodies.

A while ago I mentioned the Crown corporations coming under the Secretary of State. There are many others as well. There is the CNR, for example. The pages and pages that have been put into *Hansard* on that subject show that there is a great deal of dissatisfaction in the country with the way the CNR is handled. Perhaps a little more in-put from this House would help that situation. And we have people who are capable of doing these things, people who know just as much about railroads as people who are presently on the board of the CNR.

Air Canada is another Crown corporation which should be studied and looked at from various points of view. A committee of this kind could look at the various questions concerning Air Canada. From time to time we have heard suggestions that Air Canada should not be strictly a Crown corporation, that it should be owned only partially by the government, say, 50 per cent or 60 per cent, and partially through public shares. This is something that could be looked at by the suggested committee. We have heard another suggestion that CP and Air Canada should be amalgamated, and thereby have only one international airline for Canada. It is a suggestion that has merit and could be examined by a special committee such as this. There are all kinds of subjects that could be looked at by such a committee.

The government does not have to adopt everything the committee recommends, but the government would be in a position to judge much better the various problems which it does not have the time to examine itself. A special committee of the House could certainly provide the basic necessities, and bring the various studies together. Many studies have been made of different subjects, but the reports are lying about all over the place. They have never been co-ordinated, and one weighed against another, to determine the best course for Canadians.

I terminate with these words, Mr. Speaker, that although I still believe there should be Members of Parliament on the boards of Crown corporations, I should like to say that I am even more excited about the idea of a special committee which could look into not only that aspect but several other aspects of the affairs of Crown corporations.

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, the subject matter that is before us during this private member's hour is an interesting one, although when you look at the terms of the motion before us you find that it is a verry broad one indeed. The hon. member says that he wants a special committee of inquiry on Crown corporations, and the hon. member for Cochrane (Mr. Stewart) as well as the hon. member who moved the motion, seemed to imply that it is to be a special committee of this House. However, as I look upon the motion that is before us, I see that it could be much broader than that in its terms. It could include a special committee such as is brought in for other inquiries. I could think of the Rand Inquiry with respect to certain matters. I could think of the Bryden Committee, one formed for public service matters which, like so many other committees formed by the government, has never yet reported despite the repeated requests of members of this House.

There are many kinds of committees that could be envisaged within the terms of the motion. Unfortunately, the terms of reference are not clear as to what kind of committee the House would be dealing with in the event that it saw fit to pass the motion. However, the hon. member for Lotbinière (Mr. Fortin) asked a very fundamental question with respect to Crown corporations. He asked: what business has the state in the business field? As I pondered that question I was looking at a document called "The Government of Canada Programs and Services" issued in July, 1972, by CCH Canada Limited. On page 417 of that document there is an appendix which sets forth certain Crown corporations. The list is intended to be exhaustive, but from what the hon. member says I am satisfied that there are many more than appear on this list.

I return now to the question of what business has the state in the business field. When one reads about the various types of Crown corporations, one can see how the state or government has entry into the business world, under the guise of a Crown corporation, in a way that is somewhat frightening. A Crown corporation, Mr. Speaker, is a form of public enterprise which has become increasingly important as this type of institution has developed. As you know, Sir, Crown corporations are established and regulated under the Financial Administration Act which defines a Crown corporation as a corporation that is accountable to parliament, through the minister, for the conduct of its affairs.

• (1730)

Generally speaking, there are three classes of Crown corporations. First, there is the departmental corporation which is a servant or agent of Her Majesty in right of Canada and is responsible for the administration, regulation or supervision of activities that are governmental in nature. I do not think there is much difficulty with that kind of Crown corporation or any problem with respect to intrusion into the private sector.

Second is the corporation which is an agent of Her Majesty in right of Canada and is responsible for the management of trading or surplus operations on a semi-commercial basis, or for management, procurement, construction or disposal activities on behalf of Her Majesty in right of Canada. That kind of corporation, I think, has intruded into the business life of the community. Then there is the other type of corporation known as the proprietary corporation, which is responsible for the manage-

ment of lending or financing operations or for the management of commercial and industrial operations involving the production or the dealing in of goods and the supply of services to the public. The agency corporation normally is required to conduct its operations without federal appropriations. Whether Crown corporations conduct their operations with or without federal appropriations, they are none the less those kinds of corporations that bring themselves within the parameters of the question posed by the mover of the motion before the House.

Certainly, when there is an intrusion into business life and, more importantly, when this intrusion is occasioned on money provided from the public purse, there ought to be some agency set up for the control of those expenditures, to monitor the activities of those corporations and organizations. Two types of agencies have been suggested in this debate. The first is a special committee of this House or perhaps of both Houses. I hesitate to make this suggestion because the other place has suffered somewhat at the hands of this House. Such a committee is one suggestion. By this means there could be a reporting from time to time on a regular basis and the opportunity to call witnesses. Actually, Mr. Speaker, we have such rights at the moment.

I am a new member of this parliament. I first came to this chamber of January 4, 1973. Before coming I read, in preparation, some committee proceedings involving an agency of government, the National Capital Commission, which is near and dear to my heart and to those in the constituency I have the honour to represent. That commission came before a committee of this House to have its estimates examined. The chairman of the commission, Mr. Douglas Fullerton, and the responsible minister through whom that commission reports to this House were examined by members of the committee composed of representatives from all sides of the House. I admit that that committee examination was not searching because there was general agreement in the community and committee over the objects and methods of operation of the National Capital Commission. So to those who say that this kind of reporting does not take place, I say that it does.

I am satisfied that as a result of the work of the hon. member and his eloquence in putting forward his motion to the House, the matter will be given consideration and these rights will perhaps be expanded. It is not true to suggest, however, with all respect, that there is not examination by committees. The other method of reporting was that put forward by the hon. member for Cochrane who suggested—it was an interesting suggestion, perhaps new in this House—that a Member of Parliament should be appointed to sit on each of the boards of directors of Crown corporations and Crown organizations. He even suggested, and this was indeed a novel departure, that the government of the day—of this day, I assume—ought to appoint a member of one of the opposition parties to sit on such boards.

Let me say that if this is another deathbed repentance or another lesson learned from the election, I as a member of the House and of the opposition welcome the generous suggestion and look forward to an appointment to one of the boards or commissions so that I may enjoy, with hon. members on the other side of the House, the fees, honorariums and honours which would come from serving on the distinguished boards of various Crown agencies. But that has been tried in Ontario. The government of Ontario is in the firmament among the governments of this country; it is known for its progressive legislation.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Baker: That government is well known for its responsiveness to the needs of the people and its ethics in public dealings are beyond approach. It has examined the subject; it examined it with respect to Ontario Hydro. The hydroelectric commission of Ontario was the forerunner of the types of publicly-owned utilities that have met the needs of the people of Canada. It is a very important element in our life and contributes to the well-being of the community.

The Ontario government tried the experiment; it still does it. A number of members of the legislature of Ontario still sit on the board, and they have been criticized for that. The critics say that the very thing the hon. member for Cochrane said is good is, in their minds, bad. The critics say that such appointments have introduced to the administration and operation of that kind of commission a political input which has no place there. Of course, I am satisfied that if the government saw fit to accept the generous suggestion of the hon. member for Cochrane and appointed members of the opposition to the boards of commissions and corporations of the federal government, that kind of input would not take place. However, as a member of this House I would be very much concerned if only my colleagues on the other side of the House found themselves on such boards of commissions and corporations.

Speaking as a member who represents a riding touching the national capital area, there is one matter that disturbs me. In his speech this afternoon the hon. member for Cochrane, I believe, referred to the civil servants of this country being a group of mandarins. He implied that it is bad to appoint a person to membership on a board of a Crown corporation or agency merely because that person is a public servant.

• (1740)

The hon. member for Cochrane implies there are not, within the public service of this country, sufficient men and women of objectivity to handle the public affairs of these corporations engaged in business, I think this is a dangerous doctrine. He spoke of what he called public service patronage. I do not know what he meant by that, but I should like to remind him that his hon. friend the Secretary of State for External Affairs (Mr. Sharp) served in the public service of Canada and that other members sitting on the front benches opposite served in the public service of Canada.

Mr. Stewart (Cochrane): So did I.

Mr. Baker: The late Mr. Lester Pearson served in the public service of Canada. Indeed, the present Prime Min-

ister (Mr. Trudeau) did so. Mind you, he served in a mysterious capacity. But he served. The hon. member for Cochrane says he served as well. I am not sure whether this was an enhancement of the public service or not. Nevertheless, public servants, merely because they are public servants, should not be deprived of the right to serve on boards of directors and to serve the public in this particular way.

Let us not hear talk in this debate of patronage. Unless I missed the point completely, the hon. member for Cochrane was speaking of patronage and as a member of a party which is a pastmaster of patronage. I want to remind him that a former member of this House, the former hon. member for Lanark-Renfrew-Carleton is now an executive assistant. Who would have thought that a preacher and an agriculturalist would become an expert on the Post Office? But he is now executive assistant to the Postmaster General (Mr. Ouellet). It is an odd coincidence that all the problems of the Postmaster General seem to coincide with the arrival of that former Member of Parliament and another defeated candidate of the party, a man well known to me, another member of the club by the name of Mr. Gervis Black, the man who ran, and lost at Leeds, has found his way into the public service. So when there is such an opportunity for people to serve in various capacities, it seems to me that members of the public service ought not to be excluded from the boards of these corporations as the hon. member suggested. On the contrary, I think it is important that they be included.

The motion before us says, among other things, that the committee should study, without restriction, the legal rules pertaining to employees of Crown corporations. If this proposition is carried to its fullest extent, the servants of these public bodies would not enjoy the reasonable protection which is accorded public servants in the service of Canada, namely, that their affairs ought not to become the subject of debate on the floor of this House or in any committee.

The motion then goes on to say that the committee ought to examine fiscal regulations, municipal, school, provincial and federal taxes; and this is to be done without restriction. I have not been in this House long, but I have heard the discussions which have gone on among hon. members with respect to the British North America Act and the division which has been made among the jurisdictions of the various parliaments of this country. I do not believe it would be appropriate for this House to consider a resolution whose effect might well be to infringe upon the time-honoured restrictions which the BNA Act imposes.

This is not to say that these restrictions ought not to be continually examined or that provision ought not to be made, when found necessary, to meet the needs of the people of this country. But we ought not to pass anything which would upset the delicate balance which men of good will were able to put together in 1867 and which has served us reasonably well, with notable exceptions, since that day.

The motion then goes on to deal with the status of the administrators. I am a little at a loss to understand what that phrase really means. Does it mean that the committee should consider whether or not management and administrators are to be examined to determine whether they ought not to enjoy the same status in the business world as persons who, let us say, work for the T. Eaton Company or for Domtar? Does it mean that there are to be rules and regulations for the management of Crown corporations so that they cannot function?

What does the motion mean when it goes on in the next paragraph to say that the committee should examine "the privileges of such corporations resulting from their being 'commissioned by Her Majesty'." As I read the statutes, they are subject to the law. They can be sued and they can themselves bring suits. They are subject to all actions in the courts. If this is not the case, an amendment ought to be made immediately to ensure that they are.

The hon. member then goes on to deal with their purchasing policy. Is he advocating the placing of restrictions upon Crown corporations? Is he saying they ought to buy Canadian goods as opposed to goods from countries abroad?

The Acting Speaker (Mr. Boulanger): Order. I regret to interrupt the hon. member, but the time allotted to him has expired.

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, I hope to leave about three or four minutes so that we may vote on this motion before six o'clock. Basically, I am in favour of it. Possibly for once in the history of this parliament, members opposite will vote for a private member's bill. On second thoughts, that is too much to ask for.

Since I came here some weeks ago I have been trying to get information with respect to several Crown corporations. One of them is Eldorado Nuclear Limited whose headquarters are in my constituency at Uranium City. I looked at the financial statement for 1971, but the information I was seeking is not there. I am basically a simple minded person and I like things to be presented to me in a simple fashion. A lot of facts and figures seem to be hidden, so I directed an inquiry to the ministry. For instance, I wanted to know the total number of employees. I am told it is 388. I also wanted a breakdown as between salaries of the employees paid at an hourly rate and otherwise. In other words, I wanted to know how much was being paid to the miners and how much to people employed on managerial functions. I was told there were 246.25 hourly-paid employees and 141.25 salaried employees. So they divide people into quarters. I also found that the wages of salaried employees were roughly $1,454,000 and the wages of hourly-rated employees totalled approximately $2,591,000. The rub comes in question No. 6 which is as follows:

• (1750)

What was the cost of producing a pound of uranium oxide for each of the past ten years?

The answer I received was rather frustrating:

The requested information is of a proprietary nature, the disclosure of which would be prejudicial to the Company's—and the public's—interests in light of the competitive position of Eldorado Nuclear Limited in marketing uranium on a worldwide basis.

So be it: that information is not available to me. Looking further into the question of financial statements, there

is another company that is sort of an offshoot of Eldorado Nuclear, called Eldorado Aviation Limited; they published a balance sheet as well. Eldorado Nuclear also operates a store in Uranium City and it gouges pretty stiff prices out of the miners. There is nothing said in the financial statements about what is the profit and loss picture of this particular store in Uranium City, or about what it has to do with the mining of uranium.

I should like to indicate to hon. members that, despite what one hon. member said, I still believe that there is a place for Crown corporations in Canada. If it were not for the CBC, I doubt that television and radio would have reached the far-flung areas of Canada. Private corporations are not usually eager to fall over themselves to provide such services to sparsely settled areas.

According to the 1970 annual report of Eldorado Nuclear, Eldorado played a major role in the development of this fledgling industry by making available its know-how in the prospecting, mining and metallurgical fields, as well as by negotiating and administering contracts for the sale of uranium by private producers to agencies of the United States and United Kingdom governments. These services were provided by Eldorado without profit or fee. So we have Eldorado providing services to private companies without profit or fee.

By 1958 there were 25 producing mines in Canada and the peak output of almost 31 million pounds was attained the following year. This Crown corporation was the first uranium producing mine in Canada. When we had a uranium boom, many private mines were opened and Eldorado supplied consultative services to these private mines. Yet when there was a sale of uranium to Spain involving quite a few million dollars, the sale was negotiated by a private company subsidized by the Canadian government to the tune of $29 million. As the Member of Parliament representing this area, I have been unable to find out what proportion of the uranium oxide sold to Spain came from the mine in Uranium City.

I think that on that note I will end, Mr. Speaker. For once I hope government members will see fit to pass this resolution. Perhaps a bit of history will be made in this House if that is the case.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I sincerely regret that other hon. members have seen fit to take so long. Nevertheless, I was impressed with the extensive treatise of the hon. member for Grenville-Carleton (Mr. Baker). I, too, have read the same book. Part of the comments I had intended to make he has already made, so fortunately I am saving myself some time.

I note that the hon. member for Meadow Lake (Mr. Nesdoly) who has just spoken suggested we should vote for this motion. My problem—the hon. member for Grenville-Carleton apparently has the same problem—is that the motion seems to say one thing, whereas the hon. member who spoke in favour of his motion seemed to suggest it said something else. Then other hon. members have given further and varied interpretations of the motion. I am beginning to wonder what kind of commission, body, group or committee we would set up if in our haste we passed this motion without proper debate.

I want to align myself with the stand taken by the hon. member for Cochrane (Mr. Stewart), but I take a somewhat different attitude to that taken by the hon. member for Grenville-Carleton. There are Crown corporations in regard to which members could play a significant part and have some impact. Unlike the thinking of the Conservatives, I think we should operate without an honorarium. The criticism in Ontario is not that members of the legislature sit on these particular boards, tribunals and commissions but, rather, that they are paid. In other words, this situation is referred to as pork-barrelling and anything that these members do while sitting on the commission or board of directors is suspect. I think that we are adequately paid as Members of Parliament and that we have a role to play. However, I think we should be selective in our choice of Crown corporations.

Let me give the House an example of what I mean. I think Members of Parliament could have a social impact if they sat on the board of directors of the Canadian National Railways. I for one cannot understand how a Crown corporation that operates in large measure on subsidization through taxpayers' dollars cannot see fit to increase the pension of its retired employees to at least the 2 per cent level which other civil servants enjoy. That is one area where we could have an impact, perhaps not a financial impact but certainly a social impact.

Another problem is created by the kind of motion introduced by the hon. member, and that is the innuendo that there is something wrong here or illegal. He does not pinpoint the area that he would like to see studied. For example, I served on the public accounts committee and headed a small subcommittee which looked into the travelling expenses of CBC personnel who travelled abroad. We checked the accounts after the Auditor General had checked them. I must say it has always been my feeling that a man who said that he did not cheat on his expense account would lie about other things too. But the CBC personnel came out smiling on this one, and as a result got very little publicity. If we had highlighted the fact that some little thing had taken place, then we would have had scoops of publicity on this issue.

It is not correct to say that the Auditor General does not have any impact or make any input. He audits the books of many Crown corporations in Canada. If hon. members were to sit on the public accounts committee they might be studying the books of Eldorado, as in fact the committee has, where they would be able to ask questions.

Let me say to the hon. member for Meadow Lake, as one who lives in a riding where there is a Crown corporation, not to kid himself that he will not be charged with being responsible for what any Crown corporation in his riding does. Let him put all the questions on the order paper that he likes and get all the information that he can about Crown corporations, because his constituents are going to tar him with that brush. If the Crown corporation is a good thing, he will get the credit; if it is bad, he will not. I see my time is up, Mr. Speaker.

The Acting Speaker (Mr. Laniel): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

The House resumed consideration of the motion of Mr. Allmand that Bill C-2, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, much has been written and said on the subject of capital punishment. Yet there is one aspect of this vital and perplexing problem which has been little considered or discussed. I trust it could prove to be the basic premise on which hon. members' final decision on the validity of capital punishment will be made.

Capital punishment, it has been established, is the execution of a criminal pursuant to a sentence of death imposed by a competent court. Whatever may have been its origin, whether in feelings of revenge as described by the lex talionis, the law of an eye for an eye and a tooth for a tooth, or in theories of retribution or deterrence, capital punishment is a term opposed to all irregular modes of punishment, such as the American "lynch law" or any modern survival of "blood avengers".

Capital punishment is so named from the Latin, *caput*, because hanging or decapitation was the most usual mode of death. In England, during Saxon times, man-slaying demanded the payment of what was known as "wer-gild" or "blood money", the amount of which varied with the degree of importance in the social scale of the murdered person.

In pre-Norman times there were various forms of capital punishment, including hanging, decapitation, burning, and hurling from rocks after the manner of the Roman custom of throwing malefactors from the classic Tarpeian Rock. After the conquest mutilation seems to have been substituted and this is the punishment mentioned in assizes of the time of Henry II. The law was variable for some time after that but gradually crystallized into such a condition that capital punishment became the common penalty for a great number of crimes, comprising treason and all felonies except larceny and mayhem.

This state of things continued to 1826, at which time there were nominally no fewer than 200 crimes punishable by death. Subsequently in England the only capital offences were treason, murder, piracy with violence, and the crime of setting fire to His Majesty's vessels of war, arsenals, military or naval stores and ships in the port of London. The sentence of capital punishment could also be passed by courts martial in various cases of mutiny, desertion or sleeping on sentry duty.

[The Acting Speaker (Mr. Laniel).]

In conformity with his general theory of punishments and reward, that the evil of punishment must not exceed the advantage to the offender, and that punishment should be exactly and mathematically proportioned to the offence, Jeremy Bentham proposed abolishing the death penalty in most cases, retaining it only for murder and treason, and this is a royal commission which submitted its report in 1866 recommended. In Canada, under the Criminal Code of 1906 only treason, murder, piracy with violence, and rape were capital crimes.

Arguments for or against the death penalty in all ages have been of two kinds. Some are categorical assertions based on traditional sentiment and beliefs. The claims that man's innate sense of justice requires that a murderer should lose his own life, or that man has no right to take life, fall into this class. There is another class of arguments which are empirical in nature. They mainly focus on the belief that capital punishment has a unique power to deter people from committing crimes.

It has been well established by statistical studies that: first, when comparisons are made between contiguous states with similar populations and similar social, economic and political conditions, homicide rates are the same and follow the same trend over a long period of time regardless of the use or non-use of capital punishment; second, the abolition, introduction or reintroduction of this penalty is not accompanied by the effect on homicidal rates that is postulated by the advocates of capital punishment; third, even in communities where the deterrent effect should be greatest because the offender and his victim lived there and the trial and execution were well publicized, homicide rates are not affected by the execution; and fourth, the number of policemen killed by criminals is no higher in abolition states than in comparable death penalty states.

Capital punishment, then, does not appear to have a specific influence on the number or trend of the kinds of crime it is supposed to deter people from committing, and its non-use is not followed by a significant upswing in the rate of these crimes. Modern thought, though, strongly concludes that there are types of murder which should be punished with the death penalty. These are: the killing of a policeman or jail guard who because of the nature of his occupation is exposed to being killed, and being the guardians of society they merit the most protection which we can give them; murder for profit or gain; murder during the commission of a crime or as the result thereof, and multiple murder, such as placing a bomb in a school, airplane or public place, or in the mail addressed to a person.

In April, 1966, an attempt was made to achieve complete abolition but it was rejected on a free vote in this House. In 1967, the same parliament passed for a five-year trial a law which has a compromise and which abolished hanging for all but the murderer of prison guards and policemen. This law, as we all know, expired at the end of 1972.

The profound question, then, that immediately faces hon. members in the twenty-ninth parliament is: Are you in favour of the death penalty for murder, or are you not? Perhaps you are one who on religious grounds believes that under no circumstances should life be taken, either by an individual or by the state. In this case, your vote is

already decided. Perhaps you hold that society is becoming progressively more lawless and that the death penalty should be extended to more crimes than murder. If so, there are many precedents in history for your stern conviction.

Perhaps you will turn to statistics and try to prove to yourself that either one course or the other is correct. Your decision may depend upon the age, the civilization or the political climate at the time the events underlying the statistical data took place. You may turn to philosophical thought, to prominent moralists or or even to mystical essays to lift your mind out of the morass of indecision in which you flounder.

• (2010)

You may turn to the law and follow its developing course over the centuries and, by hewing strictly to the line, fashion out of solid timber your final judgment. You may find that the attitude to the death penalty is, by the nature of the flux of society, variable. You may have read that in certain countries in times of peace and affluence the death penalty was not considered necessary, but that in the same countries under the rule of a Hitler or a Mussolini or a Stalin capital punishment was used to its full extent.

You may argue that the executions of innocent persons have undoubtedly occurred, even though rarely. You may bolster your argument with the indisputable fact that the trend toward abolition has continued down the years to grow in the peacetime codes of many nations. You may appeal to all the authorities of your own and earlier times and, as they almost invariably have done, you may overlook the one aspect of this sombre problem which might point you to an altogether human and logical answer.

Should a man who has wilfully killed another man, himself be killed? Historically, this question has been asked of those living after the event. The prosecuting attorney pleads it in his implacable argument before judge and jury. The defence attorney denies it in his impassioned plea for the life of the murderer. The judge juggles the question in his summing up to their jury. And the jury deliberates on it, sometimes in anguish, sometimes in great clarity of mind. Yet in all that has been written and said on the subject of capital punishment, seldom has anyone questioned what the victim would say about it if only he could. And, after all, equally with his murderer, the victim has the right of say in the matter of his own death and its punishment.

It is preached, and rightly, that love, the highest of human emotions, should pe practised impartially in a society. It is a political dogma in our own country that equality is the right of all men. That the punishment should fit the crime is the assiduous desire of all lawmakers and of the law itself. Yet this love and this equality and this minute balancing of the law almost invariably are applied to the living. The victim, the dead man, is almost universally forgotten.

At the split second before his death, the victim-to-be has a moral and constitutional right to equality with his murderer. The love that flourishes in the land has an equal demand on the two of them. Equality and love must be equal, else the fabric of society is torn. In this split second before his death, the victim, above all others, has the right to cry out, "Do as you would be done by!" It is to this split second that judge and jury and attorneys and hon. members should look when assessing the rightness of capital punishment.

It is in the law that, if a man comes into your home with his fists clenched to assault you, you may take the requisite steps to defend yourself. You may not go beyond what is necessary to beat him back. You may not take the samurai sword off your wall and run him through. But you may employ equal force to his. Supposing the victim-to-be of a premeditated murder were to know in a flash of insight exactly what was in the mind of his assailant; suppose everything were equal; suppose the victim-to-be had a gun in his hand at the same instant as his murderer approached him with gun in hand. What would be the inalienable right of the threatened man?

What would you do if you were the victim-to-be? Would you simply stand there and allow him to shoot you through the heart? If so, you would voluntarily relinquish your equality before the law and your right to the love of the land. Would you turn and run? Then you would be a coward. Or would you employ equal force to his and shoot him dead? If the majority of hon. members are of the last opinion, then the vote is already in on the question of capital punishment.

The trouble is, the rights of the victim are often overlooked in the hurly-burly of the trial of his murderer. All the attention is fixed on the plight of the man on trial. Safe in their own comfortable homes, remote from the confrontation which took place at the moment of a man's death, people are prone in the intervening months to sympathize with this living man who is, after all, one of them and must merit mercy. They forget that the dead victim received neither sympathy nor mercy.

In effect, judge and jury and populace—all, to some extent, are accomplices after the fact in the murder of the victim. Society, after the crime, does not feel threatened and therefore can afford the luxury of pity for the killer and an inclination toward leniency. Instead, society should stand as a surrogate for the victim, stepping into his shoes in that split second before his death and deciding, with the wisdom of aftersight, what he would have done in the face of his murderer. And, in effect, I ask hon. members, what would you have done?

Mr. Ross Whicher (Bruce): Mr. Speaker, many excellent speeches have been given on the subject that we are now debating. It is a most controversial bill that is before us, yet a most important one. Certainly it is important to a convicted murderer who may be condemned to death as a result of this debate. It is important to all Canadians who want to do their very best for Canada in so far as it affects the safety of all of its citizens. A country which is not ruled by fair laws and guarantees justice for all is in trouble indeed.

May I first pay my compliments to various members, particularly the Solicitor General (Mr. Allmand), who are opposed to capital punishment. I respect their views and the sincerity with which they are presented, but I do not share them. Without any twang of conscience whatsoever. I tell you that under certain circumstances I am for capi-

tal punishment and I hope that the present bill before us is defeated. My feelings can be summed up in one statement. Where any country begins to think more of the criminal than it does of the victim, then that country is indeed in a horrible state of affairs.

My concern and where I ask that capital punishment be reinitiated in Canada is where it applies to the first degree murderer. The individual who kidnaps a little girl and finally strangles her, the man who shoots a bank teller, the man who over a period of months poisons his wife, the individual who puts a time bomb in a plane and consequently kills dozens of innocent people; this is the type of crime that I describe as first degree murder. Let us not forget, too, the professional killer, the man who kills for a price. These examples are premeditated murder and criminals of this nature, many of whom have been in and out of jail many times, should be eliminated from society.

Are my hon. friends suggesting that law and order have not deteriorated in the past five years? If they are, then they should start reading the papers. Let us for a moment look at that great country to the south of us. Last year there were ten times as many murders in New York city as there were in Canada, twice as many in Detroit as in our country. It is not safe, Mr. Speaker, to walk down the streets of those two cities by oneself because of muggings and other crimes of violence, and the same can be said of other American cities. Thank heaven that we have not yet reached that stage in Canada, but we would be fools not to admit that it could happen right here if our laws are not enforced much more stringently than they are at present.

• (2020)

The average Canadian criminal is now, if he knows his way through the system, all but able to escape meaningful punishment. He can plead psychological unfitness, economic deprivation, drug abuse, alcohol use, poor social environment, and first conviction for a particular crime as mitigating circumstances. Once sentenced he has his day, parole, compassionate leave, holidays, automatic remissions, good behaviour, and the Lord only knows what else, which reduces his time in prison, if such has been the sentence, to about one half of the sentence imposed.

It is no wonder today that people do not understand the courts and the judicial system. The man in the street is quickly losing faith in justice. The officials in society seem to be on the side of the criminal. Crime rates rise, not because of social or economic condition but because persons realize that little or nothing happens to them even when convicted. Certainly capital punishment will stop few from committing murder. However, re-establishing capital punishment, and in fact more strict punishment in general for social crimes, will restore greater faith in our judicial system. It will give greater vitality to persons who wish to lead good lives; it will give people a greater sense of security. Society will benefit. The old concept of reward and punishment will not be a relic of the past. It will reverse the too often criminal trend of our present society.

The Solicitor General (Mr. Allmand) tells us there is now compensation for victims of crimes. One could ask the Solicitor General through you, Mr. Speaker, how one compensates the victim of a murderer. The most that we could do is to pray for such a victim; he or she has passed all other compensation.

It is interesting to note that practically all guards and practically all policemen are for capital punishment. These are the people who really come into contact with all criminals, including murderers. Policemen are not fools, they are not pigs and they are not fuzz. They are men and women who are average Canadians like those of us here, who have accepted the dangerous job of making life for all citizens a better and a safer one. But, Mr. Speaker, many criminals are laughing at the police today. They scorn them and, as a matter of fact, in many instances society takes the side of the criminal and not the police. Deny it if you wish, but it is a fact.

May I ask you, Mr. Speaker, why a policeman should risk his life against an armed criminal who may kill him and then get out of jail in eight or ten years? Why should a guard in a penitentiary face men known as lifers who have nothing to lose? They are supposedly incarcerated for life, and if they kill one guard or ten they cannot be punished more than now. The cards are stacked against the guards. A dog is supposed to be man's best friend, and yet there are some dogs that become mad and must be destroyed. Unfortunately, we have some men who become mad also and they, too, must be destroyed for the sake of society.

In conclusion, Mr. Speaker, may I add that I believe such murderers should be eliminated as painlessly as possible. Perhaps a tranquillizing pill and a shot of gas would be the answer for those people who claim that capital punishment is a matter of vengeance. Let us not forget that the vast majority of Canadian citizens conscientiously believe that capital punishment for first degree murder should be reinitiated. Let us as Members of Parliament represent the views of those who sent us here in the first place. Capital punishment must come back where the criminal, beyond a shadow of doubt, has committed first degree murder. It will make Canada a safer and a better place in which to live.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, we are dealing with a popular and emotional issue.

This is why the Canadian people are extremely eager to know what will be the decision of their representatives. Such an issue, where indeed the right to live of some citizens is at stake, is very difficult and the members are reduced to a dilemma since some of them can quite conscientiously object to the death penalty while they know quite well that such is not the feeling of their constituents.

This is a real dilemma as we realize when hearing the members who state their views. Is the role of the member restricted to that of voicing a personal view or must he express the opinion of the people who elected him to do so? This the question to which we must reply. We should in that regard consult the public opinion which is well known. In the constituency I have the honour to represent I know—because I inquired in this connection—over 90 per cent of the population endorse capital punishment.

What makes citizens in general basing themselves decide in favour of capital punishment? Sure, there are a

great many reasons ranging from simple revenge to instinctive reaction to inflict upon the murderer the same fate that he inflicted on his victim. This is an instinctive and normal reaction. But if you put yourselves in the shoes of the relatives or friends of the victims, you can undersand their instinctive reaction of insisting that the ultimate penalty be inflicted on the murderer.

• (2030)

Those who have known people who were accused of murder and were not guilty favour the abolition of the death penalty.

What is the major argument put forward by the public? It is for a would-be murderer the fear of knowing that he could be executed. Recent surveys and statistics tended to prove that this fear is practically non-existent. People often base their arguments on the following principle: Society cannot allow itself to do precisely what it blames someone for doing.

Mr. Speaker, people also say that in a modern society there ought not to be inhuman punishment, and they point to changes which have taken place through the years. One might be inclined to agree with those who base their arguments on the reasoned and reasonable principle that society should not allow itself to do what it blames someone else for having done.

Mr. Speaker, we must first of all ask ourselves whether the present society is not as barbarous as it could be centuries ago. Even today, do we not see murders which are acknowledged even by the authorities of all countries in the world?

Mr. Speaker, there are still wars going on that are so cruel as to exceed the greatest cruelties of a few centuries ago.

I ask myself whether society as it is now deserves abolition of the death penalty. That is the very serious question which comes to my mind. Crime of every kind are more prevalent than ever within our society, Humanitarianism has not only failed to develop but has on the contrary declined. I therefore ask myself serious questions and say: Since society, because of its failure to become humanitarian, does not deserve the abolition of the death penalty, although it would be ideal, we should retain, in such a society, means which rationally would seem obsolete.

Thus, what should prompt us to settle the matter and take a stand? I think that in such a case, the people's opinion must be relied upon and expressed in the House.

Cases where capital punishment should be maintained should perhaps be determined in a more precise way. I agree with that. For example, I cannot see why a difference should be made between a prison guard or a policeman and an ordinary citizen. In fact, I believe that all citizens are equal, whatever their functions may be.

It could be argued that policemen or prison guards run more risks of being attacked and that it is why capital punishment is maintained in their case. However, a statistical survey would show that everybody is in danger. The high number of traffic accidents shows how dangerous it is just to be out in the street.

In spite of the respect I have for policemen and guards, I must say they chose their occupation of their own free will. What is more, they have all they need to defend themselves and I fail to see why that distinction should be made.

To my mind, the law should be more explicit: it should state precisely what murders carry the death penalty. We would then perhaps manage to prevent them, or even eliminate them totally.

Heinous crimes are also committed, where the culprit himself asks to be done away with, as in the case of Léopold Dion. I believe the public view is right in these circumstances.

The two previous speakers said, and I am of the same opinion, that more attention should be paid the victim than the criminal.

To conclude, I would say that we should try capital punishment as we have tried its abolition. In fact, this punishment has been abolished for much more than five years, as it was the custom even before 1967 to commute death penalty to life imprisonment.

Consequently, capital punishment has not been imposed for several years. Why not give it a real try providing, and I repeat, we specify in which case murder would be punishable by death.

Mr. Speaker, this of course is a very serious question but there is no other way we can reason under these circumstances.

If at least alternatives were put forward in order that a criminal could pay his debt to society otherwise than through capital punishment, our thinking might be different. But there is absolutely nothing in this respect and one could ask therefore if it would not be better to put more into the studying of means which could eliminate crime; the problem of finding the appropriate punishment would then subside. As most people, I believe for instance that some offenders enjoy living at the expense of the state in our prisons and penitentiaries. The taxpayers see their dollars helping support offenders. I understand their resentment against such people and their wish to get rid of them at any cost. However if we found some means of putting those people to work and making them productive, the taxpayers could say: Well, those offenders have really paid their debt to society.

Therefore, I wonder if we could not revert to procedures providing the offenders an opportunity to pay their debt to society by becoming productive citizens and rendering some services to society. Since we have not yet reached that stage, I believe that now, in 1973, there is no solution but to retain imposition of the death penalty in very precise cases.

• (2040)

[*English*]

Mr. Gordon Towers (Red Deer): Mr. Speaker, this being the first time I have had an opportunity of rising to speak in this parliament, I would like to bring to you greetings and congratulations from the many wonderful people it is my pleasure to represent in the electoral district of Red Deer. I thank you for affording me this opportunity of speaking on their behalf in this debate.

Capital Punishment

Mr. Speaker, over the years the average Canadian citizen has put a great deal of thought into the ways and means of controlling those who perpetrate crime. Could we, just for a moment, take a look at what constitutes an average Canadian? A Canadian is not a violent individual in any sense of the word. He or she is not barbaric, nor could one say they could be construed as being revengeful but, rather, he or she is a kindly, God-fearing person. Mr. Speaker, if you look closely you will find him to be basically honest, straightforward, hard working, seeking the opportunity to love and to be loved. He will be found to be one who recognizes the rights of others and who in return expects others to recognize his rights as an individual in this big, overwhelming world.

You will find a Canadian to be a person who appreciates the privileges that have been afforded him as a citizen of this great land; a person crying out for everybody to inject into society a little bit of common sense and justice for the common good. You will find an individual who wants to be treated as a human being, not as a mere number among the masses. He wants, not only for this generation but for future generations, retention of the basic rights of freedom of speech, freedom of worship and freedom of living and travelling through this fair land without the fear of being molested or struck down. You will find an individual who believes in maintaining and enforcing law and order.

Mr. and Mrs. Average Canadian live by the law and expect others to do the same. Recognition is given to the many laws which guide thought and action and which have a definite effect on the well-being of all. Through their eyes, let us look for a moment as Canadians at the infinite law of nature as laid down by the Divine Creator. There are basically, to all intents and purposes, two kingdoms in this world—the plant kingdom and the animal kingdom. The photosynthesis and growth which takes place in the plant kingdom complements the respiration and growth of the animal kingdom. One is dependent on the other for maximum growth and development.

Mr. Speaker, this is the basic law of creation laid down for the benefit of man until man decides, as a result of his craving, to disrupt the process. Whatever his reasoning may be for breaking this law, somebody is going to pay the penalty. It could be a law of the environment which is broken, which will prove to be detrimental to somebody or something, regardless of whether it is an oil spill, excess smoke or the misuse of chemicals. Somebody will have to suffer.

Take the law of electricity as an example. Electricity has proven to be one of the greatest benefits to modern society as we know it today and is one of the main basic energy forces in the world created for mankind. Engineers know how to develop it; they know how to control it; they know how to use it. But can they see it? No, they cannot. If an individual comes into contact with this force, he breaks the law of electricity, and we all know that the result can be instant death.

Mr. Speaker, look for a moment if you will at the law of gravity, another part of the perfect law. We know that if the gravitational pull of the earth were too little, we would float off into space; if it became too great, we would not be able to move on the earth's surface. If a man breaks this law by stepping off a cliff, for instance, we know what the end result would be.

I do not mention these facts of life to bore you, Mr. Speaker, but rather to remind this parliament that the people whom I represent, as do Canadians as a whole, respect these basic rules in the formation of man-made laws. Would it be too much to suggest that we, as elected representatives of this twenty-ninth parliament, are generally agreed on everything I have said to this point? But now comes the crunch. What do we do with those who break the rules in the game of life? What do we do with those who become so estranged and violent that they murder a fellow being deliberately, through passion, emotion, jealousy, hatred, greed or for any other reason? This is the question we have to deal with now.

As I mentioned earlier, Canadians are not a revengeful or barbaric people, as some suggest. I will not accept this as fact just because there are large numbers of people calling for capital punishment for those convicted of murder. When people call for capital punishment they are not necessarily calling for hanging. They are asking for the removal from society, in a humane manner, those who have proven beyond reasonable doubt that they cannot live under the code of life as laid down by the majority. Because of the concern of most Canadians and the divergence of opinion on this vital issue, I am convinced that the best way to reach an acceptable decision is to hold a national referendum in conjunction with the next federal election. As the minister is aware, I have a notice of motion on the order paper in this regard which reads:

> That, in the opinion of this House, the government should introduce a measure to provide that, on polling day at the next federal election, there shall be held a national plebiscite on the question of the abolition of capital punishment and on the related and consequent questions arising therefrom.

In all seriousness I ask hon. members to accept this motion as a bill of the government to let the Canadian people become a part of true participatory democracy. Since the decision reached on this important issue will have a direct effect on the future well-being of society, I believe every Canadian should be allowed to make a personal choice in a matter of such magnitude.

• (2050)

In my opinion, the argument of the Solicitor General (Mr. Allmand) against a national referendum is very weak. To say that to hold a plebiscite on capital punishment would open the way for other plebiscites is, in my opinion, utter nonsense. This would be the satisfactory and just way to settle this highly charged, emotional question. The minister has said that there will be a free vote. It makes me wonder if he has a fear of going to the people and letting them decide for themselves exactly what they want.

The growing concern of multitudes in this country is caused by the continuing increase of crime over the past five years. The day has gone when we can say, "It can't happen here." Mr. Speaker, anything that can happen anywhere in the world can happen in Canada. Some of the most dastardly murders that have been committed on this globe have been equalled here. Do I have to remind hon. members of the Laporte slaying and of the children

who are molested and either die or, if they survive, have their lives ruined?

Although it is not necessary to go into details here, the minister knows of many such instances, as we all do. He must realize that this increasing wave of crime is what people are crying against. No one feels safe any longer, and what hope is there for Canadians without a deterrent, an enforced deterrent? If the Solicitor General could prove to the people of this country that his department can bring crime under control, and also those who commit crimes, the Canadian people would not be so doubtful or uneasy. But I warn him now that they are not going to be thwarted much longer. There are thousands of Canadians who will not put their faith in or be guided by a government that seeks to abolish capital punishment and at the same time accepts a policy to legalize abortions. For many thousands of seriously thinking people these two proposals cannot be equated.

Canadians, as a whole, are a forgiving people and I would venture to say that by far the vast majority would lend a helping hand to anyone in trouble. Why, then, would those who contemplate crime take a club or a gun to break the law when such help is available? In my opinion, our people would not be so upset over this issue if they had any hope that justice would prevail and that crime would be controlled. Capital punishment is the only hope in controlling murder. Canadian citizens are holding on to this concept as hard as they can because since 1967 they have seen crimes occur which never should have been committed in a civilized country. Instead of the situation improving, unfortunately it is worsening.

I do not deny that Canadians have compassion for those who have broken the law, but I believe they have more compassion for those who are the victims of lawless action. I refer to parents, sisters and brothers of murdered children; I refer to the young mother and 22-month old baby who are left without a husband and father, murdered while on duty as a policeman just recently. Yes, Mr. Speaker, these are the real victims; these are the people whom Mr. and Mrs. Canadian are trying to protect when they press for capital punishment.

According to statistics, capital punishment is a deterrent. A report prepared by Statistics Canada for the Department of the Solicitor General reveals that an average of 222 persons, excluding police officers and prison guards, were murdered in each of the seven years before the partial ban came into effect. The annual average went up to 376 between 1968 and 1971, the last full year for which figures are available. The total for 1971 is 422 non-police murders. I quote for the benefit of the House a recent statement attributed to a law enforcement officer in Ottawa:

> In conversing with criminals while being transported to Kingston, the reason many criminals gave for not carrying a revolver was to avoid the possibility of execution resulting from the death of a victim.

Another police officer has recently stated:

> No worse time than the present could be chosen for the abolition of the death penalty. We must decide whether we are going to protect society against the criminal or protect the criminal against society.

Many Canadians believe this. I realize the minister has a great responsibility to protect those who have broken the law, but he has a much more serious responsibility to protect society. His duty is to lessen and control the ravages of crime which at the present time is growing and is out of control. What is being done to protect people from the increased use of drugs which has resulted in some murders? Never in history has there been a time as today. When the younger generation has been subjected to such lawlessness and all its influences.

If parliament removes this deterrent to crime without taking into consideration the individual wishes of people of this country, how, then, will we face those who are personally affected by unwarranted murder? Capital punishment cannot be a deterrent if it is not enforced, neither can life imprisonment be a deterrent if the sentence is not served.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am very happy to have an opportunity to speak in this debate on capital punishment, a subject, to be sure, that is very important from all points of view. I think those of us who have come to the House since 1966-1967, when the suspension of hanging was agreed to, will be concerned that we do not spend a great deal of time threshing old straw or debating ideas that have already been well discussed in this place. Nevertheless, as I say, this is a very important debate not only to those people who may become subject to the law we pass here but also as an indication of the direction our society is taking at this stage of its national development.

I believe there is much concern in the United States, as well as in this country, over the recent public mass murders and gangland slayings that have occurred, as well as over the regular diet on television during the past several years of war and murder. I believe there is real concern as to whether our country, indeed our whole generation, is suffering from the brutalizing effects of this particular diet on our television screen every night. Fortunately, the Viet Nam war is almost at an end, at least we hope it is, with the signing of the pact this past week end. But there can be little doubt that a whole generation of people in North America have been witnessing the kind of program I have referred to on television, which is why I say there is concern whether there has been any brutalizing effect therefrom.

It will be interesting to see, both in this debate and in the public debate that follows along with it, whether our Canadian society has moved toward a more human position than was the case five years ago and whether we in this generation really do abhor the thought of murder as much as did the previous generation.

• (2100)

I was interested, when the hon. member for Yukon (Mr. Nielsen) spoke, to hear him say he did not feel this debate was important enough to command our time in the House at this particular stage. It seems to me there can be no question but that this debate has to take place now. Surely the issue of capital punishment is inherently important in our society, not only to people who are charged with murder and other crimes but to the whole society. It is indeed difficult to imagine a question of greater social

significance than the grounds on which the state claims the right to deprive a citizen of his life. The legislation establishing, defining and circumscribing this right is surely important and involves one of the most fundamental decisions confronting any society at any time. It goes to the very core of our society's philosophy, reflecting and probably helping to create as well the values and norms which permeate all human social intercourse.

Secondly, it seems that this debate is important because of the kind of public opinion which has been generated during the past months and especially during the past weeks as a result of the number of newspaper articles, editorials and television programs we have had relating to the subject, as well as the number of letters Members of Parliament are receiving. It is our responsibility as representatives of the Canadian people to come to grips with this issue at this time.

Thirdly, Mr. Speaker, there is the question of our obligation to enact legislation to replace the previous five-year law which expired on December 29 last. To ignore this issue would be to shirk our responsibility as members of this House of Commons. In the field of criminal law and punishment, as in all others, we must establish policy by design, by responsible, thoughtful and wide deliberation, and not by default.

I recognize the complexity of the issue now before this House, the difficulty of interpreting the relevant statistical data and the sincerity with which honest and responsible men hold divergent views. I want to make my own position clear. In principle I am in favour of the abolition of the death penalty. I regard capital punishment as morally repugnant, ineffective as a deterrent and inadequate as a means of ensuring the protection of our society.

I believe that the convictions of many hon. members on this matter are based as such on subjective theory as on a detached appraisal of statistical evidence. Indeed, I would venture to suggest that most people who have adopted a position on this issue have done so as the result of a sort of inner feeling or reaction which is conditioned by their background, their experience and their philosophy. That renowned criminal lawyer, Clarence Darrow, was no doubt right when he observed half a century ago that "questions of this sort are not settled by reason; they are settled by prejudices and sentiments or by emotion."

Given my own predisposition and the grave implications of state-sanctioned execution, it would require a considerable body of uncontestable evidence proving the effectiveness of capital punishment as a deterrent to persuade me of the merits of the death penalty. Like other members of this House, I have read many reports, studies and analyses on the subject and I am not convinced that any significant link has been established between retention or abolition of the death penalty, on one hand, and the incidence of murder on the other. Indeed, the overwhelming weight of evidence, the opinions of professional psychologists, sociologists and criminologists leads to the conclusion that no such correlation exists. It seems to me that in nearly every country in the world the trend is to less and less capital punishment. Whether there actually is a law providing for capital punishment or not, there is a tendency to carry out fewer and fewer executions.

[Mr. Foster.]

If we consider France, where they still have capital punishment—incidentally, they still use the guillotine which was made famous during the French revolution—we find that between 1953 and 1969 only 22 out of 85 persons sentenced to capital punishment were actually guillotined. This country, which actually has a capital punishment law on the books, is moving toward fewer and fewer executions. Likewise, in the United States between 1965 and 1971 there were ten executions carried out, and those were all under state laws. There have been none under federal law in that country where they have criminal law both in the state and at the federal level.

I would venture to suggest that more statistics have been produced and cited on this subject than on any other. It is not my intention to bombard the House with statistics. Let me just say that there is no such study in which I have found evidence that demonstrates to my satisfaction the effectiveness of capital punishment as a deterrent.

In Europe, those countries which have abolished the death penalty have no higher murder rates; in fact, in many instances they have significantly lower rates than those which have retained the death penalty. In the United States, the abolitionist states have no higher murder rates; in fact, they tend to have lower rates than adjacent states which have retained capital punishment. In those states where the death penalty has been abolished there is no appreciable difference in homicide rates before and after abolition.

In our own country, the result of our recently expired five-year experimental period—though the evidence is still incomplete and tentative—tends to demonstrate yet again that capital punishment has no deterrent effect. The excellent study of Dr. Fattah is most persuasive on this point. Let me quote, in support of this argument, a United Nations' document on capital punishment, published in 1968. That document sums up the position in the following words:

> With respect to the influence of the abolition of capital punishment upon the incidence of murder, all of the available data suggest that where the murder rate is increasing, abolition does not appear to hasten the increase; where the murder rate is decreasing, abolition does not appear to interrupt the decrease; where the rate is stable, the presence or absence of capital punishment does not appear to affect it.

It is interesting to note in passing that many authorities even argue that the death penalty, by contributing to a climate of violence and by appealing to the suicidal tendencies of some unbalanced people, actually tends to increase the incidence of murder.

Let me reiterate my own conclusion, Mr. Speaker. I can find no evidence of correlation in either direction between capital punishment and the incidence of murder in our society. To advocate the death penalty as a deterrent to murder seems to me to imply an underlying conception of human conduct and motivation to which I do not subscribe. It assumes a rationality of behaviour on the part of potential murderers, a deliberate choice between alternative courses of action based on calculated consequences and anticipated pleasure and pain. It is now generally acknowledged, however, that much of human behaviour is unplanned and habitual rather than calculated and deliberate.

Can we deny, Mr. Speaker, that in the case of homicide this aspect of human behaviour is particularly apparent? Very few murders result from cold, calculated plotting. The overwhelming proportion are crimes of passion, committed in the heat of the moment, often resulting from domestic quarrels and frequently associated with drink or drugs. Such crimes are every bit as deplorable and grievous as those committed with deliberate intent but—and this is the point I want to make—they involve no premeditation and no calculation of consequences. In these cases, and in the cases involving mentally deranged killers, the deterrent value of capital punishment, or indeed of any other penalty, is irrelevant. In short, Mr. Speaker, deterrence, if it has any significance at all, can only operate upon rational minds; and people in a rational frame of mind do not commit murders. This is the central dilemma, as I see it, of the "deterrent" school of thought.

• (2110)

In looking back over history, the trend toward a more humane treatment of criminals is unmistakable. It is shocking and frightening to be reminded that only a century and a half ago—as late as the early 1800s—teenage boys and girls were hanged for petty theft and for picking pockets. When offences such as these were removed from the list of crimes punishable by death, great cries arose, sincere no doubt, to express profound fears for the safety of persons and property. It is frightening to realize, too, that it was only a few centuries ago that men were burned at the stake, boiled in oil, broken on the wheel and subjected to the most hideous kinds of brutal torture, all in the name of justice and for the sake of deterrence. I wonder, Mr. Speaker, whether future generations will look back on our present debate with the same feelings that we now experience in regard to these earlier punishments.

In this historical evolution of criminal punishment, the total and permanent abolition of capital punishment marks a logical, perhaps inevitable step. We have come some distance in creating a more humane approach to the treatment of criminals. I cannot help but think that we in Canada are now in the throes of the last, long, agonizing step in this process of evolution.

Many countries, indeed, have already overcome this last hurdle. Many other countries have officially abolished or unofficially suspened the death penalty. Today, there are some 50 countries in the world where some form of capital punishment for certain crimes still exists. It is perhaps noteworthy that almost half of all executions in the non-communist world take place in South Africa, which has an average of one execution, usually of a black, every three days. Britain, after a five-year trial period, permanently abolished the death penalty in 1970. The United States supreme court has recently declared the death penalty under most circumstances unconstitutional.

Most statisticians acknowledge that five years is an insufficient period of time to permit a conclusive determination of the trend in the murder rate. I believe that the last two years of statistics for the five-year trial period are not yet available. To be frank, I doubt that any further evidence will be adduced that will cause convinced abolitionists or retentionists to alter their positions. I do think, however, that many people are as yet undecided on the merits of the case. For them, another trial period will provide an opportunity to gain additional information on which to base their judgment.

However one interprets the present evidence of public feeling on the issue of capital punishment, it is unmistakably clear that serious divisions of view exist within our country. A matter of this importance, I believe, should have as much public consensus as possible. Mr. Speaker, it seems to me that the amendment proposed by the hon. member for York West (Mr. Fleming) and the hon. member for Saint-Denis (Mr. Prud'homme) is to the effect that for certain types of convicted murderers there should be a mandatory 25 years' sentence before the normal parole procedure will be considered. This would not only apply to convicted murderers of police officers and prison guards but also to certain type of murders which occur at the time of other violent crimes. When this amendment is moved at the committee stage, I think it should be given very serious consideration. The public of this country is concerned that there is not adequate protection from this type of criminal. It seems to me that the mobster or the hired killer is the type of person from whom people are demanding protection. Perhaps this type of criminal should be incarcerated for this long period before parole is considered.

In conclusion, Mr. Speaker, let me emphasize that I am concerned with he protection of society and with the adequacy of our present rehabilitation system. We should re-examine the ways in which we administer our penitentiary policies, our parole system and our leave of absence programs. Certainly we should continue our pursuit of the basic causes of crime, its nature, its prevention and its detection. In this way we can combine an effective and humane treatment of offenders with the maximum degree of public safety. I am confident that we are on the right road. Let us not now turn back.

Mr. John Gilbert (Broadview): Mr. Speaker, by the time we finish this debate we will have canvassed all the historical, philosophical, statistical, moral and religious aspects of this issue. Let me preface my remarks by saying that thus far there appears to be a trend with regard to a vote which will be uncomfortably close and therefore it is necessary to present the varying views to persuade members of the House of the importance of this issue.

I think the Solicitor General (Mr. Allmand) set the tone of the debate and presented arguments in favour of the bill in a quiet, persuasive and telling way. I happen to be a total abolitionist but I am prepared to accept Bill C-2 and extend the law a further five years on the same basis as it was in 1967, because of the necessity of gaining further public support and because of the minister's statement that we are on the road to abolition.

This important social issue embraces all the emotional, mental and spiritual values of members of this House and therefore it will help to reflect that no one possesses all truth and all virtue and that only light can chase away the darkness. That is why I respect the thought and feelings of every person who holds views contrary to mine. But I am quick to add that my view is not a bleeding-heart plea for abolition; my motive is for a more human and decent society rather than misplaced pity for the offender. I am

deeply encouraged and strengthened by the report, publicly stated, of leaders in the community—church leaders, social workers, penologists, parole workers, and so on, who have expressed their concern, their conviction, their commitment and have indicated the worth of the individual and the redemptive powers of their teaching and their experience.

Mr. Speaker, the Solicitor General has said that we are on the road to abolition. This is because of recent changes in the law and the exercise of commutation which have resulted not only in *de jure* abolition but also in *de facto* abolition. Not since 1962 has a person been hanged in Canada. Canada has joined other countries in a gradual movement away from capital punishment and is concentrating on alternative methods of effective control. The amendments of 1961 introduced by a Conservative government, by the Hon. Davie Fulton, brought a sharp change in the attitude toward capital punishment. The bill which made a division of murder into capital and non-capital, with the automatic right of appeal even to the Supreme Court of Canada, the polling of the jury as to a recommendation of mercy which was to be forwarded to the Minister of Justice, and the abolition of the death penalty for persons under 18 years, plus the almost full exercise of the royal prerogative of mercy set the change in motion.

• (2120)

The Progressive Conservative party under the leadership of the Hon. Davie Fulton set the change in motion. The debate on that bill in 1966, and the passing of the new bill in 1967 which was introduced by the Liberal government, placed a heavy emphasis on abolition and stressed a move away from capital punishment. Both parties, the Progressive Conservative party and the Liberal party, are to be commended on this move to *de facto* abolition. Dr. C. H. S. Jayewardine summarizes his view of the movement to *de facto* abolition in the following way:

> Both parties sought to produce the change by executive rather than legislative action. Both parties were goaded into moving the bills that they finally introduced. That the one is now viewed as a retentionist and the other as abolitionist does not appear to be because of their ideological commitment but because of the result of the circumstances in which they were situated. It was the Liberal government's legislation that limited the imposition of the penalty of death to almost the point of abolition but then the legislation which the Conservative government had been earlier forced to introduce left the Liberal government no choice in the further legislation that they were then forced to introduce. It was the Liberal government that commuted every sentence of death but then the pattern of commutation set by previous Conservative governments left them no choice. It was as if destiny was unfolding itself unobtrusively so as to make the change that was occurring appear congruous with the will of the people.

I would ask the hon. member for Calgary North (Mr. Woolliams) to note that change in attitude of the Progressive Conservative party and the Liberal party when considering the move toward *de facto* abolition. This move, Mr. Speaker, is no different than it has been in other countries throughout the world. When I think that in the year 1840 the small country of Luxemburg moved to abolish capital punishment, and here in 1973—150 years later—the country of Canada is now moving in the same direction, it makes me realize that maybe we are moving not too quickly in comparison with other countries.

[Mr. Gilbert.]

England has moved. She commenced her move in 1965 and almost completed abolition in 1969. In 1972 we had the supreme court of the United States bring down an historic and dramatic judgment in which it said that capital punishment constituted cruel and unusual punishment and therefore violated sections 8 and 14 of the United States Constitution. This now is an attempt by Canada to march with the times.

Why am I an abolitionist? There are four main reasons. First, I believe in the basic worth and value of human life. Albert Schwietzer said it beautifully in the words "reverence for life" in the twenty-first century, and Jesus and Gandhi propounded the philosophy and lived it. In the debate on the bill in 1967 the former solicitor general said:

> I believe that so long as the state claims the right under the law to deliberately take human life there will be a tendency to regard life more cheaply.

I believe that reverence for life is substantially diminished when we base our law on revenge and retribution, and that reverence for life is substantially increased when we base our law on redemption, reformation and rehabilitation. My second reason for being an abolitionist is that many innocent people have been hanged in the past and many innocent people may be hanged in the future. Judicial courts, even with all the safeguards of appeal procedures, are not infallible. False testimony, mistaken identification, biased juries or misinterpreted circumstantial evidence all make it possible that an innocent person may hang. This is the reason for Lafayette's challenge, "I shall ask for abolition of the death penalty until I have the infallibility of human judgment demonstrated to me." This is why it goes unanswered by the retentionists.

Mr. Speaker, you will recall the debate in 1967 and the mention of the Christie case in England, which at that time indicated the wrong person had been executed and that this evidence did not come out until the execution had taken place. We remember the D'Arcy McGee murder in Canada which left many doubts as to whether the correct person was executed. And many of us have had agonizing question marks with regard to the guilt of the young man Truscott. Therefore, Mr. Speaker, we feel that the death penalty is so final, so irreversible that it almost prompts the statement: I would rather see one hundred guilty men go free than one innocent man executed. This is why there is such a low conviction rate in Canada and elsewhere throughout the world; it is because of the reluctance of judges and juries to bring in a conviction because of the possibility of mistake. Therefore they grapple for and grasp at alternative verdicts.

The third reason I am an abolitionist is that people do not have equal opportunities before the courts. The scales are weighted against the poor and inarticulate. We cannot consider this problem of capital punishment and we cannot consider the act of murder without bringing into consideration the social, the economic, the cultural and the racial factors that are brought into play. Lewis E. Hawes, a former warden of Sing Sing penitentiary in the United States, has written, "Those who are executed are always poor and friendless." He has indicated that money assures the best counsel and the highest chance of acquittal.

Differences in racial, cultural and social status discriminate against the poor and the friendless. There is an old Indian saying, "Judge not a man until you have stood in his moccasins." How can we judge the man who has committed murder? How would you like to stand in the shoes of a negro in the southern states, charged with murder for rape, when he has full knowledge that never has a white person in the southern states been convicted of a similar offence?

• (2130)

How would you like to stand in the shoes of a young Canadian Indian when all the cards are stacked against you on economic, social and racial grounds? I hasten to add that we have gone a long way in changing the law and providing all with equal opportunities before the courts. Legal aid and the provision of lawyers in capital murder cases are steps in the right direction, but they do not meet all the inequities that still prevail under the law.

Fourthly, society is largely responsible for the conditions which breed crime and we must accept part of the blame. Violence has been rampant in the world these last few years, and violence begets violence. Just think of half a million men returning from Viet Nam. They have been trained and have experience in killing and they will come back and try to adjust to the American way of life. That will be difficult, Mr. Speaker. I do not doubt that many will encounter difficulties and will commit crimes which call for capital punishment.

The use of guns in society is another problem we must face. Here I recall the fate of the bill which Senator Kennedy brought before the American Congress. Its purpose was to prohibit the use of certain guns in the United States. Hon. members will recall the difficulties that he encountered. He met with no success in securing passage of that bill; it would not pass in Congress. Let me add quickly that an amendment to the Explosives Act was brought forward in the previous parliament. Differences and divergencies of opinion on restrictions affecting the use of guns and the use of ammunition sharply divided the members of this House. We did not come to any final conclusion on the bill.

I have said that society breeds crime. Poor economic conditions, poor employment prospects and lack of decent housing create a kind of desperation, a kind of alienation which form the bedrock in the breeding of crime. One might ask, what is required? Without doubt, we must emphasize the need for improving basic conditions to do with housing, to do with prison programs and to do with the acceptance of responsibilities on the part of inmates so as to bring about their employment and integration into the community. Please notice that I speak of integration into the community, not reintegration. Many men who have spent time in penitentiaries have never been integrated as part of the community; therefore, we cannot talk in terms of reintegration but must talk of integration.

At this stage I wish to commend the former solicitor general who had the courage and wisdom to bring forward changes in our penal system and in the treatment of prisoners. That action took courage and it brought on him criticism not only from members of the House but from many people across Canada. I think time will show that the former solicitor general was on the right track in developing such programs.

The age most critical for young people, the age at which they are most apt to get into trouble, is that between 16 and 24. That is why we in the NDP were deeply concerned over the young offenders bill brought forward in the last parliament. Evidence given before the Committee on Justice and Legal Affairs by social workers and other public officials indicated the need for diagnostic and related services to be used in cases involving young people. I for one am happy that I attempted to block passage of that bill. If we are ever to solve this problem and create the type of society in which young people will be less likely to commit murder, we must seek the support of our youth. We must introduce diagnostic and related services that will help us to meet some of the problems that youth encounters today.

We have heard many arguments against abolition and will continue hearing them. It is safe to say that deterrence and the protection of society are the main arguments put forward. Mr. Speaker, I cannot stand statistics, having found that they can be brought forward to support whichever side is preferred. Statistics fail to disclose the facts because they fail to take into account factors involving social, economic, cultural, educational and racial problems which play a far more important part in deterring crime than punishment.

United Nations' reports indicate that the examination of records of the number of murders committed before and after the abolition or reintroduction of the death penalty do not support the theory that capital punishment has a unique deterrent effect. It has been said, and will be repeated again, that if capital punishment is carried to its logical conclusion, then if we are to emphasize the deterrent aspect there ought to be public hangings across Canada. Let us set up a scaffold on the grounds of Parliament Hill, perhaps we should set up a scaffold in the civic square outside the city hall, perhaps we should set up a scaffold on the Expo property in Montreal and publicly display a scaffold in Stanley Park, Vancouver.

An hon. Member: A good idea.

Mr. Gilbert: This will bring such revulsion when people see what happens to a person who is hanged that capital punishment would come to an immediate end. Studies have indicated that in England during the nineteenth century, of 167 pickpockets who were hanged 164 had seen others hanged publicly. Actually, many of them plied their trade when witnessing the hanging of other pickpockets.

Professor Selling attempted to test the argument that capital punishment offers special protection to police officers by comparing police homicides in abolitionist and retentionist states. While stressing the special difficulties of such a test, Professor Selling reports that "on the whole the abolitionist states . . . seem to have fewer (police) killings but the differences are small".

I would be remiss in my duty if I did not point out that recent public opinion polls indicate that there is a sharp trend in favour of retention. Public acceptance of retention is a relevant but not controlling factor. We must remember that society does not practise what it preaches.

The steady decrease in executions across the world persuasively demonstrates that capital punishment is unacceptable to society today. One member who spoke earlier this evening mentioned a referendum and suggested that a referendum on the subject ought to be held at the next election. That course, Mr. Speaker, would be a dereliction of the duty of a Member of Parliament.

Some hon. Members: Hear, hear!

Mr. Gilbert: We are sent here to represent the constituents of our ridings and are expected to inform ourselves on the issues. We are expected to exercise common sense in our judgments. Sending the issue of capital punishment back to the voters in the form of a referendum would be a complete dereliction of our duty. It would not be necessary for us to be here, for all issues could be decided by referendum. Can you imagine what would happen if the imposition of taxes was determined on the basis of referendum?

Our best protection would be the introduction of basic reforms in the treatment and confinement of inmates. These are needed. It is also necessary to differentiate between different types of murder. Two out of every three murders are crimes of passion committed within the family circle. There is very little likelihood of repetition. The difficult issue is detecting the psychotic and containing him until he is fully restored. This would require research programs, treatment and reformation. This is why we say the Parole Act should be studied in detail so as to find out ways and means of detecting the psychotic killer and devising the programs and research necessary to deal with him.

• (2140)

I direct my final remarks to the new members in this chamber. After sitting here for a good number of years they will ask themselves, "What have I done to make this a better Canada?" And they might find difficulty in deciding. I might as well be personal, I have been here for seven years and I find it very difficult to answer that question. The role of the opposition is that of constructive criticism. This having been said, I feel proud of my own contribution to the final form of the young offenders bill and take pleasure in that achievement. The former hon. member for Welland, Mr. Donald Tolmie, made a significant contribution to the formation of the law permitting the expunging of criminal records. For his part in this legislation he is to be congratulated. Many of us have enjoyed the same kind of satisfaction that he did.

I would say to the new members, "If you want an opportunity to do something which will put Canada in a forward position, which will underline the compassion which is to be found in most of us, you have an opportunity to vote in support of the bill now before this chamber." If we concentrate on the changes which are taking place in terms of treatment, rather than revert to revenge and retribution, we shall march forward and we shall be able to say as the years go by that we have done a good job.

[*Translation*]

Mr. Fernand-E. Leblanc (Laurier): Mr. Speaker, I rise in this debate to explain that at the third reading stage, I shall vote against this bill in keeping with the position I took in this House in 1967. I will explain my situation by repeating some of the arguments put forward by the Solicitor General (M. Allmand) who stated, as recorded on page 688 of *Hansard* for January 26, 1973, and I quote:

> The purpose of the original trial period in 1967 was to allow for a period during which those crimes punishable by death would be severely restricted. This five-year experiment would be a time of intense study and analysis, the results of which were to guide the House's deliberations after December 29, 1972. We are beyond the termination date of that five-year period but, unfortunately, we do not have the full data for the entire five years on which to base studies and, hence, legislative recommendations.

And further on:

> It seems to me that we must see the process, commenced in 1967, through to its logical conclusion.

I want to be true to my convictions of 1967 even though, of course, I respect the contrary opinions of my colleagues. I hope they will consider mine favourably. In 1967, I voted against the bill when a free vote was held, regardless of the party line. In 1973, it will also be a free vote. In view of the fact that I have not heard further arguments against my former position, I think I must explain to the House why I will vote in the same manner as in 1967.

I am told that I have not changed. I did not change precisely because the arguments put forward by the Solicitor General himself and by the other members who until now have participated in the debate have not convinced me. I think I am entitled to my opinion in spite of what some members who say I have not changed may think.

Mr. Speaker, I note that the Canadian people are taking a tougher stand with regard to certain acts committed since 1967 and which were witnessed in Quebec and in other provinces. I note that the people are becoming more and more strict and are increasingly asking the government to pass a legislation designed to protect them against a seemingly greater degree of violence than when we enacted a similar legislation in 1967.

The act which abolished capital punishment for a certain type of murder expired on December 29, 1972.

Indeed, Mr. Speaker, I will probably repeat some arguments which were put forward in this House, but I believe that in such an important debate, it is difficult to avoid repetitions. We heard many repetitions in 1964 during the debate on the national flag when some 200 speeches were delivered, and I think that many arguments were then repeated. Nevertheless, each member is entitled to express his views on the bill now under consideration.

I said that except in the case of police officers or prison guards, capital murder was no longer involved.

The bill now under consideration would actually reinstate those provisions, but would substitute to the terms capital murder and non-capital murder the terms murder that is punishable by death and murder that is punishable by life imprisonment.

If the bill were passed, the provisions which have been in force during the past five years would remain for five more years, i.e. until December 31, 1977.

In case the amendments were not renewed or permanently adopted before December 31, 1977, we would again come under the act which was in force prior to 1967.

Clauses 8 and 9 of the bill provide for interim measures which will become necessary in case these provisions are adopted in the near future. Those interim measures are all the more necessary because, theoretically, since December 29 1972, the pre-1967 provisions have been restored.

If the bill before us were passed, it would not be fair for people not to benefit by its provisions merely because they fell under the act between December 29, 1972 and the coming into force of this bill, since normally it should have been introduced in the House before expiry of the five-year period, i.e. before December 29, 1972, in order to come immediately into effect on December 30.

I believe, therefore, that on second reading I shall not object to the bill being referred to the Committee on Justice and Legal Affairs for detailed study; but the House will again have to deal with the bill and, unless amendments are proposed which coincide with the position I took early in my statement, I shall have to vote against it on third reading, as I did in 1967. On the other hand, I know that some hon. members intend to propose amendments, although I do not know exactly what they are. If some of those strike me as judicious, I shall be happy to support them; but if the bill rejects the death penalty, I shall have to vote against it.

• (2150)

[*English*]

Mr. David MacDonald (Egmont): Mr. Speaker, there is an old story that has gone the rounds in many countries and, if I can paraphrase it, it is the story of a man who was sleeping and dreamed he was speaking in the House of Commons on the subject of capital punishment. And when he awoke, by golly, he was! You and me, Mr. Speaker, have both had the opportunity now on two separate occasions to listen to a debate in this chamber encompassing this important subject, and as I was sitting here this evening I was thinking how valuable it was to have the requirement in our rules that a matter cannot be debated twice in one session. However, it now seems that we have not taken enough precautions to have some extensive requirement to prevent this House of Commons from coming back regularly to debate certain issues that seem destined to be debated on into eternity. As has already been mentioned on a number of occasions in this debate, this matter was very exhaustively dealt with by parliament in 1966 and 1967; now in 1973 it is being debated again.

Indeed, this debate has a kind of Mackenzie King quality to it; the debate is so unreal. We are, in effect, asked to extend provisions that would partially abolish that which has already been abolished, as has been noted by previous speakers, for the better part of the last decade. Indeed, I think it is assumed in all parts of the House and by all hon. members that, regardless of the outcome of the debate, the practice that has become very firmly entrenched and accepted in this country today of abolishing capital punishment will be continued.

Perhaps I have missed it, but I have not heard it seriously suggested either inside or outside the House that this practice, which has been carried on extensively now by a number of successive governments, would be or should be discontinued. It therefore must strike many observers as passing strange that we should be launched once again, not on a debate of the kind we had in 1966 to abolish capital punishment but on a debate to almost abolish capital punishment, which I assume has really the end effect merely of satisfying some people more than others. Perhaps before too long there should be an opportunity to have some clear settlement of this issue if only to relieve parliament, let alone the general public, of this continued preoccupation with capital punishment.

As previous speakers have suggested, we are in very great danger, I think particularly in present circumstances when we are perpetuating this debate, of avoiding some of the fundamental issues that concern many hundreds of thousands of Canadians. We are going through a very serious time of economic and social dislocation in this country. We hear about it daily. We read about it in our newspapers. We watch it on the television screen. We know the extent of the misery that many of our fellow Canadians share. Yet here we are involving ourselves in this kind of rarefied debate of a matter which, thank God, touches on the lives of very few Canadians. I suggest something is quite obviously wrong with the priorities of a government that insists on having a prolonged debate on a subject of this nature.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): There is no doubt that there must be a final resolution of this question, but the final resolution is not going to come in this debate. Regardless of the outcome, the question is not going to be resolved. What we are doing, either consciously or unconsciously, is merely contributing to a very unhealthy diversion at a time when some very important questions need to be resolved.

There are some undercurrents and underlying issues in the question of capital punishment and I want to deal with these because I think that if there is anything useful that can be said in this current debate it is not in dealing with the oft debated questions of the importance of a deterrent, the value of capital punishment as a form of punishment—not just directly for the individual involved but indirectly for society—and its importance in the whole build-up of the legal framework of our society. Perhaps I might more appropriately address myself to these concerns tomorrow afternoon, Mr. Speaker, and I shall therefore call it ten o'clock.

* * *

BUSINESS OF THE HOUSE

Mr. Nielsen: Mr. Speaker, on a point of order, may I ask the government House leader whether we are continuing this debate tomorrow, Wednesday and Thursday?

Mr. MacEachen: Mr. Speaker, we will carry on with this debate tomorrow and probably on Wednesday. I want at some point, either on Thursday or Friday, to ask the House if it would deal with the pilotage bill, but I will not

change the order of business without giving good advance notice to my hon. friend.

Mr. Nielsen: Will the debate on Viet Nam take place on Friday?

Mr. MacEachen: It is proposed to have a debate this week, but there are still some loose ends to be tied up before I can determine at what point the debate will be held, whether on Thursday and Friday or part Thursday and continuing on Friday.

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

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

EXTERNAL AFFAIRS—VIET NAM—PROPOSED PEACEKEEPING FORCE—SOURCE OF FUNDS TO COVER COST OF CANADIAN PARTICIPATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, however brief it may be, as I rise for the first time in this parliament I should convey my congratulations to yourself and to my distinguished friend and colleague, the hon. member for Halifax-East Hants (Mr. McCleave), on the elevation to his high post.

On January 16, in the midst of a flurry of questions in respect of the present situation in which Canada finds itself in Viet Nam, I rose and asked the Minister of National Defence (Mr. Richardson) whether he could in a general way at that point in time indicate to the House just who was going to pay for this very unreal excursion into peacekeeping in Viet Nam. The minister, quite properly, I suppose, with the range of knowledge available to him at the time, said he did not know, it was too early to tell and to the best of his knowledge at that time the only cost incurred would be the cost of salaries.

Things have changed quite a bit in the past few days since that question was posed. We do now have troops in Viet Nam, we do in fact have a multimillion dollar destroyer escort en route to water contiguous to Vietnamese waters, we have a Hercules apparently already standing by on the ground, and probably in their wisdom the government has seen fit to keep one or two 707s standing by in the event we have to get out. It would be a pleasure to pursue the reason for all this concern but I think we will have an opportunity to do that if we have a debate later this week.

What I am concerned about is just where the money is to come from. Our distinguished ambassador to France said on June 2, 1969, and I quote from page 9306 of *Hansard* for that date the last sentence in the second paragraph of the right-hand column:

> We believe we can achieve the transition, barring unexpected international developments, within a defence budget which will be maintained for the next three years at its current dollar level.

[Mr. MacEachen.]

This is what brought me to my feet the other day in the House and what brings me to my feet again tonight. I want to know where the money is to come from. This will involve more than just the cost of salaries. Will the defence budget, for example, be unfrozen in order to satisfy pay allowances? If it is not to be unfrozen, will attrition or further cutbacks in the armed forces budget provide that money for sustaining a peacekeeping operation of this nature and magnitude in Viet Nam?

Will manpower and capital programs suffer, and will there be further base consolidation? More forced attrition would, in my view—and I hope the view of all members of the House—be intolerable and the effects of it disastrous to morale and training programs. There is not enough money to do nearly the things that our Canadian armed forces have been assigned to do by this government.

I ask the distinguished parliamentary secretary where the money is to come from to pay the 2 per cent of the commission's costs in Viet Nam, and does he have any idea what those costs will be? These are questions to which I think the Secretary of State for External Affairs (Mr. Sharp) should properly have addressed himself in his initial indication to the House of what in fact we might be doing in connection with this observer role.

I doubt very much that the parliamentary secretary has a detailed response for me tonight, given his limited time, but I am interested in what the per diem cost will be, even if it is based on past experience. This 60-day business is for the birds. We have ships, planes and men over there, and the more people we put in Viet Nam, the more difficult it will be for us to get them out. We have been involved in similar operations in India, Pakistan, Palestine and Kashmir. We have been in Lebanon, West Iran, and we have been with the United Nations' Yemen observer commission. We have taken part in United Nations' emergency forces in Cyprus, and we have been involved in UN operations in the Congo, Korea and with the ICC. And now we are in Viet Nam.

These things are not done without a tremendous burden being placed on departmental budgets. The difference is, Mr. Speaker, that this time we are being asked to do something in the context of a frozen budget and in the absence of an indication from the Minister of National Defence of what the government's intentions are with respect to funding this operation and, indeed, the entire defence budget for the ensuing year. The three-year period called for by the former minister, Mr. Cadieux, has virtually expired. I hope that tonight the distinguished parliamentary secretary can give us some indication of how much this is going to cost and where the money is coming from. If it is going to come out of the defence budget, can he give us any indication of the government's intention and willingness to unfreeze once and for all the current defence budget?

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, the hon. member for Dartmouth-Halifax East (Mr. Forrestall) asked a lot of questions in a short period of time. As he will appreciate, the Minister of National Defence (Mr. Richardson), in reply to this question on Tuesday, January 16, indicated that as far as the Department of National Defence is concerned the only expenditure it will likely be involved

with is that for pay and allowances. Exactly how much this will be is now dependent upon how many personnel are actually sent, now that the government's decision has been made to participate in observer and peacekeeping duties in Viet Nam during the initial 60-day period, and how long the personnel may be required to perform their duties following the initial commitment.

Last Wednesday the Secretary of State for External Affairs (Mr. Sharp) in response to a question from the right hon. member for Prince Albert (Mr. Diefenbaker) advised that initially it was suggested that Canada contribute 10 per cent of the budget of the commission. However, in the protocol it is suggested that each member of the supervisory commission should pay 2 per cent of the budget of the commission. As you are aware, Sir, the agreement and the protocols were ratified in Paris on Saturday, 27 January, 1973.

In article 14 of the governing protocol, the basic financing formulaes proposed are as follows: each member country of the commission shall pay salaries and allowances of their respective personnel; each of the four parties to the agreement shall contribute 23 per cent and each member of the commission for supervision to contribute 2 per cent; and, the international commission will prepare its own budget which will be submitted to the four parties signatory to the agreement for their approval.

Mr. Speaker, I am sure the hon. member would agree that as a result of the government's only becoming aware of the proposed financing formula on Wednesday last, this is only one of the several aspects of the protocols still to be resolved.

OLD AGE SECURITY—INQUIRY AS TO INCREASE IN BASIC AMOUNT AND LOWERING OF AGE OF ELIGIBILITY

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, if I may, I should like to commend my hon. friend, the Minister of National Health and Welfare (Mr. Lalonde), for his attendance here tonight when a "late show" question is being put to him. This is a practice which I hope he will continue and it is a practice on his part that I would commend to other ministers.

• (2210)

On Monday, January 8, as recorded in *Hansard* at page 38, I put this question to the Minister of National Health and Welfare:

In view of the general reference in the throne speech to the taking of steps to improve the economic conditions of old age pensioners, may I ask the minister if those steps will include an increase in the basic amount of the old age security pension? Will they also include a lowering of the eligibility age?

The reply of the minister was in these words:

Mr. Speaker, I expect to be able to make a statement in the House on this subject later on.

The minister kept that promise by making a speech in the debate on the address in reply to the Speech from the Throne on Thursday, January 11, and included in that speech was this sentence as found on page 202 of *Hansard*:

However I can assure hon. members that a substantial old age pension increase will be announced soon, and I hasten to add that it will not be a mere token increase.

Further on in that same paragraph he indicated a concern not only for those over age 65 but also for those under that age. The next day, Friday, January 12, in the speech that I made in the same debate I warmly welcomed the statement of the minister which I have just quoted and gave him my commendation on the attention he seemed to be paying to the department of which he is now the minister.

I may add that since that date there have been a number of other questions put to the minister. Maybe I am an optimistic type, but it seems to me that his answers have all been in the right direction. It does seem clear that something is going to be done to implement the promise in the Speech from the Throne and the promise made by the minister in his speech of January 11. If therefore, Mr. Speaker, I seem pleased with what the minister has said, and if I am optimistic and hopeful, why do I take the time of the House, even in a "late show" period, to press my question? Well, I suppose one learns from long experience in this place that even when things are promised, if one does not rise and press and demand them they don't come.

So I rise tonight to express to the minister the very strong hope that he is not going to be one of those ministers who take forever to implement the Liberal promises of 1919, but that he will act quickly. I remind him that what we are seeking, particularly those of us in this part of the House, is precisely what he has proposed—a substantial increase in the old age pension, not a mere token increase. I remind him also that we want that increase to be an increase in the basic rate of the old age pension. We want it added to the part of the pension that is paid universally, and without any means or income test.

I also remind the minister that we want him in some way to break the 65 age floor either to start paying pensions to all those between 60 and 65 who are out of the labour market or to start paying pensions to spouses of persons who are in receipt of the pension. In a nutshell, Mr. Speaker, these are the points that we hope will be part of an announcement soon, and of legislation which I trust will be introduced almost immediately after the announcement.

I am aware of conversations that the minister intends to hold with his provincial counterparts on Friday of this week, but he has told us that these are only a conversation, that those ministers do not have the power of veto over what he intends to do. Therefore, if it is too much to ask the minister to tell us tonight how much the increase is going to be and what he is going to do about the eligible age, I hope that at least he will confirm his promise that there is going to be action, that he will tell us tonight when the announcement is going to be made and when the legislation is going to be introduced. Mr. Speaker, I hope those dates are next week.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I first want to thank the hon. member for his comments about my presence in the chamber. I would like to assure him that for me this is just part of the long, long training that I am told one has to go through before becoming a House of Commons man, and

I intend indeed to listen, in view of his experience, to his advice and to maintain my attendance in the House on a constant basis. I can assure him that so far as my other duties allow it, I will certainly listen to his advice in that respect.

So far as the other points he has raised are concerned, he has correctly reported the events that have taken place in the last few weeks and I do not think I can add much more to what he has said. The government indeed is committed to a substantial increase in old age pensions, and is indeed concerned about the fate of those below 65 years.

In the Speech from the Throne there was a clear statement to the effect that we wanted to review our social policy in all respects in Canada, with the provinces, over the next couple of years at the latest, but we would not let the old age pensioners wait for the results of our discussions. In light of the representations that I have received from the minister of social affairs for Quebec, for early discussions on this subject, we have agreed to have a one-day meeting in Ottawa this week when we are going to discuss this question of old age pensions in all its aspects.

Once more, Mr. Speaker, these are conversations. I know what the responsibilities of the federal government are in this respect, and this House is the body that will decide what action finally will be taken and it will not be left to provincial representatives to do so for us.

Mr. Deputy Speaker: Order. I regret to interrupt the minister, but the time allotted to him has expired.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, let him say next week, please.

PUBLIC SERVICE—AMENDMENT OF STATUTES AFFECTING EMPLOYMENT—LEGISLATIVE PRIORITY

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, on January 16 I asked a question of the President of the Treasury Board (Mr. Drury) with respect to the amendment of statutes affecting the employment of public servants and the legislative priority of those amendments, as reported at page 331 of *Hansard*. The question arose as a result of representations made to me by public servants who expressed concern over the fact that the public service staff association had in 1971 made extensive representations to the legislative review committee chaired by John G. Dryden, wherein there were many suggestions made with respect to changes in public service legislation. That occurred in 1971.

In the intervening period many questions have been placed on the order paper and many questions asked in this House as to when there might be some report on the matter and some legislative enactment. At last in the Speech from the Throne at the beginning of the present session, there was brief reference to the amending of those two statutes which affect the working conditions of public servants. The questions having been asked, the minister replied:

I cannot do more than give assurance that amendments will be introduced this session. I will discuss the precise timing with the House leader.

[Mr. Lalonde.]

A similar answer was given to the supplementary asked at that time. In view of the delays, and in view of the great number of public servants in the national capital area and other areas who are anxious to know the answer to this question, it is important to raise it. They want to know, for instance, the limits on arbitration, the limits on negotiation, the resolution of the problem respecting redundant employees, the classification of employees and the standards, norms and rules that would apply; who will be prohibited from collective bargaining and who will not be. Then there is the whole question of managerial employees and confidentiality of certain procedures. There is also the matter of appropriate procedures with respect to the settlement of arbitrations and disputes.

• (2220)

The question of the appropriate procedure with respect to settlement of arbitration, the concepts of retraining because of the introduction of new technology, the whole question of delegation of authority, all of these are important and a large segment of the public service has been waiting a long time for answers. I expressed to the Clerk of the House my feeling that I was not satisfied with the answer given and that there ought to be a statement made by the minister telling us when these matters would be brought forward.

In addition to the budget surplus generally, there is the whole question of the House of Commons staff, the Senate staff, the Governor General's staff, staff locally engaged abroad and all other staffs which have to deal with an employer but which, unfortunately, cannot deal with him on a proper basis with duly qualified representation. I ask the parliamentary secretary whether he is able at this time to give a precise answer. I hope he will tell me that he has consulted the President of the Treasury Board (Mr. Drury) who in turn has consulted the government House leader, and that he comes into the chamber prepared to give a precise answer to questions which so many public servants are asking.

It seems to me the federal government should be the leader and point the way to industry and other governments as to what is the proper relationship and balance. This question was asked so that the matter could be brought forward at the earliest possible date. I would appreciate hearing from the parliamentary secretary, and look forward, as do so many public servants, to hearing that after the unemployment insurance legislation public service matters are next on the list to be dealt with.

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I regret to tell the hon. member I am unable to give him the exact assurances he is seeking. There are a number of reasons for this. He is quite correct in assuming that the government does intend to introduce proposals relating to the Public Service Staff Relations Act and to the Public Service Employment Act during the present session. I am informed by the President of the Privy Council (Mr. MacEachen) that the House will be given ample opportunity to discuss these matters.

Unfortunately, I cannot give the House the precise dates on which these amendments will be introduced. There is a heavy legislative program in preparation and items such as the budget and resolutions flowing therefrom will have

to be considered as priority measures. The proposals relating to the legislation I mentioned will be introduced as soon as the timetable of the House will permit. Then, I would hope, they would be referred to the appropriate committee for discussion before returning to the House for a happy conclusion.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, January 30, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

AIRPORTS

PICKERING TOWNSHIP SITE—ANNOUNCEMENT OF DECISION TO PROCEED WITH EXPROPRIATIONS

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, I wish to make a statement regarding expropriation proceedings to acquire a site for a new Toronto airport at Pickering, Ontario. Hon. members will recall that public hearings of objections were held during December in Toronto, as provided for in the Expropriation Act, and the hearing officer's report was tabled in the House on January 18. The government has given careful and detailed consideration to the objections documented in the report, and in particular the Minister of Transport (Mr. Marchand) has reviewed the technical aspects. These issues, as well as the vitally important social implications, have been extensively reviewed by cabinet.

My colleague the Minister of Transport is today tabling two documents most pertinent to this issue: first, a technical response to the objections made at the public hearing, which was prepared by the Ministry of Transport; second, a statement by the Minister of Transport regarding the need for a new Toronto airport. This in turn clearly establishes the need for the land being expropriated.

The government is convinced of the need for a new Toronto airport and I am of the opinion the Pickering site is required for this purpose. Accordingly, I have signed the notices of confirmation of expropriation and requested the Attorney General of Canada to take the necessary steps immediately to effect registration of the notices in the local land registry and title offices.

[*Translation*]

These Notices include the majority of lands described in the notices of intention. However, certain portions of the lands described in the notices of intention are not being confirmed. The lands that are not therefore being expropriated are generally located on the original boundary and I am advised by the Minister of Transport it is not essential they be acquired for the airport. This advice is based upon investigations completed since the first announcement in March 1972. I might add that the owners of these lands will be offered the option of selling their land to the government.

In accordance with the procedures laid down in the Expropriation Act, written offers of compensation, accompanied by an appraisal report, will be made to every owner of an interest in the lands to which the notices of confirmation apply. The more than 2,000 offers required will be made within the statutory ninety day period following the date of confirmation.

In addition to the market value of the property, which is to be calculated as of the date the notice of confirmation is registered and not the earlier notice of intention, an owner in occupation will also be paid for any costs or losses incidental to disturbance including moving to other premises. There is provision for compensating tenants and holders of security or mortgage interests, plus rules for other items and types of compensation. Of particular note is the right of an expropriated homeowner to claim additional compensation for the cost of relocating his residence in reasonably equivalent premises, if the compensation otherwise payable is not sufficient to permit this.

Many hon. members will also recall the strong support in the House of the provision in the new act whereby an owner may accept the government's offer of compensation and receive payment immediately, without prejudicing his right to claim additional compensation. An owner then has up to one year to negotiate settlement of such claims or to proceed in the Federal Court.

I should also point out that no resident will be required to move immediately. Obviously, the public examination of airport facilities announced last year and since reaffirmed, will help determine the timing and development of this airport.

In any event, it takes several years to develop an airport and thus many residents will not be required to move for a considerable period of time.

Clearly, it will be in the public interest to facilitate the continued residence of owners who wish to remain and this has also been the attitude of the Ontario government who are acquiring land in the adjoining area. Accordingly, such owners will be required to pay only the taxes and the usual costs of operation including maintenance and insurance, through to December 31, 1974.

In conclusion then, the decision to proceed has been made and I can assure the House that each owner will be dealt with compassionately and to the full extent of the new Expropriation Act.

• (1410)

[*English*]

Mr. Speaker: The hon. member for St. Paul's.

Mr. Lewis: Mr. Speaker, I rise on a point of order.

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

Mr. Lewis: Mr. Speaker, I apologize to the hon. member for St. Paul's (Mr. Atkey). I received in my office a copy of the statement by the Minister of Transport and, as you

will recall, Sir, the Minister of Public Works said that the Minister of Transport would table two documents, one being the statement. I wonder whether the hon. member for St. Paul's and Your Honour might not agree that the Minister of Transport be given an opportunity now to table these two documents, because my comments will be in respect of both the statement by the Minister of Public Works and the document to be filed by the Minister of Transport.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, pursuant to Standing Order 41(2), I am tabling the response of the Department of Transport to the synopsis report of the hearing officer with regard to the new Toronto airport, as well as my own statement on the choice of the site.

[*English*]

Mr. Ron Atkey (St. Paul's): Mr. Speaker, I wish to thank both the Minister of Public Works (Mr. Dubé) and the Minister of Transport (Mr. Marchand) for providing copies of their statements in advance of the presentation and tabling of the respective statements in the House.

It is distressing that the government finds it necessary to confirm expropriations of some 18,000 acres of land involving over 2,000 property owners when the question of need for a second airport has not yet been determined.

Some hon. Members: Hear, hear!

Mr. Atkey: This is clearly locking the barn door after the horse has been stolen. Even if a second airport is needed, which many people seriously doubt, the decision today destroys any flexibility left in siting an airport which may not be put into use for a decade. Surely this is one of the worst examples of backward planning this country has ever seen.

Some hon. Members: Hear, hear!

Mr. Atkey: The government says it is convinced of the need for a new Toronto airport. While it may have reports from its technical consultants, and even these have been conflicting from time to time, who has it consulted in the Toronto-centred region? At least 14 of the 22 successful metro Toronto candidates in the October 30 election went on record during the campaign as saying there was no proven need for a second airport. The Toronto city council executive committee, representing over 700,000 people, last Wednesday requested the abandonment of the expropriations prior to a public determination of need. The regional municipality of York, representing 166,000 people, and the township of Pickering, representing over 30,000 people, have made similar requests, as has the mayor of Scarborough. Most of the formal objectors at the expropriation hearings in November and December gave primary emphasis to the unanswered question of need.

Yet the government pushes blindly on with virtually no public consultation and confirms the Pickering expropriations.

The lengthy statement of the Minister of Transport or, at least, the first nine pages of that statement, can be boiled down to this. He is saying to the people of the Toronto-centred region: You need a second airport; we have decided. Yet in the last four pages it appears to have suddenly dawned upon the minister that he should be concerned about public participation. He is at long last prepared to honour the commitment of his predecessor and arrange for an independent group to hear representations from the public as well as from the provincial and municipal governments. This independent group is to determine the type and timing of the facilities required, and the people will be able to make inputs not only on the question of the airport but also as to the kind of urban region they want, and how this would affect air service and airports.

We welcome this opportunity for public participation. It is long overdue. But we find it impossible to believe that this government can in any way maintain an open mind on the question when it appears to have already made its decision. The expropriations which have been confirmed today are for an airport. They cannot be for any other purpose if they are to remain legally valid. The government knows this. How can the public participation proposed in these circumstances be anything but a charade? At best, this is political waffling to avoid the political impact of a decision already taken. The Minister of Transport says in his statement that this process will be the first of its kind and could be a model for the future. Expropriate now—determine need later. Heaven help us!

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, I wanted the Minister of Transport to have the opportunity to table his statement before we commented on the situation because his statement is a great deal more important, if I may say so, than the statement made by the Minister of Public Works. As to that statement, I can only say the minister is following the procedures under the new Expropriation Act. I would simply ask him, very seriously and very strongly, to consider making available to the proprietors of the property in that area the opportunity and the financial assistance necessary for them to obtain their own appraisers instead of having to depend merely upon the appraisers that the department will appoint. This invariably places the person who owns the home or land at a considerable disadvantage.

As to the decision itself, I cannot but agree with the very eloquent, very succinct and very excellent statement made by the hon. member for St. Paul's.

Some hon. Members: Hear, hear!

Mr. Lewis: Perhaps, as he is a new member, he will not think me paternalistic for using those adjectives. I am really disturbed by the politics in the statement of the Minister of Transport. I am disturbed for a very fundamental reason. The Minister of Transport says very distinctly, as does the Minister of Public Works in his statement, that the government has decided (a) that a second

Toronto airport is needed, and (b) that Pickering shall be the location. Then he talks about public hearings after the expropriations are confirmed and he hints, but does not say, in referring to a public hearing that it is still possible for the government to change its mind. Mr. Speaker, I say earnestly to the minister that this is precisely the kind of cynical approach to participation by the people that degrades the value of government and the value of parliament.

• (1420)

Some hon. Members: Hear, hear!

Mr. Lewis: If the government has made up its mind that there is need for a second airport and that Pickering should be the site, it ought to have the courage to say so and stand behind that decision, and not try to fool all the people in the Pickering area into thinking that the government can still change its mind.

I am not an expert in this field, Mr. Speaker, and do not claim to be. Personally, I am simply not convinced of the need for a second airport in the Toronto area. Indeed, I may be considered as not being willing to keep up with the times but I say without hesitation that I cannot convince myself of the value of ever bigger, ever faster, ever noisier aircraft in this country or in the world. I am not at all convinced that humanity will be better and happier if we can fly across the Atlantic or across Canada in one hour or two hours less time than we now can. It has seemed to me for a long time that human progress and the quality of human life are being sacrificed on the altar of bigness and speed in our present society. I am not at all persuaded that this is the way humanity ought to go or the direction in which the Canadian people ought to go.

If, however, a second airport is indeed needed, then I appreciate that no matter where you try to locate it there will be difficulties. My only difficulty with the statement made by the hon. member for St. Paul's is that he entirely avoided informing the House and the people of Canada that the Pickering site for the airport was chosen by the Ontario Conservative government, as well as by the federal Liberal government.

Some hon. Members: Oh, oh!

Mr. Lewis: I think it is important to underline that, because it is part of the difficulty which faces us in discussing this problem.

Finally, if the minister and the government were convinced of the need for a second airport and of the need for Pickering as the site of that airport, these public hearings ought to have been held in 1970, 1971 and 1972 so that the people in the area might have had available all of the information and become educated about the need for the airport in that area since, obviously, no matter where you tried to put the airport, there would be objections in that locality as, indeed, there have been objections by the people around Malton to any suggestion of enlarging that airport. I say that the decision to establish a second airport was made in 1968 by the then minister of transport, the hon. member for Trinity (Mr. Hellyer), before his reincarnation. We should have had these public hearings and these public discussions long before this, and the people in the area ought not to be put to the trouble of expropriation proceedings on a false and misleading basis as the statement of the minister suggests.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, in his statement to the effect that the government intends to give notices of confirmations of expropriation, the Minister of Public Works points out that the decision involves Canadian communications and business.

He also mentions the effects on the quality of the environment in which people will have to live in that part of the country.

Obviously, the decision to confirm the expropriations is as important as the project itself. The government seems deeply concerned about all aspects of the program, and it expresses its intention to create an independant group to study those questions and hear the representations of the interested parties. We should rejoice in that initiative. Although this is an outstanding project which must be carried out, to my mind it is imperative that the persons chiefly concerned, namely those who will be expropriated, should have the opportunity to be heard.

We already know that many problems have arisen in connection with the expropriation in Saint-Eustache, precisely because the owners concerned have not always been treated as they had been promised they would be in regard to some very justified requests.

I have in mind certain complaints by many owners of land located at the end of runways of the Ancienne-Lorette airport, near land owned by the Department of Transport. People who would normally have sold land for home construction in the towns of L'Ancienne-Lorette and Sainte-Foy cannot do so because the Central Mortgage and Housing Corporation will not finance the building of housing units in this area.

On page 10 in his statement on expropriation, the minister implies that everything is being looked after and that expropriated owners have nothing to fear because this expropriation will be carried out on the basis of a particular aspect in the act that says you must provide "a home for a home".

I also have in mind the expropriation, which goes back to 1967, of Valcartier Camp. It was carried out by the Liberal government. It was based on legislation very similar to the one mentioned earlier. People were forced to vacate the site. In certain case, threats were proffered, insinuating that they either had to accept the price offered or make a deposit of $5,000 before appealing to the court, which was quite false.

In other cases, Mr. Speaker, the people expropriated were promised jobs, which they never obtained since most of them are still standing in line at manpower centers just like all the other unemployed of this country.

It is true, Mr. Speaker, that the hon. minister states that all those expropriated will be paid at market value; however, we cannot forget that inflation has not yet been curbed and that it is quite possible that some of those appropriated are farmers who own a small farm worth $40,000 where they manage to make a living, whereas in

five to six years such farmers, having given up their farm, will find themselves without jobs, owning only a house.

The hon. minister asserts that an effort will be made to preserve historical monuments and protect the natural beauties of the site.

Mr. Speaker, may I congratulate the hon. minister on all his good intentions. However, I hope the government will recognize that the major effort to be made is in the interest of preserving the dignity of citizens caught in this mesh.

[*English*]

VANCOUVER INTERNATIONAL—PROPOSED NEW RUNWAY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I rise to ask the unanimous consent of the House under Standing Order 43, to move a motion of urgent and pressing necessity arising from the failure as yet of the Minister of Transport (Mr. Marchand) to fulfil the commitment made to the House on January 16, 1973, through his parliamentary secretary, to give answers to questions raised concerning the environmental impact of the proposed new runway at Vancouver airport. I move, seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds):

That in view of the commitment given this House on January 16, 1973, by the hon. the Parliamentary Secretary to the Minister of Transport, that if questions are raised regarding the environmental impact of the proposed new runway at Vancouver International Airport answers will be given;

And because this exact question was raised yesterday at the expropriation hearings presently being conducted at Vancouver;

That this House direct the Minister of Transport to immediately answer the question raised yesterday asking what the environmental impact of the proposed new runway will be, and to make such answer or answers available to the objectors and the public at the present hearings.

Mr. Speaker: The Chair has reservations about the form of the proposed motion, but unanimous consent is required under the terms of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

• (1430)

TRANSPORT

RAILWAY PASSENGER SERVICE, SOUTHWESTERN ONTARIO—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. R. E. McKinley (Huron): Mr. Speaker, in view of inadequacy of passenger service in southwestern Ontario and the delay of the government in moving to remedy this situation, I ask leave of the House to propose a motion under Standing Order 43. I therefore move, seconded by the hon. member for Perth-Wilmot (Mr. Jarvis):

That this House urge the government to take immediate action to implement the recommendations contained in the report of the transport committee of the 28th parliament concerning passenger service in southwestern Ontario.

Some hon. Members: Hear, hear!

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. Therefore the motion cannot be put.

* * *

FISHERIES

HERRING—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Frank Howard (Skeena): Mr. Speaker, pursuant to Standing Order 43 I seek leave of the House to move a motion of urgent and pressing necessity concerning the herring fishery in British Columbia, which will commence at the beginning of next month, and the confusion that exists therein as a result of the arbitrary, dictatorial and personal decision of the Minister of the Environment with respect to licences for the herring fishery. Accordingly, I would move, seconded by the hon. member for Coast Chilcotin (Mr. Olaussen):

That the matter of the herring fishery in British Columbia be referred to the Standing Committee on Fisheries and Forestry and that the said committee make an interim report regarding licensing and licence fees in the said fishery before February 10.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put. The hon. member for Hamilton Mountain.

Mr. Howard: Did the Minister of the Environment say no to that?

Mr. Speaker: Order, please. The hon. member for Hamilton Mountain.

* * *

CITIZENSHIP

SUGGESTED EXEMPTION OF CERTAIN PERSONS FROM FEE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, I ask leave of the House to propose a motion under Standing Order 43. At the present time there are many long-time residents of Canada eligible for old age or other pensions who are not Canadian citizens. Before obtaining the right to vote they must first take out Canadian citizen-

ship and the $10 fee could impose a financial hardship. Therefore I move, seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds):

That the question whether persons reaching age 65 years or over, or who are disabled or war veterans, and who are not Canadian citizens but are otherwise qualified for old age security or other social assistance be exempt from the $10 citizenship fee, be referred to the Standing Committee on Health, Welfare and Social Affairs.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

Mr. Paproski: A question of privilege, Mr. Speaker.

Mr. Barnett: On a point of order, Mr. Speaker, are we to wait for the statement by the Minister of the Environment—

Mr. Paproski: A question of privilege, Mr. Speaker.

Mr. Speaker: Order, please. Would the hon. member for Comox-Alberni resume his seat? I believe the hon. member for Edmonton Centre seeks the floor on a question of privilege. He should be given priority.

Mr. Paproski: Mr. Speaker, I should like to call to the attention of the Prime Minister the fact that no western members have been invited to the Bishop Laval commemorative stamp issuing ceremonies tomorrow in Quebec City. Is he still mad at us?

Mr. Speaker: Order, please. The hon. member knows that he cannot raise a question of privilege in this way. It is a pure abuse of the rules. The hon. member knows that he has to give the required notice, which of course he did not give. This is not, by any stretch of the imagination, a question of privilege and it cannot be raised at this time.

Mr. Barnett: Mr. Speaker, my point of order relates to the statement made by the Minister of Transport yesterday to the effect that we would get a report today on the oil spill off the British Columbia coast from the Minister of the Environment. I raise this point at this time because so far I have not seen the Minister of the Environment rising in his place.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. A few minutes ago the Minister of Transport tabled a statement which became the subject of comment by those who responded to the statement on motions made by the Minister of Public Works. In order that those who read the record might have everything before them, would it not be a good idea for that statement to be appended to today's *Hansard*? I refer to the statement tabled by the Minister of Transport.

Mr. Speaker: The hon. member for Winnipeg North Centre has made a suggestion. Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: Apparently there is agreement on the part of the House to have the document appended to *Hansard*. I might say that the Chair had reservations about the propriety of the procedure we followed this afternoon of discussing under the Standing Order a statement which had been tabled rather than made to the House, but again it was perhaps an easier thing to do in view of the fact the two statements were before the House, one made by the Minister of Public Works verbally and the other one tabled by the Minister of Transport. I took no exception to the fact that members commented on the document that had been tabled, but that was to some extent irregular.

[*Editor's Note: For text of statement referred to above, see appendix.*]

* * *

NATIONAL HOUSING ACT

PROVISIONS RESPECTING NEIGHBOURHOOD IMPROVEMENT, REHABILITATION, OWNERSHIP, NEW COMMUNITIES, ETC.

Hon. Ron Basford (Minister of State for Urban Affairs) moved for leave to introduce Bill No. C-133, to amend the National Housing Act.

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

ORAL QUESTION PERIOD

AIRPORTS

PICKERING TOWNSHIP SITE—STUDY BY BOARD OF EXAMINATION—DATE OF FINAL DECISION—DISPOSAL OF LAND IF FACILITY NOT BUILT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to address a question to the Minister of Transport arising out of this statement in the document he tabled this afternoon: "It is the government's intention to meet with the leaders of the other levels of government immediately to commence the study at the earliest possible date and report within 12 months". For purposes of clarification, will the minister tell the House whether this means that the government is now committed to reporting an absolutely final decision on the airport within 12 months?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the government decided to build an airport at Pickering and we think that all the evidence we have now justifies the government doing so. Now, if there are new facts, if there are new circumstances which were not considered in the past, then I think this is the point where the government can be influenced. It is not with the idea of changing our minds. We took our responsibility. That

means that the need for the airport was decided upon by the government after consultation with many, many people in the region and several organizations. So the purpose of the board of examination is to study the role of the new airport in relation to Malton, to establish the rate of development of the new airport and to listen to people who may have different ideas and who have new facts to bring forward, not old facts which have been considered and discarded by the department.

Mr. Stanfield: I have a supplementary, Mr. Speaker, referring to a related assertion in the minister's statement where he said "should we be moved to reconsider our present conclusion", which is the conclusion the minister just reaffirmed, "that the people of Toronto and Canada need this facility the land will still be there and the option will still be open". With regard to that option, Mr. Speaker, has the government a contingency plan for the disposition of the land?

Mr. Marchand (Langelier): Mr. Speaker, this is something we are going to study with all the interested parties, particularly the government of Ontario and the municipalities concerned. If some new technology is developed during that period, because there will be at least a period of 12 months when nothing will be done on this land, and if new and important facts are brought forward, we will have discussions with the interested parties and see what we are going to do with the land.

Mr. Stanfield: One further supplementary, Mr. Speaker, because I am not getting the information I would like. I should like to ask the minister with regard to the statement that "the land will still be there" whether we are seeing a preview of the next Liberal campaign slogan.

Mr. Marchand (Langelier): Mr. Speaker—

Mr. Speaker: Order, please.

• (1440)

INTENTION RESPECTING EXTENSION OF RUNWAYS AT MALTON

Mr. Don Blenkarn (Peel South): Mr. Speaker, I have a supplementary question for the Minister of Transport. In view of the fact the minister has now decided to build an airport at Pickering, can he assure the people of Mississauga that there will be no further runway extension at Malton?

Some hon. Members: Oh, oh!

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, we are now convinced that it would be impossible to meet the needs of the metropolitan area of Toronto with Malton airport alone. As for improvements, some will be made at Malton airport, but they will have no effect on the people in the vicinity.

[*English*]

Mr. Blenkarn: Mr. Speaker, I do not think the minister understood me. Will the minister advise the House whether there will be an extension of runway facilities? I am quite sure there may be other matters, but can the minister give us an answer with regard to runway facilities?

Mr. Marchand (Langelier): Mr. Speaker, it is not the intention of the government to do so.

PICKERING TOWNSHIP SITE—ESTABLISHMENT OF INDEPENDENT BOARD AND NAMING OF MEMBERS—TERMS OF REFERENCE

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I have a supplementary question for the Minister of Transport. Will the minister indicate when the decision on the independent inquiry will be made and the parties involved named and announced in the House?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I hope that in a couple of weeks, in co-operation with the government of Ontario, we will be in a position to set up this impartial board and start hearings right away.

Mr. Cafik: Will the terms of reference for this independent inquiry board be sufficiently broad to allow a full-scale consideration of the questions of airport need and location by that inquiry?

Mr. Marchand (Langelier): Mr. Speaker, the terms of reference were defined in the statement I made. However, we intend to discuss that with the Ontario government to make sure they are in agreement. We want the terms of reference to be broad enough to cover what the hon. member has mentioned.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I also have a supplementary question for the Minister of Transport. Has the minister given thought and, if so, what is the result, as to where he will draw the personnel who will be on the inquiry?

Mr. Marchand (Langelier): Excuse me, Mr. Speaker. Does the hon. member mean the members on the board? The members of the board will be chosen jointly with the government of Ontario.

Mr. Hees: Half NDP, half Liberal.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I have a supplementary question. Will the Minister of Transport expand on the statement he tabled with regard to the 70,000 acres that have been frozen in the noise lands surrounding the proposed airport? Also, what does the government plan to do to compensate those whose lands are frozen?

Mr. Speaker: Order, please. Unless the minister can reply to the question briefly, this information ought to be conveyed to the House by way of a statement on motions.

Mr. Stevens: A supplementary question. Can the minister inform the House what infrastructure plans he has, especially by way of assistance to surrounding municipalities, with regard to the proposed airport?

Mr. Speaker: I again suggest that this might be part of a statement which might be made by the minister on motions.

UNEMPLOYMENT INSURANCE

REQUEST FOR TABLING OF REGULATIONS, MEMORANDA AND DIRECTIVES TO FIELD OFFICERS

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the request of the hon. member for York South on January 19 that all rules, regulations, memoranda and directives, especially with respect to regulation 145(9), sent to Unemployment Insurance Commission field officers be tabled in the House and in view of the minister's answer, is he now prepared to do so?

An hon. Member: He is not in the House.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): I will take the question as notice, Mr. Speaker.

ALLEGED REQUIREMENT THAT CLAIMANTS OBTAIN SIGNED STATEMENTS FROM EMPLOYERS VISITED IN SEARCH FOR WORK

Mr. John Rodriguez (Nickel Belt): I have a supplementary question for the Minister of Manpower and Immigration of his parliamentary secretary. Is it the policy of the Unemployment Insurance Commission to require benefit claimants to obtain signed statements from employers whom they have visited in their search for work?

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I will take that question as notice as well.

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

Mr. Speaker: Order, please. The Chair will recognize the hon. member for one last supplementary and then the hon. member for Compton.

Mr. Rodriguez: If it is not the policy of the Unemployment Insurance Commission, is the minister going to investigate this practice being used in several parts of the country and is he going to issue a directive to have this harassment stopped?

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—REQUEST THAT MEMBERS BE BETTER INFORMED CONCERNING PROJECTS

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to put a question to the Minister of Manpower and Immigration.

I would ask him to intervene in order to enable hon. members to be better acquainted with local initiatives projects carried out in their constituencies, which is apparently extremely difficult at the present time. I for one get my information through newspaper reports. When I ask for information on various projects, I am always told that I will get some but I never do. As Members of Parliament, we should know what is going on in our constituencies.

Mr. Speaker: Order. Would the hon. member ask his question?

Mr. Latulippe: Could the minister take some steps in order that we may learn what is going on in this connection?

[*English*]

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, as of today the amount granted under the LIP program is $150,400,000. At this point, the funds are now almost exhausted. It is understandable that at the end considerable time will be taken to decide which of the remaining applications will receive grants.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a supplementary question.

I should like to ask the Parliamentary Secretary to the Minister of Manpower and Immigration what machinery he proposes to set in motion to inform precisely each member regarding the standards of acceptance for projects?

[*English*]

Mr. Speaker: Order, please. I will allow the hon. member a supplementary.

[*Translation*]

The hon. member may put a supplementary question, after which I shall recognize the hon. member for Saint-Hyacinthe.

Mr. Fortin: Mr. Speaker, in order to clarify my question, I shall ask the parliamentary secretary whether he can indicate to this House the process provided by his department to inform each member concerning what happens to the projects submitted in their ridings?

[*English*]

Mr. MacGuigan: Mr. Speaker, I do not believe it has been the practice to inform each and every member when applications are granted. However, if the hon. member wants to know more about particular projects, I shall be glad to receive details.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

* * *

[*Translation*]

REGIONAL ECONOMIC EXPANSION

CABANO CARDBOARD PLANT—RESERVATIONS OF SYBETRA GROUP RESPECTING POSITION

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion.

Did he receive, either from the Belgian group SYBETRA or from the Quebec government, any document informing him about the serious reservations of SYBETRA as to the conditions and responsibilities which it would assume in the building of the cardboard factory of Cabano?

[*English*]

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Yes, Mr. Speaker. There have been representations both pro and con on this matter. I ask the hon. member's indulgence so that I can take this question as notice and try to get a more complete answer for him.

* * *

CANADIAN CULTURE

MULTICULTURALISM—LEGISLATION TO PROVIDE BETTER GUARANTEE OF PRESERVATION OF CULTURES AND LANGUAGES—THIRD LANGUAGE TRAINING GRANTS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of State responsible for multiculturalism. In view of the continuing demand from ethnic organizations and in view of the failure of the government to do anything meaningful about it, is the government considering amendments to the Official Languages Act which will offer a more positive guarantee of preservation of cultures and languages other than the official languages?

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, I think this is a matter of government policy which will be announced as a matter of course.

Mr. Yewchuk: I have a supplementary question, Mr. Speaker, relating to the research program which the government is conducting. Does a decision to give grants to provinces for the purpose of a third language training depend on the results of the cultural development research program?

Mr. Haidasz: Mr. Speaker, special research is being done with regard to the retention of mother tongues. I expect the report will be ready in about six months, at which time a decision will be made as to whether it should be made public and when.

• (1450)

Mr. Steven E. Paproski (Edmonton Centre): Can the minister tell the House when the multicultural advisory board will be announced? Can he tell us the composition of the board? When does he plan to consult with the opposition on its composition? Is the minister considering appointing Lubor J. Zink as chairman of the advisory board?

Mr. Sharp: Would that be your recommendation?

MULTICULTURALISM—STATUS OF RESEARCH PROGRAM

Mr. Charles E. Haliburton (South Western Nova): Mr. Speaker, my question is also addressed to the minister responsible for multiculturalism. In view of the fact that more than a year has passed since the government announced its proposed cultural research program, can the minister tell us why the research has not yet begun and the reason for the delay in circulating the questionnaire to the various cultural groups?

[Mr. Wagner.]

Hon. Stanley Haidasz (Minister of State): I will try to get an answer to that question as soon as possible.

Mr. Speaker: Order, please. There are a number of members seeking supplementaries on this subject. Would the hon. member kindly resume his seat. I will recognize him for a supplementary, perhaps one or two others, and then return to this subject later.

Mr. Haliburton: Would the minister make a particular effort to investigate whether the reason might be that the staff responsible to him are too few in number to make it possible for him to undertake this information gathering process?

MULTICULTURALISM—BASIS ON WHICH CHOICE OF CITIES MADE FOR RESEARCH PROGRAM

Mr. Jake Epp (Provencher): I should like to ask the minister responsible for multiculturalism whether he could tell us the basis on which the choice was made of five Canadian cities for purposes of research, whether there is a possibility of this number being increased and, specifically, whether the research program will also include rural areas?

Mr. Speaker: Order, please. The Chair has serious doubts as to the admissibility of this question. It seems to be more a matter of debate between the hon. member and the minister, and normally the hon. member should be invited to put such questions on the order paper. However, since the question has been asked the minister might be permitted to reply, if he wishes, after which we shall move on to the next subject.

* * *

FINANCE

WINTER CAPITAL PROJECTS FUND—ACCEPTANCE OF DIRECT APPLICATIONS FROM MUNICIPALITIES

Mr. Derek Blackburn (Brant): Mr. Speaker, my question is directed to the Minister of Finance. Is the federal government considering accepting direct applications from municipalities with respect to the winter capital projects fund announced in December?

Hon. John N. Turner (Minister of Finance): The arrangement we have with the provinces is that the municipalities apply to the provinces for their allocations from the fund.

[*Later:*]

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have a supplementary to the previous question concerning the winter capital projects fund. In view of the limitations placed upon the municipal capital works program, would the minister consider putting extra funds into the local

initiatives program, particularly so as to benefit communities where the unemployment rate is greater than 20 per cent and the need is considerable?

Mr. Turner (Ottawa-Carleton): Perhaps the hon. member would allow me to take that matter under consideration.

* * *

HOUSING

INCREASE IN RENTS FOR LOW-COST APARTMENTS—REQUEST FOR STATEMENT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Minister of State for Urban Affairs a question connected with the recent housing conference and having to do with the high cost of housing. Did the minister approve the permission given by Central Mortgage and Housing Corporation in consequence of which owners of low-cost housing apartments were able to substantially increase rents—I have in mind, for example, Bellabo Investments Limited—at a time when low and medium income group tenants are seriously struggling to make their budgets stretch to pay for necessities? Is the minister aware that as a result of this action the cost of housing for tenants was increased between 15 and 20 per cent?

Hon. Ron Basford (Minister of State for Urban Affairs): I believe the buildings to which the hon. member refers are not regarded as low-cost housing. They are certainly not public housing, the rent for which is determined on a rent-to-income scale. As a result of representations made to me by the Solicitor General some weeks ago, I have asked the corporation for a complete review of its rental policy for 1973 and this is under way at the present time. I have told the corporation not to announce or make any rent increases in the meantime.

Mr. Woolliams: The minister has just returned from a housing conference and there are many questions we should like to ask; I know that many other members want to ask many questions on other subjects. May I ask whether the hon. gentleman is prepared to make a statement at this time on the subject of housing, with particular reference to the housing conference, in light of the fact that Keith Morley, the new president of the Housing and Urban Development Association of Canada, has been very critical of the housing program? Would the minister make a statement soon in the House?

Mr. Basford: First reading was given today to amendments to the National Housing Act which I would hope would be proceeded with on an urgent basis. This would allow full opportunity for a debate on the floor of the House and full opportunity for questioning on the whole range of housing policy when the bill is referred to committee. I would welcome such a debate and such questions.

Mr. Woolliams: I asked the minister whether he was prepared to make a statement. If he is, will he advise us why Mr. Fullerton, the chairman of the National Capital Commission, is now anticipating resigning, if he has not already resigned, because has clashed with the minister?

Mr. Basford: I am informed by the chairman of the National Capital Commission that he is not resigning and does not intend to do so.

* * *

EXTERNAL AFFAIRS

REPRESENTATIONS TO OBTAIN RELEASE OF CANADIAN MISSIONARIES HELD AS PRISONERS OF WAR BY NORTH VIET NAM

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, would the Secretary of State for External Affairs let the House and the country know how many Canadian missionaries are held as prisoners of war in North Viet Nam? I mention one, Mr. Lloyd Oppel of Courtenay, British Columbia. Representations have already been made by the hon. member for Esquimalt-Saanich. This missionary was taken prisoner on October 28. He was engaged solely in missionary efforts. What representations has the government made for the immediate release of these non-combatant prisoners of war?

Hon. Mitchell Sharp (Secretary of State for External Affairs): My recollection is that I replied to a question on this subject from the hon. member for Esquimalt-Saanich.

Mr. Diefenbaker: Can the minister tell us what the situation is? Has the government made representations and asked that these particular prisoners be released? There is no justification for holding them.

Mr. Sharp: Yes, Mr. Speaker, but unfortunately we have not been successful.

VIET NAM—CEASE-FIRE AGREEMENT—POSSIBLE DISPATCH OF SECOND CANADIAN WARSHIP

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in connection with the role of the Canadian government in the Viet Nam affair I should like to ask the Minister of National Defence whether the Canadian government is preparing to dispatch another vessel from the west coast to Viet Nam?

Hon. James A. Richardson (Minister of National Defence): No, Mr. Speaker.

* * *

POLLUTION

QU'APPELLE LAKES, SASK.—IMPLEMENTATION OF RECOMMENDATIONS IN REPORT

Mr. Jim Balfour (Regina East): Mr. Speaker, my question is for the Minister of the Environment. Bearing in mind the conclusions embodied in the Qu'Appelle basin study report, will the minister advise the House what steps have been taken by the government of Canada to assist in the

implementation of the more urgent recommendations pertaining to the polluted condition of the Qu'Appelle lakes?

Hon. Jack Davis (Minister of the Environment): The report to which the hon. member refers was prepared jointly with the government of Saskatchewan, and remedial steps will also be a matter for discussion with the provincial administration.

Mr. Balfour: Will the minister advise the House whether the government, jointly with the government of Saskatchewan, intends to begin construction this spring of tertiary sewage treatment plants in Regina and Moose Jaw, which cities were blamed for at least 70 per cent of the nutrients which pour into the Qu'Appelle water system?

Mr. Speaker: Order, please. I hope the hon. member will place this question on the order paper. If there is urgency, the subject can be debated at the time of the adjournment.

OIL SPILL, ALERT BAY, B.C.—DEPOSITING OF FUNDS BY OWNERS OF "IRISH STARDUST" TO COVER CLEAN-UP COST

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, I wish to address the following question to the Minister of Transport, particularly in view of the fact that the Minister of the Environment did not make a statement on motions this afternoon concerning the west coast oil spill. Have the owners of the *Irish Stardust* deposited sufficient funds to cover the estimated cost of the clean-up? If they have not, has the minister commenced proceedings to seize the vessel presently in Victoria?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think I said yesterday that the master of the ship was brought into court and requested to deposit a bond of $20,000.

Now what happens is this: due to the ship's category, even if its master is responsible for the accident the latter does not, nevertheless, fall under the Canada Shipping Act. A ship commonly known as a "tanker" carrying at least 1,000 gallons of oil must be involved in order to justify legal action against the master under the Canada Shipping Act.

• (1500)

[*English*]

Mr. Leggatt: In view of the minister's answer, would he consider amending the Canada Shipping Act to cover such a situation?

* * *

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Eudore Allard (Rimouski): Mr. Speaker, I would like to direct a question to the right hon. Prime Minister.

Could he tell us if he knows of a request from the citizen's committee of Biencourt?

[Mr. Balfour.]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not recall that such a request was received, but if the hon. member will allow me to check I shall be able to give him an answer.

* * *

[*English*]

POLLUTION

OIL SPILL, ALERT BAY, B.C.—REQUEST FOR REPORT BY MINISTER OF THE ENVIRONMENT

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in view of the silence of the Minister of the Environment to a somewhat similar question concerning the *Irish Stardust* earlier on motions, I hope it will be in order for me to ask whether the minister will tell the House when he is planning to give us a report on the inquiry he is believed to have undertaken yesterday in Vancouver in connection with this accident?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, this has been a serious spill, though it is not serious as far as the environment is concerned. Three agencies of the federal government are on the spot as well as nine vessels and they are succeeding in cleaning up. The clean-up should not be too costly so far as local residents are concerned but it will cost the Canadian taxpayer several hundreds of thousands of dollars, which we hope we can recover from the vessel owners.

* * *

CANADIAN COASTGUARD

POSSIBILITY OF TRANSFER OF COLLEGE FROM CAPE BRETON TO OTTAWA—REQUEST FOR REBUILDING OF GYMNASIUM AND LIBRARY

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Transport. Is the hon. gentleman in a position to answer the question I posed to him on Friday regarding the possible future of the Canadian Coastguard College?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, it is not the intention of the government to move this college to Ottawa, contrary to the rumour the hon. member has heard. It is true that we are looking for some property here in Ottawa, but this is in connection with the integration of our administrative services and not for the purpose which the hon. member heard.

Mr. Muir: Mr. Speaker, I wish to thank the minister for his reply which is rather encouraging. Previously we always had the answer, "not at this time"; it now appears that it will not be moved—period—from Cape Breton.

Mr. Marchand (Langelier): Well, I cannot commit all future Liberal governments in this country.

Mr. Nielsen: That would be rather foolhardy.

Mr. Muir: My supplementary is this. Now that the minister has said the college is going to remain in Cape Breton—

Mr. Turner (Ottawa-Carleton): Remember who put it there too, Bob.

Mr. Muir: The Minister of Finance should also realize that the Liberal government removed the naval base and destroyed 700 jobs. Now that the minister has said that the college will remain where it is for all time—period—when is he going to call tenders for the rebuilding of the library and gymnasium destroyed by fire and as yet not replaced either by his predecessor or by himself?

Mr. Speaker: Order, please. Perhaps the minister might reply briefly to the question but we are running short of time and there are 35 members waiting for a chance to ask questions.

Mr. Muir: Is the minister going to reply?

Mr. Speaker: Order, please. We should try to move on.

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, this is a very long question. I will take time enough to obtain information in order to avoid mistakes when I answer it.

* * *

[*English*]

HOUSING

LAND ASSEMBLY PROGRAM—REQUEST FOR EXPROPRIATION OF LAND OWNED BY DEVELOPMENT CORPORATIONS IN METRO TORONTO—POSSIBLE INCREASE IN FUND

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of State for Urban Affairs. In view of the fact it has been revealed that, if approximately 21,000 acres of land owned by six development corporations in and around metro Toronto were expropriated now, housing costs in terms of land costs could be cut almost in two for the next five years, would the minister consider urging the use of part of the federal funds committed for land assembly purposes to enable the provincial government of Ontario to move quickly and expropriate this land?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, part of these funds will be used in co-operation with the Ontario Housing Corporation for purposes of land assembly. Second, the best thing we can do is to pass as quickly as possible the proposals laid before the House today regarding land assembly and new communities so we can push forward with these programs.

Mr. Broadbent: In view of the fact that according to the announcement of the minister the amount of funds he intends to use for land assembly would be entirely spent if this project were embarked upon by the provincial government of Ontario, would the minister reconsider the amount that he intends to allocate to the program with a view to increasing substantially such funds?

Mr. Basford: Mr. Speaker, I said to the provinces that we should attempt to use the money already committed, and if they get that active and reach that stage then we will negotiate further funds.

* * *

NATIONAL DEFENCE

GREEN BERETS WORN BY CANADIANS IN VIET NAM SUPERVISORY COMMISSION—NEED FOR CHANGE TO AVOID MISTAKE IN IDENTITY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of National Defence. In view of the fact that the wearing of green berets by our peace supervisory personnel in Viet Nam creates an additional and unnecessary hazard to them because of the likelihood that they may be mistaken for United States green berets returning to the battlefield, is the minister considering ordering these personnel to change their headgear for something less inviting to aggressive action?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the dark green beret is part of our uniform. It has been worn for the last several years by the Canadian forces who were part of the former truce commission.

Mr. Hees: You mean all three of them?

Mr. Richardson: All of them.

Mr. Hees: Does the minister not realize that troops in the field are not very discriminating about—

Mr. Speaker: Order, please. This is debate.

* * *

HOUSING

LAND ASSEMBLY PROGRAM—RECONSIDERATION OF INVESTMENT OF FUNDS IN PROPOSED GLOUCESTER TOWNSHIP PROJECT

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I have a supplementary question for the Minister of State for Urban Affairs in connection with a question asked earlier. In view of the shortage of funds announced by the minister for land bank purposes, and in view of the fact that there is a prematurity about land bank arrangements in the township of Gloucester, which is in the national capital area, is the minister reconsidering the decision to invest public funds in this project, which is so far into the future in terms of present need?

Hon. Ron Basford (Minister of State for Urban Affairs): No, Mr. Speaker, I am not. This is a joint partnership arrangement with the Ontario Housing Corporation so as to identify and assemble land in accordance with the planning study prepared by the Ottawa-Carleton regional district. I think the planners would confirm that this is the kind of long-term planning that is required within the national capital area.

Mr. Baker: Is the minister aware of the fact that the reeve of the township of Gloucester, who has special knowledge of this matter, has characterized this land as a swamp and that—

Mr. Speaker: Order, please. This is argument. The hon. member for Brandon-Souris.

* * *

POST OFFICE

REQUEST FOR INVESTIGATION OF ALLEGED FORGED LETTER FROM CANADIAN LABOUR CONGRESS ATTACKING PRIME MINISTER

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is to the Postmaster General and it arises from a letter received in the mail today by all Members of Parliament, purporting to come from the president of the Canadian Labour Congress. In view of the fact that this letter is an obvious forgery and that it contains an obscene attack on the office of the Prime Minister, would the Postmaster General inform the House what action he intends to take to eliminate this abuse of the mails?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, officials of my department are studying that case and I can assure the hon. member that if legal action can be taken in that case, it will be.

[*Later:*]

[*English*]

Mr. Frank Howard (Skeena): Mr. Speaker, my question is supplementary to that asked of the Postmaster General. I should like to ask him whether he will at the same time examine the letter which appeared today purporting to come from Senator Ed Lawson, directed to the Prime Minister, to determine whether that is a forgery or otherwise?

Mr. Speaker: Order, please.

* * *

SPORTS

WINTER GAMES, 1975—POSSIBLE SITE AT LETHBRIDGE

Mr. Ken Hurlburt (Lethbridge): Mr. Speaker, my question is for the Minister of National Health and Welfare. Is it a fact that the decision has already been made that Lethbridge will be the site for the 1975 winter games?

• (1510)

Mr. Speaker: Order, please. The question as asked is not in order. I suggest respectfully to all hon. members that it is not in order to preface a question with the words "is it a fact". The hon. member is inviting the minister to confirm or deny something. In addition, the hon. member is referring to something which is to happen in 1975 and I am not sure it is urgent. Having said this and taken up much time, I will allow the minister to reply.

Mr. Hurlburt: May I rephrase the question?

[Mr. Basford.]

Mr. Speaker: For the moment I will allow the minister to reply to the first question.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the answer is no.

Mr. Hurlburt: Mr. Speaker, in a supplementary am I allowed to change the subject a little as long as it pertains to the same matter?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Will the hon. member resume his seat. I would suggest that the hon. member has had his chance for today. Perhaps he could try a second question tomorrow.

* * *

TAXATION

FAMILY FARMS—REQUEST THAT TRANSFERS WITHIN FAMILIES BE EXEMPT FROM CAPITAL GAINS TAX

Mr. Bill Jarvis (Perth-Wilmot): Mr. Speaker, my question is to the Minister of Agriculture. Has the minister urged his colleague, the Minister of Finance, to provide in the forthcoming budget an exemption from capital gains tax in respect of the transfer of the family farm within the family and, if so, what was the nature of that minister's reply?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, we are still—how do you say it—consulting or discussing this subject.

Some hon. Members: Oh, oh!

Mr. Jarvis: Mr. Speaker, is this House to assume from the reply by the Minister of Agriculture that he will resist his cabinet ccllеague's willingness to sacrifice the Canadian family farm to the large corporate farm conglomerate?

Mr. Speaker: Order, please.

* * *

THE CANADIAN ECONOMY

FOOD PRICES—SUGGESTED ISSUANCE OF FORECAST FOR 1973 BY MINISTER OF AGRICULTURE

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is for the Minister of Agriculture. In view of the forecast by the United States Secretary of Agriculture, Earl Butz, that food prices in that country would be reduced by the end of the year, will the minister be issuing his own forecast relating to the situation in Canada during the same period?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, when we make statements we like to be realistic. If we can foresee a realistic cut in food costs we will make such a statement.

AIRPORTS

REQUEST FOR ASSURANCE THAT SEARCHES OF PASSENGERS ARE FOR SAFETY REASONS ONLY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Minister of Justice. Are the searches which are being conducted at airports for reasons of safety only? Can we be assured that they will not become blanket searches and that people found with items other than firearms and explosives will not be subject to other prosecutions?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, that is a rather sweeping question. I would have to know from the hon. member whether he is putting his finger on some specific problem and, if so, I will be pleased to look into it. Searches are being made now, of course, essentially for the safety of the travelling public. If the hon. member has some specific problem, as I say, I would be glad to follow it up.

Mr. Fairweather: Mr. Speaker, I am asking the minister whether we can be assured that if, for example, one is carrying items that are proscribed under other statutes, such as "porno" literature and other things—

Some hon. Members: Oh, oh!

Mr. Baldwin: Have you seen your campaign literature?

Some hon. Members: Oh, oh!

Mr. Fairweather: I have a lot of time but I don't know about anybody else.

An hon. Member: The way some guys' minds work!

Mr. Fairweather: Mr. Speaker, I want to be sure that these searches are being made for the sake of the safety of the travelling public and do not represent blanket government interference with the public as people go about their business. That is a perfectly legitimate question.

Mr. Lang: Mr. Speaker, the hon. member knows very well the general law of the land, that if an offence is detected that offence may be pursued. I am not sure that he is suggesting a wholesale change in the general rule that officers who have obligations should pursue them. There is no change in their general obligation.

* * *

POLLUTION

OIL SPILL, ALERT BAY, B.C.—TIME OF ARRIVAL OF SUPPLIES AND EQUIPMENT TO CONTROL DAMAGE

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Transport. In view of the fact that contingency measures have been approved and set up to meet emergencies such as oil spills, I would ask the minister how long it took his department to get adequate supplies to the oil spill area at Alert Bay in an effort to contain the recent oil spill there?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, in view of the fact that my colleague was in British Columbia the day before yesterday, perhaps he is in a better position to answer.

Mr. Harding: I have a supplementary, Mr. Speaker.

Mr. Speaker: Order, please. I will allow the minister to reply to the first question, following which the hon. member may ask a supplementary.

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, the first supplies were at the site of the oil spill the day the spill occurred. The vessels carrying most of the equipment were there the following morning.

OIL SPILL, ALERT BAY, B.C.—PERMISSION TO VESSEL TO PROCEED TO VICTORIA

Mr. Randolph Harding (Kootenay West): Mr. Speaker, did officials from the Department of Transport give permission to the *Irish Stardust* to proceed to Victoria, a distance of some 200 miles and, if not, what action did they take to try to stop the ship?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I presume that if the ship did proceed to Victoria, that is because she was allowed to do so.

* * *

AGRICULTURE

DAIRYING—MAINTENANCE OF QUEBEC PRODUCERS, QUOTAS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a supplementary question for the hon. Minister of Agriculture.

Since the Canadian Dairy Commission has announced that Ontario producers would not be penalized this year, as far as their quota is concerned, as a result of last summer's bad weather, could the hon. minister tell us if the same will apply to Quebec producers?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I understand it is the same, but I will certainly check into it.

* * *

HEALTH

COST OF DRUGS TO LOW INCOME GROUPS—POSSIBLE DISCUSSION AT CONFERENCE WITH PROVINCES

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a question for the Minister of National Health and Welfare which is perhaps related to the supplementary the hon. member for Lethbridge wanted to ask. It also relates to questions asked by myself and the hon. member for Simcoe North. Will the minister place on the agenda for his conference next Friday the urgent situation of those

Canadians of all ages who are not quite eligible for any kind of social assistance, federal or provincial, but who have very small fixed incomes and are obliged to buy very expensive drugs just to remain alive?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the subject of the meeting next Friday will be a rather limited one. Obviously, we will be considering the economic condition of old age people in general and I am pretty sure this matter will be raised during those discussions.

* * *

FISHERIES

SWORDFISH—POSSIBILITY OF DEVELOPING MARKET IN EUROPE OR JAPAN

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of the Environment. In view of the collapse early in 1971 of the $4 million North American market for swordfish, which has caused financial hardship for our fishermen who are quickly becoming an endangered species, has the minister taken any steps to assist swordfishermen in establishing export sales either to Europe or Japan where there are markets for this product?

Hon. Jack Davis (Minister of Fisheries): Yes, Mr. Speaker, we have contacted the governments of those countries and we are assured that swordfish caught off the east coast would be acceptable to those countries.

Mr. Crouse: Mr. Speaker, in view of the minister's reply, what steps is he taking at the present time to re-establish this very necessary fishery in Atlantic Canada?

Mr. Davis: Mr. Speaker, together with the government of Nova Scotia we have helped these fishermen either to convert to other fisheries or, hopefully, to continue in this fishery. But until they or the industry can develop markets there is not much point in investing more money in new vessels and new gear.

Mr. Speaker: I will recognize the hon. member for Edmonton West for a last question before calling orders of the day.

* * *

EXTERNAL AFFAIRS

CANADA-UNITED STATES DISCUSSIONS ON AIR ROUTES—IMPORTANCE OF EDMONTON AND CALGARY

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is directed to the Secretary of State for External Affairs. Is the minister in a position to give us a status report on the progress being made in the bilateral air talks between Canada and the United States and, in particular, has there been any change in the priorities accorded by the Canadian negotiating delegation as to cities on the Prairies such as Edmonton and Calgary?

[Mr. Nesbitt.]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, these talks are continuing. There is considerable difficulty and the negotiations are very tough, but I can reassure the hon. gentleman that there is no change in the importance we attach to improved services for both Calgary and Edmonton.

Mr. Speaker: Orders of the day.

* * *

THE MINISTRY

ABSENCE OF MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT—DESIGNATION OF PERSON TO REPLY TO QUESTIONS

Mr. Joe Clark (Rocky Mountain): Mr. Speaker, I rise on a point of order. I think all hon. members regretted to hear outside the House that the Minister of Indian Affairs and Northern Development may be away from this place longer than anticipated. I wonder whether the Prime Minister could indicate who will be assuming his responsibilities and answering for him in the House?

• (1520)

Mr. Speaker: Order, please. I take exception to the hon. member's point of order. Obviously it is not a point of order but a question asked after the expiry of the question period. If the House will allow the hon. member to ask his question and the Prime Minister to reply, certainly I have no objection. Is this agreed?

Some hon. Members: Agreed.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the minister, unfortunately, will be away for some more days; I am not sure how many. His very excellent parliamentary secretary has been here every day just yearning to answer questions. The hon. member for Kamloops-Cariboo will be happy to answer any questions that might be put to him.

Mr. Speaker: Order, please. Is the hon. member for Burnaby-Richmond-Delta rising on a point of order?

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—REQUEST FOR TABLING OF REPORT ON LANCASTER EXPROPRIATION

Mr. John Reynolds (Burnaby-Richmond-Delta): On a point of order, Mr. Speaker, the Minister of Public Works yesterday said that he would be tabling the report on the Lancaster expropriation hearings at Vancouver. I am wondering when he is going to table that report?

Mr. Speaker: Order, please. If the House ever arrives at the position at which points of order serve as a means of asking additional questions, as a few hon. members have been doing today, I think we will reach a difficult situation. The hon. member's point clearly is not a point of order. However, I certainly do not want to be difficult. If

there is consent, the minister may reply to the hon. member's question.

Some hon. Members: Agreed.

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, a quick reply is, tomorrow.

GOVERNMENT ORDERS

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

The House resumed, from Monday, January 29, 1973, consideration of the motion of Mr. Allmand that Bill C-2, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. David MacDonald (Egmont): Mr. Speaker, in rising on the third day of the present debate, I repeat the concern of many hon. members who think that we should not take so much of the time of the House in discussing this matter, particularly when there are important pending questions involving economic, social and welfare fields with which we must be deal. The government has not seen fit to bring these matters forward at the earliest possible moment. I hope there might be some disposition, perhaps later this day, to extend the sitting time on this debate in order that we might wind up the second reading stage and get on with other important matters that we have indicated previously we should like to see dealt with as a matter of priority.

One of the difficulties in this third series of debates in recent years on the question of capital punishment stems from the fact that the basis for debate has shifted to a substantial degree. I suggest we are no longer debating so much the abolition or partial abolition of capital punishment as the question of restoring capital punishment. Perhaps the distinction seems subtle. On reading the speeches made in the past two days of debate, one will note the suggestion implicitly or explicitly, that capital punishment to all intents and purposes has been abolished in this country. Factually that may be correct, although the statute providing for the death penalty is still in existence. If this bill passes, the death penalty will be retained for certain offences. However, I submit that the practice of the government over the past ten years has made it virtually impossible, except in very unusual circumstances, for capital punishment to be restored.

Personally, I am most disappointed at being forced once more to debate the question of partial abolition. As I said last night, this position satisfies no one. I believe we would be on much stronger ground if the Solicitor General (Mr. Allmand) had brought forward a straightforward measure asking for the total abolition of capital punishment. I think in that way we might have brought some legislative

resolution to this problem which would be more satisfactory than the solution we are likely to arrive at after the present series of debates has finished. Presumably, this question is to be studied in committee. I do not think that in this sort of debate we can really come to the heart of the problem.

In arguing for an extension of the present situation the Solicitor General suggested that, primarily, we do not have enough information. That argument has often been made in other cases and could be made in the present case. I think it will always be made. Certainly, in the next 10 or 20 years, or in the foreseeable future, there will not be available to us that kind of factual and convincing information that will convince all members of this House and of the general public that capital punishment either should or should not be abolished. The consideration of this question involves too many subjective elements. I do not think that Statistics Canada or the occasional social scientist can provide us with the kind of factual information that will clear away those doubts. We must accept this situation when considering capital punishment and remember that, certainly according to present practice, capital punishment has been abolished in this country. What we are really trying to do is formulate a law that will agree with the present practice.

From time to time people have questioned the government's right, legally or morally, to continue the practice of commuting death sentences. Not many doubt seriously that this activity will continue, or that it should. I presume that some segment of public opinion will argue that we should bring back the death penalty and give it effect. I hope in a few minutes to deal with the underlying causes for those requests for the return of capital punishment. I do not think such requests relate to increases in the murder rate. They reflect more a sense of apprehension, a sense of fear, if you like, and the knowledge, as one hon. member said last night, that the increasing wave of crime must be dealt with.

What are we talking about when we talk about this increasing wave of crime? No one has been specific. Are people talking about the rapidly rising cost of meat available at supermarkets? Are they talking of Bell Telephone's application for an increase in telephone rates, or about landlords who gouge tenants with rapidly rising rents? Or, are they talking about corporate welfare bums, to use the slogan the NDP leader used in his campaign, and their contribution to some unspecified kind of bureaucratic crime? Nobody has been specific as to what is meant by this wave of crime and wave of permissiveness that has engulfed society.

I feel that the question of capital punishment can be studied in an enlightened manner. There are areas of crime, too, which can be studied. Those areas are not to be mentioned facetiously, in the way I mentioned other so-called areas just now. For example, we know that during the past few years each and every year 5,000 Canadians have been killed on our highways. Over half these people have been killed directly or indirectly as a result of drunken driving. Drunk drivers are those who have reached the state of intoxication in which they cannot control their vehicle. These drunken drivers have driven on the high-

way and killed themselves or other innocent drivers or passengers who happened to be on those highways.

Yet, Mr. Speaker, to the best of my knowledge not one Canadian has ever been executed because he has been convicted on a murder charge arising out of drunken driving. Indeed, not only have we not executed any of these people who have killed their fellow citizens while under the influence of alcohol but many of them, after very moderate penalties, have gone on to drive and drink again. If we are concerned about the incidence of situations of this kind when thousands of our fellow citizens are being killed and maimed annually, maybe we should use the very obvious deterrent values some people argue for in connection with capital punishment to deal directly with a very real problem, that of the increase in deaths on the highways directly or indirectly caused by the abuse of alcohol.

• (1530)

Of course no one has seriously argued for that in this chamber, nor is anyone likely to do so.

An hon. Member: You are the first one, David.

Mr. MacDonald (Egmont): I am the first one, as my colleague suggests, and I am not really suggesting it, Mr. Speaker, because I do not think it would be acceptable in any way, shape or form to the general public, nor would it be workable in any court of law.

There are a lot of things in terms of the wave of crime and the general permissiveness of society that have not been thoroughly looked at or analysed. If we are concerned about the increasing amount of violence in society, let us look at the roots of violence itself. Anyone who has spent any amount of time working with people who have run afoul of the law, whether in our courts or penitentiaries, has come away with the feeling that he has encountered a very sorry group of people. In most cases, these people come from homes that are almost non-existent or, to the extent that they are existent, are a very harmful influence on the individual. They come from backgrounds that would be recognized as producing these people who are emotionally, physically and socially deprived.

In our penitentiaries we are dealing with individuals who have not been able to cope with society for one reason or another, and who have often become distraught and desperate individuals. Perhaps nowhere is this more clear than in the latest preoccupation of our society with the very difficult offence of skyjacking. We are now beginning to get some clear feedback on the people involved in skyjacking activities. It is interesting to contemplate how our society is going to deal with people who hijack aircraft and take both planes and passengers on desperate journeys that indeed may end in death both for the skyjackers and some of the passengers. We are now finding that these people are the very last people in the world against whom we should consider invoking the death penalty, not because, as somebody might rush to suggest, they do not deserve it but simply because it would not be in the best interests of solving the very problem we are trying to resolve.

Here I quote a Dallas pyschiatrist, David Hubbard, who perhaps has examined, more exhaustively than any other doctor, the individual make-up of skyjackers. In a recent interview on the CTV television network he said:

—one of the common threats of skyjackers as a group is their interest in suicide, only they don't want to shoot themselves; they want to manoeuvre society into the position where society will kill them. Then, they are not guilty of the sin of suicide, and they can go ahead and rise to heaven. So we give them a death, offer them the image, at any rate, of a death penalty.

What Dr. Hubbard is suggesting is that by instituting the suggestion of using the death penalty we, in effect, make it more difficult for us to deal with these often insane individuals. They are one example, one extreme group, of people with whom we are trying to deal in tackling the growing wave of crime.

How are we going to deal with people who are suffering internal, and often external persecution, who have become disoriented from society, filled with hostility and hate, and acting out of emotional passion that bears no relationship to their true status in society and to society's recognition of them? The escape of capital punishment, that they expect, will not in any way deter them. For them, it will almost be a release.

As I said a few minutes ago, Mr. Speaker, statistically speaking there is no final answer. In New Zealand, which is an interesting analogy for us in Canada, the death penalty was abolished just prior to World War II. Shortly thereafter the murder rate began to increase sharply. It peaked in the 1940's, and then decreased. A careful review of world statistics will show that the increase in the murder rate in New Zealand was commensurate with the general increase throughout the world, and that Canada's murder rate paralleled that of our sister dominion, New Zealand. It is, therefore, not by statistics that we will make any final decision on this question, but rather by trying to root out the causes for increased crime, increased lawlessness, and the growing evidence of harmful permissiveness in our society.

I detect as well the influence of the media in exposing us, not just on a daily but on an hourly basis, to crimes of base violence. I am not attributing any blame or sensationalism to the media, although perhaps that should be looked at in some more exhaustive context. But it is obvious when some bizarre act of violence occurs, such as took place recently in New Orleans, or some other sadistic act occurs, we have the facilities to see it now almost as it happens, in living colour, in our own homes. And when one is exposed to an event of this nature, although it may be happening 4,000 miles away in a city of one million, two million or 10 million people, and one sees it in one's living room, one may well think that it might be happening down the street on which we live, even though the most violent thing that happened to one on that street in the last ten years was to be hit on the back of the head with a snowball. Because we are so exposed to the mass media, we have to develop a new sense of sophistication, a new sense of detachment, particularly when we are exposed, in living colour, to the latest violent events that occur. If we do not develop that kind of tolerance and sophistication we may become almost crazed in our response.

If we are going to deal with the real roots and causes of violence, and with the real violence that exists in our society, we must be concerned with the over-all impact of violence rather than just the occasional but more limited

question of whether or not capital punishment, in terms of those who commit capital crimes, should apply. I think if we look at that question to any great degree we will have to come to the firm conclusion that we have not very effectively provided protection for society or rehabilitation for the offenders.

It is a shocking statistic that more than two-thirds of the people presently serving time in federal institutions, at great expense to the taxpayers, after their release will shortly commit further crimes and serve more time in those institutions. That is not good enough. It is not good enough in terms of society's protection, and it is not good enough in terms of the rehabilitation of the individual. Even on a very narrow basis, it is not good enough in terms of the millions of dollars spent annually to maintain those institutions. The difficulty has been that every reform and every change has occurred without sufficient understanding by or sufficient explanation to, the general public, and without those explanations and understandings it has been most difficult for society to understand and to accept possible improvements in our whole penal service.

Before us today, in addition to this partial abolition, there is the suggestion that we should think seriously about imposing a mandatory sentence of something like 25 years, and that no person convicted of the crimes suggested in Bill C-2 would be released before the end of that time. For the life of me, I cannot understand why that suggestion has any particular merit. Presumably the appeal in it is that there are people being released after such offences, and before 25 years have passed, who should not be released. To the extent that that is happening, Mr. Speaker, we must reject it. Indeed, we have to look at a situation in which no individual can be released into society without the likelihood of him being a responsible and law-abiding citizen. It is not just a question of a 25 year sentence because that may, in fact, be counterproductive. I think many officials who work with prisoners will tell you that in the life span of most men who spend time in institutions, there are times when they may be capable of being reformed and other times when they are not. To fix some kind of arbitrary figure would seem to me to destroy the very basis upon which, hopefully, our whole penal system is built.

• (1540)

I have on the order paper now a notice of motion, No. 27, which I would like the Solicitor General (Mr. Allmand) and the government to consider very seriously. I should like the minister to indicate at some point whether this particular notice of motion, or one similar to it, might be acted upon in this session of parliament. My motion reads as follows:

> That, in the opinion of this House, the government should introduce a measure to establish a parliamentary committee to investigate all aspects of crime and its treatment in Canada, which should have specific terms of reference to closely examine (a) the subject of crime prevention and the work of the correctional consultation centre of the Solicitor General's department (b) the subject of punishment—its deterrent value and relevance to the rehabilitative process—with particular attention to capital punishment, by collecting factual information and holding public hearings (c) the correctional process, including the penitentiary and parole systems.

My purpose in suggesting this motion is that I think a fundamental requirement in dealing with the issue we are debating today, and the underlying questions related to it in terms of crime and punishment, is that we should have a well-educated public and a well informed House of Commons. I think the danger is that most of us tend to react to particularly violent events or perhaps news stories of one kind or another or, perhaps even more damaging, public opinion polls which really have little basis in fact.

Some people have already quoted the recent *Weekend* magazine poll. What value can a poll have when it sets out its case by showing a picture of a large noose with a ballot in the centre saying, "Which way will you vote?" I presume that poll was conducted everywhere except federal institutions but regardless of where it was conducted, out of subscribers numbering over two million, about 30,000 responded. I would not regard that response either as a fair sampling of public opinion or of the question being put.

I say, too, that the public has not been well informed from this point of view. There has grown a very large gulf between the leadership of known institutions, such as the various religious bodies, and those members of the general public who belong to the various churches. I have here a statement made by the Canadian Catholic Conference, the administrative body of the Roman Catholic church in Canada which reads in part:

> We consider it an illegitimate use of the Bible, especially the Old Testament, to quote texts in order to argue, in our time, for the retention of the death penalty. Each biblical text supporting the death penalty must be studied in the light of its historical context, and not simply applied to present day Canada.

It goes on:

> The question of the death penalty, in our opinion, ought not to focus on whether a convicted murderer, no matter how wanton, deserves to die. The focus should be on us: Should Canadians, as a community, try to break the escalating spiral of violence by refraining from violence even as a deterrent?

Mr. Speaker, I support the strong stand of the Canadian Catholic Conference and the other motions which have come from other major church bodies in this country urging that we totally abolish capital punishment. I would say that they also have a role to play in talking to their constituents, in exploring at greater length the underlying causes of this growing violence and the extent to which there may be indications of the real causes as well as the extent to which we are pursuing problems rather than solutions. It is important that we have committees similar to the ones I have outlined here. It is possible, when this bill gets into committee, that we will have the opportunity to examine other questions beyond the narrow one of the bill that the minister has introduced.

For my part, I would be strongly inclined, either at committee or report stage, to move an amendment to totally abolish capital punishment. I think we need to put that question to the test in the House now. I think it is becoming very farcical that we must come back here on a regular basis to partially abolish something that we had abolished over a decade ago.

Capital Punishment

[*Translation*]

Mr. Gaston Clermont (Gatineau): Mr. Speaker, the highly controversial subject of the bill has been thoroughly and strongly discussed, and those who have dealt with it expressed contradictory opinions.

When this bill and its amendments will be put to the vote, each hon. member will have to assume his responsibilities as this will be a free vote even if there are some who maintain that is not so.

First, it is important to place the debate in its general present-day setting. We must at any cost break away from old and outdated notions of capital punishment, and resolutely place ourselves in the perspectives throwing light on the problem as it appears to us now.

It is imperative first to relinquish the old principles of retaliation, of payment of evil by evil, of retributive punishment. Ideas, morals as well as the need of the criminal policy have progressed with time.

It is therefore with a spirit adapted to the circumstances of our era that we should deal with the problem.

Therefore, it is not pointless to say that Canadian criminal law has achieved a great deal of progress in this matter. Should we not point out the effects of the 1961 legislation in this field? Capital punishment has since been abolished in the case of several kinds of murder. It remains applicable for capital murder. Even then the jury may, if they deem it justifiable, recommend clemency or pity. Furthermore, the 1961 act calls for an automatic review of cases by an appeal tribunal, especially in matters of law, proper proceedings and facts, and entitles the convicted person to appeal to the Supreme Court. Whether the murderer is rich or poor, his case can be brought before the highest court in the land without prior authorization.

Finally, no one under the age of 18 can be sentenced to death since 1961. It may be said that Canadian criminal law has been humanized in this field and that in practice capital punishment is meted out only for especially despicable crimes. As a result, the number of death sentences has decreased considerably since 1961. On looking over statistics given by the Department of Justice in the booklet on capital punishment, it may be seen that from 1961 to 1965, 34 persons were sentenced to death by Canadian courts which is an average of seven annually. From 1968 to 1972, six individuals were sentenced to death as a result of a five-year suspension of death penalty, except for the murder of police officers or prison guards.

• (1550)

Between 1920 and 1959, the average varied between 18 and 15.5 per year, while the Canadian population was less than at present.

In addition, as it can be noted, I only mentioned the convictions and not the executions, the number of which was still lower. As evidence, from 1962 to this day, there has been no execution.

This parenthesis on statistics enables us to conclude that today the death penalty is only imposed in Canada in unusual circumstances. We must therefore discuss the matter in realistic terms.

[Mr. MacDonald (Egmont).]

Surely the concept and finality of the death penalty has been altered. It is no longer a matter of punishing the criminal without regard for his rehabilitation, solely to serve as a terrifying example to his fellow-citizens. No matter how much opinions may vary on capital punishment, we all agree that whenever possible the delinquent must cease to be a menace to society through reform and not through his elimination, pure and simple. Whenever circumstances allow, the criminal must be reeducated and returned to society as a sociable member capable of coping with it, of being useful to it.

This having been said, the fact remains that some criminals cannot be changed, rehabilitated nor recuperated socially; they will always be a danger to the community.

It is from this point of view of real danger, of real necessity, that we must envisage capital punishment, that is, a radical end to the threat the criminal represents.

In this day and age, capital punishment must no longer be considered as the "supreme vengeance", but as a means of defence, an extreme means of protecting society. This then becomes a problem of "social protection" through the prevention of crime and, if need be, through the elimination of beings that are essentially antisocial and a constant menace to their fellow human beings.

Those who favour the abolition of the death penalty invoke many arguments, but I shall consider only a few.

First of all, some abolitionists claim that the state does not have the right to remove a citizen's life. Of course, this debate deals not only with the political concepts one may have about the state, but also with everyone's religious concepts.

Without going into a philosophical debate, let us say that in Canada nothing deprives the federal government of that power. According to the Constitution, criminal law falls within federal jurisdiction and, according to British North America Act section 91, parliament has the required authority to make laws for the peace, order and good government of Canada.

Thus, the government not only has the power but also the duty to see to publish welfare and to this end it should take all necessary steps to ensure the security of all citizens and to protect the life of innocent people.

A study of the problem in the context of the protection of society and the defence of the community shows that it is hardly possible to contest the state's right to definite elimination of dangerous individuals who are beyond rehabilitation.

In the case of some particularly heinous criminal, is it not the duty of the state to take all steps—the most radical, if required—to protect the rest of society and particularly the personnel of prisons and the other inmates? It is to spare the lives of penitentiary staff, of citizens in general and perhaps of certain members of the community, for instance, in case the criminal should escape, that the state must, in certain circumstances, eliminate an individual who is a constant menace to society.

Is it not this very duty of the state to protect public welfare, the security of the country, which leads to the outbreak of some wars?

How can we deny the state the right to take the life of a dangerous criminal while it has the right to demand of its citizens any sacrifice required for the survival of the community and the defence of the country?

The state can force soldiers to expose their lives to save their country. But why could it not resort to capital punishment in the same interest?

The duty to inflict death in certain cases does not run counter to morals anymore than the necessity to kill in times of war or in cases of self-defence. As a matter of fact, it is the self-defence of society and the protection of its components.

Second, Mr. Speaker, some abolitionists believe that capital punishment does not deter anybody from committing crime or has a weak effect of deterrence and that life imprisonment is as efficient.

In our society, Mr. Speaker, people feel differently as to whether capital punishment deters murderers. I do not think one can resort to statistics to support one's thesis whether for or against.

Statistics are subject to various interpretations; they are dubious. It is almost impossible to set a useful comparison between countries because of the differences in the legal definitions of crimes, practices of the public department and courts, methods used to gather crime statistics, moral and behavioural standards and, finally, political, economic and social conditions.

Those are data which cannot be assessed validly. Certainly, a rigid application of the death penalty does not prevent the commission of premeditated murders. The authors rely on their cunning to avoid either the police or being condemned due to a lack of sufficient evidence.

This is why, Mr. Speaker, they take so many precautions not to be uncovered. Caught in the act they kill the policemen trying to apprehend them. In the case of criminal procedures they do not hesitate to assassinate witnesses who would have them condemned. This shows that they are frightened by the idea of capital punishment. In fact, all penalties are exemplary. If we do not leave our cars along a curb where parking is prohibited it is because we are afraid of being ticketed. If the object of all penalties is to deter the delinquent—and they succeed to a large extent—by what miracle could the death penalty, which is the most rigorous of all, fail its purpose?

Perhaps it is difficult to establish the relationship between capital punishment and criminality; however, the idea of this extreme penalty remains certainly narrowly tied to certain savage and horrible crimes. This notion of the seriousness of the penalty has doubtless remained rooted in minds for generations and common sense tells us that no other risk than that of losing one's life could deter man from the criminal intent of committing murder.

Furthermore, the Joint Committee of the Senate and House of Commons on Capital Punishment stated in its report of 1956, and I quote:

> They considered that it was particularly effective in deterring professional criminals from carrying weapons and committing crimes of violence. In addition, it was contended that abolition would endanger police because a criminal seeking to avoid arrest would have much less fear of the consequences of the use of firearms or violence.

No doubt you will be told that it did not prevent police assassination, it happened recently in Toronto. But, in fact, the death penalty has not existed in Canada since 1962, the year the last death sentences were carried out.

My third argument relates to the execution of an innocent resulting from a judicial error which could entail capital punishment. The probability exists but it is far-remote and questionable. One cannot speak of conclusive cases, for it does not suffice to accuse oneself of a crime for which another person has been punished to conclude that the latter is innocent.

• (1600)

This was seen in Quebec with the Coffin case. If Simpson had died by assassination or by accident before retracting his confession we know how the abolitionists would have used this. Nobody would have dared express the slightest doubts on Coffin's innocence. In spite of this retractation are there not people who keep on believing in his innocence?

In connection with an eventual error this is what the Joint Committee of the Senate and the House of Commons on capital punishment had to day on June 27, 1956 as recorded at section 60 page 60 of the white paper on capital punishment, and I quote:

> Considerable emphasis was put on the risk of irrevocable error in capital convictions. The fact that there was no known Canadian instance of the execution of an innocent person indicated the effectiveness of present procedures by way of trial and executive review and this suggests that the risk of error does not present a reasonable argument for abolition in Canada.

Even when the right hon. member for Prince Albert (Mr. Diefenbaker) pointed out in 1966 that judicial errors did happen he mentioned the United States and England but not one case in Canada.

The alleged error can only take place in the accomplishment, by society, of a duty strongly demanded by the common good. Since this duty cannot be accomplished by individuals or social groups, there is no other choice for the public authority. I think law enforcement in Canada, as far as murder is concerned, does have the necessary safeguards for preventing an innocent from being put to death.

If this bill is passed by Parliament this will mean that we would extend for five years the law which was in force from December 29, 1967 to December 29, 1972. Several reasons are raised and, among others, that a longer period would provide further statistics.

Mr. Speaker, while I recognize that many people would like to see capital punishment abolished for ever, a greater number still are ready to accept it. This, of course stands from the aversion of the public for murder, "the crime of crimes". Traditionally the public has always associated capital punishment with this particular form of crime.

The abolition of any punishment held to be fair, efficient preventive, can only be recommended where it is clearly demonstrated that in the opinion of the ordinary citizen the punishment has not been really operative. Experience has shown that the abolition of capital punishment, at the time when the public at large is firmly in

favour of it, can create confusion and doubt with ensuing harmful repercussions on the administration of justice.

Mr. Speaker, at a time when the state has so much to do in its fight against crime, the accent should be put on protecting society rather than the criminal. There are reasons to believe that capital punishment can be a deterrent factor against armed robbery, and to abolish it at this time could only be interpreted by the masses of law breakers as a signal to engage in other criminal acts.

So, Mr. Speaker, for all the reasons I have stated, on second reading I will vote against Bill C-2, an Act to amend the Criminal Code, with regards to capital punishment, and vote for maintaining the law as it now stands.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, had it not been for the fact that the debate is to be continued for some time I would not have addressed the House on this subject having done so on two previous occasions.

I do not intend to repeat the arguments I raised in the two debates of 1966 and 1971. But I intend to place before the House the views of one who has had some experience with capital cases, not only from the point of view of the defence in court but also as prime minister—one who has had the ultimate responsibility, when a sentence of death has to be carried out, for signing the death warrant. Nothing gave me greater remorse than having to do this, and take the life of a fellow human being. That experience, I can tell hon. members this afternoon, equals the awfulness of having acted for an accused who was totally innocent, who was found guilty by a jury with a recommendation to mercy, and who was denied that mercy by the governor in council.

I do not know in how many cases I appeared for the defence but in writing down a list this morning, I arrived at 17 names from my recollection. Two of my clients went to the gallows; the others were acquitted. One of those individuals had his own views as to how the case should be conducted. I made it a point never to put the accused on the stand in murder cases because jurors did not hold it against an accused if he did not give evidence. Indeed, it was not until about 1900 that an accused in a murder case could take the stand and give evidence. I found that in cross-examination one could bring out the necessary facts upon which to build a defence, and I also ascertained by personal experience that when the death penalty was known to be the one to be exacted, jurors were very slow to convict. If there were any extenuating circumstances at all, the jury invariably found the accused not guilty. When there was any doubt at all, even doubt which had been conjured up, jurors tended to acquit.

This has been the history of capital cases for 300 years. When in earlier days not only were some offenders hung, but others were drawn and quartered, and others were disembowelled while they still lived, having been hanging for five or ten minutes, and allowed to see their bowels consumed by fire. Jurors would not convict. The result was that whereas in about 1800 there were some 200 different varieties of cases in which the death penalty could be imposed, with the passing years, jurors, representing the conscience of their nation invariably refused to convict.

I do not want to be repetitious but I told this story several years ago about a great grandfather of mine in York County. In the early 19th century executions were carried out in public. A lad of 17 was to be hung. The awful offence he had committed was pickpocketing. This was only 135 years ago. On the appointed day they gathered from all over the countryside. It was a day of celebration. Whisky was 90 cents a gallon. Everyone had a happy time. The lad mounted the gallows and following the custom made a speech to the assembled multitude pointing out that the wages of sin are death. And while he was awaiting execution, and while the execution was being proceeded with, four of the onlookers had their pockets picked. This gives one some idea of the deterrent value of capital punishment!

While I have not heard all the speeches made in this debate, I have been much impressed by the quality of those which have come to my notice. I must say to the Solicitor General (Mr. Allmand) that since he assumed office as Solicitor General I have a great deal more hope that his department will be well-administered. I think his speech was one which deserved the widest circulation. It was the clear expression of a viewpoint which deserves the fullest consideration.

• (1610)

What I intend to do is simply to discuss some of the aspects of capital punishment and then place before this House the unusual anomaly, as I see it, created in consequence of the judgment of the Supreme Court of the United States in the Furman case. Their bill of rights having the same wording as the Canadian Bill of Rights, the judgment of that court will certainly receive serious consideration when the Canadian Bill of Rights is subject to interpretation on the question of murder, whether it be soon or later.

Last night I was thinking over this matter and decided to send a request this morning for the judgments of the United States Supreme Court. How many hon. members have actually studied those judgments? There has been a casual reference to them. I find, however, since the book containing the judgments is in the Library, that I am the first person to examine them. I will return to this in a moment because I think the judgment of that court has brought about, as a result of the arguments mobilized by the five judges, a state of mind among those in the judiciary and at the bar which may result in Canada putting an end to capital punishment.

I told the House a moment ago that there is nothing more trying for a Prime Minister than to sign the warrant of death. It worried me. It was my signature that sent the last two to the gallows in December of 1962. We in the cabinet at that time followed the course of examining in detail the evidence in the case as well as the recommendations not only of the Solicitor General but of the law officers of the Crown. Almost the first day after I became Prime Minister a capital punishment case came before the cabinet with a recommendation for mercy attached. The law officers said, as did the judge, that the sentence should be carried out. I made myself perfectly clear that I

felt that as long as I sat in the cabinet a recommendation for mercy would receive the full consideration and support of the cabinet in so far as determining whether or not there were extenuating circumstances.

On the other hand, Mr. Speaker, when the evidence was clear the law was carried out. If the law is wrong it must be changed by parliament, not by a cabinet.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: If you were to ask me why I felt so strongly about recommendations for mercy, I would say that, speaking from memory, I think there were 38 convictions with recommendations for mercy between 1930 and 1957 which were followed by execution.

Why was there a recommendation? In those days the jury was not allowed to know that they could make a recommendation for mercy. It meant that there was division. Finally, as the jury deliberated, the decision was arrived at in this way: "Well, I will go with you on a verdict of guilty provided you join a recommendation for mercy".

Let me go back to 1885 and the trial of Louis Riel. I have read all of the evidence in that case. Louis Riel appeared to have a perfect defence, that of being not guilty by reason of insanity. He had the best lawyers who could be procured for the defence, Lemieux and Greenshields, both of whom afterwards became chief justices in the province of Quebec. He received a recommendation for mercy.

I have often wondered how different the history of our country would have been if the decision made by the cabinet that I had the honour to be Prime Minister of had been carried out in his case. He carried an appeal forward to the Privy Council and it was based on whether or not stipendiary magistrate Richardson had properly charged the jury on the M'Naghten rules. The Privy Council held that it was a proper charge.

I mention that in passing, but I begin with the proposition: no execution where there is a recommendation for mercy. If it were otherwise, juries would say that they conclude there is no purpose in recommending mercy and, regardless of the evidence, if there were any doubt they would acquit. That is all very fine when you are appearing for the defence, but I am not saying that it always leads to justice, even though I was one who always endeavoured to defend those who were innocent.

Let me tell the House about one of the greatest lawyers for the defence that Britain ever produced, Sir Norman Birkett. My hon. friend from Toronto who spoke yesterday was present on the occasion when I introduced Sir Norman Birkett, who afterwards became Lord Chief Justice. He had a tremendous personality. In introducing him I went a little farther than I should and said that he was the greatest defender of murderers in all British history. He resented that; he said it was a frightful statement to make. He defended 49 people who had been charged with murder and none had been convicted. he was not quite right; he had forgotten the first one.

There is no equality among individuals who are charged with murder. For example, you do not hear of many wealthy men going to the gallows. The hon. member for Egmont (Mr. MacDonald) made some mention this afternoon of social background and the like. I had my own feelings about this at the bar. Although only five per cent of my practice dealt with criminal cases, I made a rule early on that however poor a person was, in the British tradition I would defend him and go through to the Supreme Court if necessary, regardless of fee. That is the only way that justice can be assured. Because if justice has to be bought by securing outstanding counsel, then one of the most serious elements in capital punishment will have been achieved, namely that it is much easier for a wealthy man to go through an open gate than it is for a poor man.

• (1620)

May I mention another matter, Mr. Speaker? This is a free vote, but what does that mean? It means that each one of us according to his or her conscience will determine the course. But there is something wrong with this so-called debate, for the first principle is that the Cabinet shall say what it believes on a free vote. That is a prerequisite. Who speaks for the government over there?

Oh, no! The hon. gentleman points to the Solicitor General (Mr. Allmand). He speaks for himself but not for the entire cabinet, unless the hon. gentleman is able to tell me that what the Solicitor General says represents the viewpoint of the Cabinet and the Cabinet will vote as the Solicitor General votes. Have I that assurance? The answer is silence from the gentleman.

I say that the constitutional principle is that the government must state its view. Let me quote from what happened in the United Kingdom in 1956 when the then Lord Chancellor, Lord Kilmuir, stated:

> Her Majesty's Government are clearly and unequivocally of the view that capital punishment must be retained. I endorse fully today what my right hon. and gallant friend the Home Secretary has said in another place about the dangers of this bill. However, I have said that this will be a free vote and I do not withdraw from that statement in any way. The government do not expect or wish that any noble lord should speak or vote against this bill out of a sense of loyalty to the government and least of all from party feeling. At the same time no government with any sense of responsibility could abstain from expressing their view on such an important matter.

We do not have that. Where are they and where do they stand? What is their view? Whatever their stand is they should stand together. That is the principle of constitutional government. Why is that not being followed?

My next point is this. An hon. member asked me a few moments ago in private conversation whether I believed that a member should vote regardless of any consideration other than his conscience, and my answer was no. Some hon. members say they are going to vote for this bill to retain a form of selective capital punishment although they, in their hearts, believe it is wrong. Surely, mankind had an example of that with Pontius Pilate. How can you take a stand in your heart in favour of something and then vote the other way? On a free vote everyone should let his conscience be his guide. I used to say to juries: In the panoply of this place, surrounded by something entirely new to you, I do not want you to agree with the view I express because I am prejudiced in favour of the accused. I am not on the jury and my learned friend the Crown prosecutor is not on the jury either. Then, I would

always say: His Lordship is not on the jury either. There are not 13 members of the jury. Some judges did not like that.

Each one of you in this House has the conscientious responsibility of voting according to your conscience and for no other reason. Somebody will say that his constituents feel otherwise. I have never been able to find out what my constituents thought, except in a general way. I know that even the government was fooled on October 30. Whenever I have taken a stand that my constituents did not believe in, they never held it against me. Constituents have never held this against any other member that I know of, providing the stand being taken was a conscientious one.

Some members are in a quandary to know what to do because they have had petitions. I do not know whether you have had anything to do with petitions, but I suggest you can get people to sign anything. One of the finest examples of this took place in Madison, Wisconsin, about 15 years ago when members of a university decided they would find out what form of petition they could get signed. They put in the petition that they opposed everything in the Bill of Rights including "a", "b", "c", "d", and "e", and they got 3,000 signers on streets. People will sign any kind of petition.

Do you vote according to a petition? I am not going to repeat what has already been said, but the greatest lesson was ever given on parliamentary government and what members should do was given in that famous speech of 1774 by Edmund Burke. I will quote only a few lines, but it is well worth sending to the library to get the whole thing. He said:

> Certainly, gentlemen, it ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence, and the more unreserved communication with his constituents. Their wishes ought to have great weight with him; their opinion high respect; their business unremitted attention.

He went on to state:

> But his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you—to any man, or to any set of men living.

That is the essence of being a Member of Parliament. The electors do not send Members of Parliament here to be delegates. They do not send them here for the purpose of being automatons. They send them here as Members of Parliament because they believe in general that the individual in question is of mature judgment and able to form appropriate conclusions.

One Prime Minister was once asked what his idea of leadership was, and he said that if you compare the electorate to sheep and there are two gates in the corral and you want them to go out one gate but they do not go that way but go through the other gate, you get ahead of them because you are their leader. That is not the kind of representation that makes for good parliament or the great institution of parliament. I am not going to labour that any further.

Why is there this feeling among people concerning the high degree of law breaking in this nation, in the United States and in the United Kingdom? Why is it that in 1970 the number of criminal offences in Canada amounted to 1,103,504 and with a population of 22 million in 1971 it amounted to 1,186,252? In other words, about 5 per cent of the Canadian population has been committing offences, not against the vehicles act, federal statutes, other than the criminal code, or against provincial laws, but actual criminal offences. Why is there this permissiveness? Is there any danger today for a person committing a crime in this country?

• (1630)

It was my government that set up the parole board and I should be the last to criticize any of its activities. But, Sir, the parole board ought not to be a freedom board for individuals who have been convicted of serious offences.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The hon. member for Calgary North (Mr. Woolliams) yesterday evening mentioned the case of a kidnapper in Calgary. He was sentenced for the offence. Within a few months he was out, according to the hon. member's information, for five days a week attending university. He spent two nights a week in custody and five days a week in university. That kind of education ought not to be continued in this country. Let me also give you the example of the five Toronto men who, on November 8, 1969, were given sentences of between 10 and 15 years for the $200,000 ransom kidnapping of Mrs. Nelles of Toronto. All pleaded guilty, except the policeman who was sentenced subsequently. The sentences were 10 years, 10 years, 12 years, 12 years, 12 years, and 15 years. How long did those men stay in prison? They were there just long enough to understand where they could hang their hats in their respective cells. They are all out. The time served by two of them was 20 months, and two years by the others.

Some hon. Members: Shame!

Mr. Diefenbaker: No wonder kidnapping has become a favourite sport.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: As for the ringleader, he received 15 years. He was, given seven temporary leaves, totalling 42 days that began on January 16, 1971, after he had served 13 months. I am informed that as of January 3, 1972, he has worked at a ski resort, spending one night a week in custody.

An hon. Member: He does not want to leave.

Mr. Diefenbaker: Never was crime more highly honoured. I could give other examples, but I must get on with what I have to say.

It is said that when a person is executed his execution acts as a deterrent. Well, why not hang people in public? Let the people join in and see. The form of execution has changed over the years. In Anglo-Saxon England, the punishment was boiling in oil. They changed that because oil was too costly. Hanging was introduced. Women were drowned because if they were hanged they would indecently expose their feet. Somebody mentioned the other day that William the Conqueror was the first abolitionist, and he was. He was opposed to the death penalty; he did not believe in it. He substituted mutilation of prisoners

and the cutting off of arms, legs, and ears. He said as long as the trunk remains the individual would be alive as a witness to his crimes. Coming down to more recent times, in the reign of Henry VIII, 72,000 were hanged for theft. Elizabeth I of beloved memory said, in the name of humanity a change must be made. You should not hang people in chains unless they are strangled beforehand and she quoted scripture to support that stand. Then, they burned people at the stake for the commonest offence. This went on in some parts until the nineteenth century.

How many of you realize that Canada is one of the few countries that actually had no capital punishment for a long period of time? In Upper and Lower Canada after the revolution of 1837, because of the frightening use of capital punishment for a period of 20 years, there was no exaction of the penalty; yet there was no material increase in murder. I will not go into the other fancy forms of punishment, such as branding. Two hundred offences for which one could be executed existed up to 1815. What I am leading to is this, sir: The time has passed by when the idea of vengeance any longer has any place in our society. By all means protect society; assure that security that each of us is entitled to, but do it in a way that will not cause death.

It is my opinion that the suggestion made by the hon. member for Saint-Denis (Mr. Prud'homme) and the hon. member for York West (Mr. Fleming) has merit and is worthy of consideration. Today, a man who commits murder knows that there is no danger of execution, no matter whom he kills. Even if he kills police officers, an offence for which we have retained the death penalty, he will be given a reprieve, no matter whether there is a recommendation for mercy or not. When the present legislation went before the House I opposed it on the basis that it calls for selective capital punishment. If a man goes to Government House and assassinates the Governor General, he is liable to be sentenced to life imprisonment. If in running away he fired a shot, not towards the police officer who is following him but ahead and the bullet ricochets off a plate on a tree and kills the policeman, he is guilty of capital murder. I opposed the system of selective condemnation for murder as an expedient that would not work, and it has not worked.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Those who bear the responsibility in large measure are ministers who, having induced parliament to accept this expedient, themselves failed to carry out the law which they asked should be enacted. When you do that there is a revolt in the hearts of the public. They ask, where are we going? There is crime on every hand, not only in this country, but in the United States and in the United Kingdom. What should we do? I think there should be safeguards. First and foremost, the individual who has committed crime should not be let out of prison until a reasonable portion of his term has been completed. Imagine letting people out after they have served 15 months for kidnapping. It is a wonder the authorities do not also give a bonus, a reward to that individual when he gets out.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: It is ridiculous, preposterous and the responsibility does not rest on this side of the House. What is being done denies respect for the law. I do not need to mention that great gentleman, Geoffroy. Now, there was a man. He killed his wife in a most brutal manner; but, not thinking she was going to die, he set her on fire. He did this in order to marry—no—in order to gain the love of a most attractive lady. Then, two years later he applied to the solicitor general, not the present minister but the former minister. He said, "You don't know how worried I am. I have two children and they need a mother. My father and mother are no longer able to look after them." Well, Mr. Speaker, the father was dead 20 years before, and the mother had also passed away earlier.

• (1640)

The Solicitor General's department said, "This is a touching situation." So they let Geoffroy out to get married, and he had as his witness one who was sentenced to two years for his participation in the Rivard case. Incidentally, he is practising law again. And away he went. That is the kind of thing that undermines the administration of justice.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: We have the recent example of Head in British Columbia. Incidentally, British Columbia has the highest murder rate, next to Alberta.

An hon. Member: A Tory province.

Mr. Diefenbaker: The hon. member for Calgary North (Mr. Woolliams) will look into that because he is an authority, a fine counsel with a distinguished record. I just mention the fact that those two provinces enjoy a particular record. This man Head committed the most abnormal offence against youngsters and was sentenced to penitentiary. He was a vicious person. But they let him out because, after all, we have got to display that heartfullness that seems characteristic today! Reform—yes, Mr. Speaker, but do not let dangerous criminals out to wander about. Now he has been convicted again.

I don't say I have changed. I have the same view I always had that the murderer, the person who commits premeditated murder, the sex murderer, the person who commits a murder while committing another crime must not be released for 20 years. Let the criminal element of Canada know that, and you won't have to worry about deterrence.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Some ask: should we ever let them out? I say yes, but there is no deterrence in knowing that you are out in a few years after a despicable murder.

The next argument you hear is that we must protect police officials and custodial officers. Well, professor Sellin has been quoted a number of times. He made a survey of a large number of states in the United States to ascertain whether the existence of the death penalty made any difference in the number of criminals prepared to use lethal weapons against the police. He took all the cities in the six abolitionist states, and the number of attacks was

1.2 fatal attacks per 100,000 of the population. In the 11 death penalty states the rate was 1.3 per 100,000. Statistics can prove anything.

Mr. Deputy Speaker: Order. I regret to interrupt the right hon. member but the time allotted to him has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: He may continue with unanimous consent of the House, and this has been given.

Mr. Diefenbaker: Now, I come to another phase. I don't know how many of you have studied the judgment in the Furman case, given by the Supreme court of the United States. It is a long judgment, and was rendered on June 29 last. The case before the Supreme Court involved three men, one who had committed a horrible murder, and two who had committed frightful rape. They appealed, and they contended that under the Bill of Rights of the United States the death penalty could no longer be imposed.

The Supreme Court judges heard the appeal, and the basis for quashing the sentence of death in each of the cases was the interpretation given by the majority of the court to the expression in the U.S. Bill of Rights which decrees that "cruel and unusual punishment" shall not be imposed. The wording in the American Bill of Rights is almost identical with that in the Canadian Bill of Rights. The Canadian Bill of Rights provides:

> Every law of Canada shall, unless it is expressly declared by an Act of the Parliament of Canada that it shall operate notwithstanding the *Canadian Bill of Rights*, be so construed and applied as not to abrogate, abridge or infringe or to authorize the abrogation, abridgment of infringement of any of the rights or freedoms herein recognized and declared, and in particular, no law of Canada shall be construed or applied so as to ... impose or authorize the imposition of cruel and unusual treatment or punishment—

At once the argument was raised in the Supreme Court that hanging, electrocution, or death in the gas chamber was a practice that had been followed for long years. The question was asked: how could it be a cruel and unusual punishment? I cannot read the judgments of the judges at length, but I ask hon. members to read them because they have a message for Canada. Mr. Justice White used these words:

> To arrive at the conclusion that the death penalty violates the Eighth Amendment—

That is the amendment to the U.S. constitution which states that cruel and unusual punishment shall not be imposed.

> —we have had to engage in a long and tedious journey. The amount of information which we have assembled and sorted is enormous. Yet, I firmly believe that we have not deviated in the slightest from the principles with which we began.

The next words are very significant because they apply to our country as well.

> At a time in our history when the streets of the nation's cities inspire fear and despair, rather than pride and hope, it is difficult to maintain objectivity and concern for our fellow citizens. But the measure of a country's greatness is its ability to maintain compassion in time of crisis. No nation in the recorded history of man has a greater tradition of revering justice and fair treatment for all its citizens in times of turmoil, confusion, and tension than ours. This is a country which stands tallest in troubled times, a country that clings to fundamental principles, cherishes its constitutional heritage, and rejects simple solutions that compromise the values which lie at the roots of our democratic system.

Naturally, I don't say that I accept that description of the United States. It is more in keeping with a description of the United Kingdom, the giver and the fountain of common law which today is part of the history of the United States. Then, there follow these words:

> In striking down capital punishment, this Court does not malign our system of government. On the contrary, it pays homage to it. Only in a free society could right triumph in difficult times, and could civilization record its magnificent advancement.
>
> In recognizing the humanity of our fellow beings, we pay ourselves the highest tribute. We achieve "a major milestone in the long road up from barbarism" and join the approximately 70 other jurisdictions in the world which celebrate their regard for civilization and humanity by shunning capital punishment.

• (1650)

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Mr. Speaker, there, in summary, is the position of the free world and our own nation today.

The same judge says, later:

> There is but one conclusion that can be drawn from all of this—i.e., the death penalty is an excessive and unnecessary punishment which violates the eighth amendment. The statistical evidence is not convincing beyond all doubt, but it is persuasive. It is not improper at this point to take judicial notice of the fact that for more than 200 years men have laboured to demonstrate that capital punishment serves no purpose that life imprisonment could not serve equally as well. And they have done so with great success. Little if any evidence has been adduced to prove the contrary. The point has now been reached at which deference to the legislatures is tantamount to abdication of our judicial roles as factfinders, judges, and ultimate arbiters of the constitution. We know that at some point the presumption of constitutionality accorded legislative acts gives way to a realistic assessment of those acts ... We have this evidence before us now. There is no rational basis for concluding that capital punishment is not excessive. It therefore violates the eighth amendment.

When I read that some members say the deterrent value is tremendous I wonder whether they have studied the report that was produced by the United Nations committee which was representative of all the nations of the United Nations at the time. That committee studied capital punishment and found as follows:

> ... it is generally agreed between the retentionists and abolitionists, whatever their opinions about the validity of comparative studies of deterrence, that the data which now exist show no correlation between the existence of capital punishment and lower rates of capital crime.

Now, what does Sellin say? The following is quoted in one of the judgments in this case:

> Sellin's statistics demonstrate that there is no correlation between the murder rate and the presence or absence of the capital sanction. He compares states that have similar characteristics and finds that irrespective of their position on capital punishment, they have similar murder rates. In the New England States, for example, there is no correlation between executions and homicide rates. The same is true for mid-western states and for all others studied. Both the United Nations and Great Britain have acknowledged the validity of Sellin's statistics.

This is a judge who served ten years in the criminal courts, and then as a judge particularly concerned with criminal malters. At another point in the judgment he said:

While the contrary position has been argued, it is my firm opinion that the death penalty is a more severe sanction than life imprisonment. Admittedly, there are some persons who would rather die than languish in prison for a lifetime. But, whether or not they should be able to choose death as an alternative is a far different question from that presented here—i.e., whether the state can impose death as a punishment. Death is irrevocable; life imprisonment is not. Death, of course, makes rehabilitation impossible; life imprisonment does not. In short, death has always been viewed as the ultimate sanction,

Another judge says:

. . . I can do no more than state a conclusion based on ten years of almost daily exposure to the facts and circumstances of hundreds and hundreds of federal and state criminal cases involving crimes for which death is the authorized penalty. That conclusion, as I have said, is that the death penalty is exacted with great infrequency even for the most atrocious crimes and that there is no meaningful basis for distinguishing the few cases in which it is imposed from the many cases in which it is not.

Then, Mr. Justice Marshall, one of the great jurists in the United States concurs, saying:

Candor compels me to confess that I am not oblivious to the fact that this is truly a case of life and death. Hanging in the balance are not only the lives of these three petitioners, but those of the almost 600 other condemned men and women in this country currently awaiting execution. While this fact cannot affect our ultimate decicision, it necessitates that the decision be free from any possibility of error.

Mr. Speaker, I could read further from this judgment but I see that private members' hour approaches. I have tried to place this matter before the House, but not in an emotional way. Our Bill of Rights, which I brought in, was ridiculed all over this country by lower court judges and some professors. Today, as a result of the Drybones case, it is superior to every law passed in this country since 1967. I spent a lifetime getting it and I spent another nine years being ridiculed until the Supreme Court of Canada spoke.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The wording of our Bill of Rights was put through the crucible of a committee of all parties which contributed greatly to its wording. We have the same wording in our Bill of Rights that the United States has in the eighth amendment to its Bill of Rights, namely, that there cannot be cruel and unusual punishment against anyone. While the Supreme Court of Canada is not in any way bound by the judgment of the Supreme Court of the United States, I should like to be the counsel who would argue the case there, having behind me the prestige, the power and the greatness of a decision by the United States Supreme Court.

I conclude, Sir, by suggesting that because of this judgment to which no reference has been made, except a passing one, that the question of whether this parliament, in view of the Bill of Rights, has the power to impose the death penalty should be submitted to the Supreme Court of Canada to decide once and for all. Then, this country would know where it stands, whether there is a right to impose capital punishment. Then we would be able to determine whether we can have a kind of qualified capital punishment that is neither fish, fowl nor anything else.

The government must tell this House where it stands. The government House leader is a man who always makes himself clear when he so desires. I should like to hear him say where the government stands on a matter in respect of which the practice of the government of Canada has been a denial of the equality of Canadians, a denial of the principle that there shall be no discrimination in the punishments that are meted out.

Mr. MacEachen: I rise on a point of order to advise the House that it has been agreed as a result of inter-party consultation, that we will interrupt this debate for a short time at eight o'clock tonight in order to deal with the Pilotage Act which we hope can pass through the House in all its stages in a very short time. When this is done we hope to return to this debate.

Some hon. Members: Agreed.

Mr. Deputy Speaker: It is agreed.

• (1700)

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order No. 40, to advise the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Peel South (Mr. Blenkarn)—Housing—Purchase of land to establish land banks; the hon. member for Brant (Mr. Blackburn)—Canada Evidence Act—Suggested amendment to compel spouses to testify in child-beating cases; the hon. member for Provencher (Mr. Epp)—Manpower—On-the-job training program—reasons for lack of applications.

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

PRIVATE MEMBERS' PUBLIC BILLS

THE RAILWAY ACT

AMENDMENT TO MAKE PUBLIC REPORTS OF RAILWAY ACCIDENTS

Mr. Charles H. Thomas (Moncton) moved that Bill C-11, to amend the Railway Act, be read the second time and referred to the Standing Committee on Transport and Communications.

Mr. Deputy Speaker: The hon. member for Westmorland-Kent (Mr. Leblanc).

Some hon. Members: Oh, oh.

Mr. Deputy Speaker: The hon. member for Moncton (Mr. Thomas).

The Railway Act

Mr. Thomas (Moncton): Mr. Speaker, the hon. member for Westmorland-Kent looked surprised when you called him.

In introducing this bill, I am well aware of the usual fate of private members' public bills, especially those introduced by opposition members. They are usually discussed at length for the full hour. More often than not, speakers from the government benches express their approval of the principles of the bill, but then proceed to talk it out and refuse to allow a vote to be taken. I realize that this is probably an integral part of our procedure. It is the government's responsibility to initiate legislation in the first instance. I suppose the corollary of this is that it is also the government's position that they should not accept suggestions from the opposition. However, how many times do we hear government members chide us for being critical, but not constructive? Yet, when we do propose, they invariably oppose.

Surely, there are certain areas which should be non-political. Surely, there are areas involving the public interest which can be discussed on a non-partisan basis and surely the whole question of the safety of public transportation, whether it be by land, sea or air, is so vital that it should be open to complete and frank scrutiny. This bill, through minor amendments to the Railway Act, would go a long way toward lifting much of the secrecy which surrounds the increasing number of accidents on our Canadian railways. The bill proposes to make an amendment which would alter only one word in section 226(1) of the Railway Act. The present section reads "The Commission may appoint". This bill would change the word "may" to "shall". In other words, it would make the commission's responsibility in this regard mandatory instead of permissive, as at present.

The section of the Railway Act which would be amended by this bill implies a duty upon the Canadian Transport Commission, not only to investigate accidents after they have happened, but to investigate railway running conditions and operating conditions with the object of preventing accidents. This section of the act places this duty on the commission. The commission should not wait for an accident to happen. If there is a deterioration of running equipment, of a road bed, or if the railways are not carrying out proper inspections and safety procedures, the CTC should step in and see that these conditions are corrected.

Some hon. Members: Hear, hear!

Mr. Thomas (Moncton): In my dealings with the CTC, I found that there was a continual contest between the CTC, the public and the railways. The CTC absolved itself of any responsibility by saying that under the act they do not have to investigate these cases. My bill attempts to correct this situation which exists today. It is very detrimental to the public interest, to those who use the railways and must be very disturbing to those who operate them.

After an inquiry has been made by the commission, under the present act, there is no compulsion to make the result public. Bill C-11 would amend section 226(2) by adding a clause which would force the commission to make available to the public the results of all inquiries they have made into running conditions, safety conditions, road conditions as well as inquiries into accidents that have occurred. This, briefly, is the gist of what my bill proposes to do.

In case there is any question as to why I consider the whole matter of railway safety important, I wish to quote from some authorities. I quote from page 8 of The Third Annual Report of the Canadian Transport Commission 1969:

> There have been many technological advances in the railway industry during the last decade, leading to greater operational efficiency, but these have created new safety problems. The increase in efficiency has not been matched by any significant decline in accident rates.

You can project that statement and say that if there has been no decline, then there obviously must have been an increase. I now wish to quote from the Fourth Annual Report of the Canadian Transport Commission 1970, page 9:

> In its 1969 report the commission referred to the safety problems being created by technological advances in the railway industry. It indicated a special program had been started to identify such problems and determine methods of solving them.
>
> During the first half of 1970 the commission became concerned by the increase in the number of accidents on the railways.

The report goes on to state that, as a result, a special inquiry was conducted into certain accidents in Quebec and was later expanded to deal generally with railway maintenance and operation practices:

> "and all matters and things likely to cause or prevent railway derailments and collisions between trains."

The report was completed and made public. A service to Canadians was performed by making the details of the report public.

• (1710)

The second investigation referred to is the Jones Report, the report which Mr. D. H. Jones, the Chairman of the Railway Transport Committee, was commissioned to undertake. This report was presented last year. While it was quite thorough, frankly, along with many other members of parliament I was disappointed with many of its conclusions. I do not think it solved anything. In fact, it simply delayed a final solution by suggesting that a tripartite committee be set up to carry out further investigation. So, the report did not solve anything. Nevertheless, that is not the crux of my position. My position is that, regardless of the recommendations in this report, there has been no change in the situation. The public is still not being made aware of what is going on in railway operations. No attempt has been made to open up this area to the public or to explain what is causing these accidents.

I do not pretend that this bill of mine is original. In the last parliament, the then member for Moose Jaw introduced a somewhat similar measure. His went further than mine does; he would have placed more onus on the railway operating people to make reports. But the purpose of the bill was the same—to lift some of the secrecy attaching to railway operating conditions and railway accidents. That bill received a sympathetic hearing. All the members who spoke on it said they were strongly in favour of the principle and that we would be doing a public service by allowing the public access to reports on running condi-

tions and causes of accidents. But like all private bills this one, too, was talked out and nothing happened.

One would have hoped that following the initiative taken by the hon. member, somewhere along the line the government itself would have introduced legislation to have improved the situation, especially in view of the fact that the Canadian Transport Commission has openly admitted that the present situation is unsatisfactory. But instead of the situation being any clearer than it was previously, the public, today, is completely at sea. We hear stories about accidents being caused as a result of defective maintenance of the running bed, because the size of inspection crews has been cut down in the interest of economy, and so on. We hear stories of accidents being caused by faulty equipment, machinery which has not been properly inspected. All these things are disturbing to the public. The situation must be a frustrating one for the railways, too, because much of the blame for these accidents is being placed at the door of the companies. I believe it is in the interests of both the public and of the railways that investigations should be made and that the results of the investigations should be made public.

In the debate on the bill introduced by the former member for Moose Jaw, mention was made of privileged communications between the companies, their employees and others. I admit that some of this correspondence may be privileged, but I do not think we ought to sweep everything under the rug, saying it is not in the interests of the public that this information should be divulged. This is not the attitude taken toward other modes of transportation. In the case of air transport, for instance, accidents are inquired into and details are made public. The public is informed, for example, whether an accident has been caused by pilot error or by equipment failure. Everything is divulged. The same thing happens if there is a tragedy at sea. I cannot see why a distinction should be made in this area between rail travel and other forms of travel.

The United States has adopted a policy which is much more in the public interest. Under the United States transportation act of 1966, which was passed at about the same time as our own transportation act, a transportation safety board was set up. The sole purpose of this board, as I understand it, is to investigate causes of accidents and to make reports so that the public may know what has happened. Contrast this with the situation in Canada. It is true the CTC has power to make inquiries, but I defy any member here to get the results—to get any details of those inquiries. I have attended several committee meetings at which the Chairman of the CTC, on top-ranking officials of that body, have been present. Just try to pry out of these men details of what happened in a particular accident. One committee member, in frustration last year, said it was like trying to nail jelly to a wall. All you get is a discussion of legalities. Under the law, they say, we are only charged with doing so much. You gentlemen are Members of Parliament. You know the law. Why ask as? I say that we, as Members of Parliament, are entitled to know what is going on.

Railway transportation is a mode of transport subsidized directly by the Canadian people. We are shareholders. We are users. We have a right to know that the railways are being operated in such a way that the safety of those who use the lines is secured. Under the present system the only chance we have of getting information from the CTC is to question officials when they are here before the committee. Even then, instead of straight answers we get fencing and dancing and dodging. Either those officials do not want to answer, or they do not have the answers ready. I recommend that the House let this bill go to a committee where members would have an opportunity to investigate all aspects of railway safety and come up with workable solutions to protect the interests of the public.

Mr. Bill Knight (Assiniboia): I wish to congratulate the hon. member for Moncton (Mr. Thomas) for having brought this bill to the attention of all Members of Parliament. I support this attempt to get the railways of this country, whether publicly or privately owned, to disclose details of accidents which occur on the railway system. Though we shall undoubtedly hear speeches from across the way to the effect that there is considerable merit in what the hon. member proposes with respect to public disclosure of circumstances surrounding accidents on railways, there will be less readiness to take the necessary action to have the bill sent to committee. I believe all members over there, including the minister in charge of urban affairs, should allow the bill to pass and go to committee, so that instead of merely talking about the situation we could get things done.

I am sure the Minister of State for Urban Affairs (Mr. Basford) is aware that, since the election, parliament has emerged as a far more significant body than it was last year when initiative rested entirely in the hands of the cabinet. In these circumstances, it should be far more responsive to the desires of individual members.

The hon. member for Moncton has introduced a bill which, in my view, is of considerable importance and I wish to deal with it, if I may, from the point of view of one who comes from the Prairies. In my area of Assiniboia, if you drive between the two major urban centres—if I may call them that—from the city of Weyburn to the town of Assiniboia, you can cross six railroad crossings. There was a series of accidents on these crossings last summer. These accidents were of real significance to the question of area transportation. One accident happened in the middle of the night when a pair of individuals driving a truck were hit by a train. Apparently these two were not used to the particular highway and were unaware of the peculiar way in which the rail lines crossed the highway, which was at a certain angle that made it almost impossible to see the train. That was a major accident. In addition, we have had at least two derailments in that area.

• (1720)

I suspect that if there were some kind of public disclosure made of the cause of derailments in the Assiniboia area, you would find the railway companies were not maintaining to the required standard the beddings and the track. You would find that the cause of the accidents was that the railroads had not lived up to their responsibility in a part of the country from which they have drawn considerable revenue from the land they obtained when the railroad was put through, from the mineral rights in the area, and from many other sources. The tracks in that

area are not up to the standard required for moving grain, and railroaders should not have to work on them.

My father worked the rails, as did my grandfather and many others in Saskatchewan and on the Prairies. They can tell you all about travelling on those lines. Public disclosure of the causes of accidents would be one way to gain information that would enable us to improve the lines and the service on those lines. In this way, those who work on the lines would be provided with some element of safety. These railroaders can tell you all about their attempts to book off because they did not want to travel those lines.

During the election campaign I did some travelling between two towns in my area. I remember watching, with a constituent of mine a train going over the tracks and seeing the movement of the tracks. They were moving as much as eight to ten inches as the train went over them. I contend that, in the event of an accident on that track, there should be public disclosure of the condition of the track. I and the people of Assiniboia know why the railroad is leaving the track in such a condition. It is because there are 605 miles of track they want to abandon in that area. However, that is not the subject of this particular debate.

I believe the hon. member's private bill is a very good one and that we should accept it, knowing full well its significance. There have been some tragic accidents on railway crossings. There was one in Quebec, I believe it was, involving a group of young people, some of whom were killed and others injured when their bus was hit by a train. There are other examples in my area where people in cars have been hit by trains at railway crossings as have people in trucks. This underlines the fact that there is a real need for reform in the area of public safety on the railroads, and that action ought to be taken by the Canadian Transport Commission. The first action that should be taken is that the chairman should be fired. Then, we could go on from there and bring in some measures relating to public safety.

At certain times of the day in my constituency it is absolutely impossible to tell whether a train is coming along the tracks or not, and I have to cross these tracks all too often. The safest drivers who cross the tracks are bus drivers who bring their vehicles to a halt. Other people are insane if they go over the crossings at 10 or 15 miles an hour.

Many constituents have written to me about the threat posed by boxcars or flatcars going along the tracks. For example, at crossings there are no warning signals. If flatcars are moving along the track at night, then you cannot pick them out with your headlights when you come to a crossing, and as a result many accidents are caused. This is why the question of public safety is of great importance. I suggest one of the first moves to improve public safety would be to pass this private member's bill thus enabling public disclosure to be made of railroad accidents.

Mr. Paul E. McRae (Fort William): Mr. Speaker, when I stood up a couple of weeks ago to make my maiden speech I referred to that strip of the country known as the green belt, or mid-Canada. I talked about the great distances we travel across the country and I spoke briefly about the way in which the railroads are failing us. Canada is a country that is tremendously dependent upon the railroads. There are two major railroads in this country which in my opinion, really do not want to run a railroad at all. Let me qualify that. One railroad, the CPR, has no interest in running a railroad, in my opinion. The other railroad, the CNR, plays a secondary role. But fundamentally neither is interested in running a railroad in this country in any modern sense.

There is a debate raging throughout the country about whether or not there should be a pipeline down the Mackenzie to satisfy the demand for oil and gas. Some hon. members have suggested that the railroads should look at ways in which they can contribute to the development of a new kind of ground transportation to compliment this kind of activity. But the railroads are just not interested. If a similar opportunity were offered to some other industry, it would be eager to grab it. There has been talk about developing an alternate means of ground transportation to the building of the new airport at Pickering. Where are the aggressive railroads who should seize this opportunity and develop ground transportation as the alternative? I believe we are approaching a major crisis in terms of growth and demand for energy, and that the railroads of this country will have to play a role.

I have lived in northwest Ontario for many years, in the town of Rainy River, which was a railroad town. I saw what happened to the people of that community when overnight the railroads decided to pull out—not completely but just about. They turned to diesel power and laid off 100 people, which practically wiped out any real estate values in that community.

The relationship that exists between the railroads and their employees is one that just cannot be imagined. I have heard railroaders say: "We don't work for the railroad but for the union; how the roads run, we just don't know". Employees who have worked for 35 years for the CNR in one case, and who have worked 42 years for the CPR in another case, have found a carbon copy of a letter on their desks stating that they had been laid off effective the day before. The people who live in the north country and in the greenbelt are dependent upon the railroads, yet the railroads take these arbitrary decisions. It is enough to make the people in that area lose faith in Canada and make them wonder whether we are interested in solving our problems.

Early in December the CPR announced that they were going to lay off 22 operators between Thunder Bay and Winnipeg, and that in their place service centres would be set up. Apparently the CTC agreed to this. We have had some experience with the service centre at Thunder Bay. I have pictures of the service centre in the old city of Port Arthur, which I will show hon. members if they want to see them. These pictures show plaster falling off the ceilings, washrooms in dirty condition and so on. Those are the so-called service centres. These 22 men are going to be laid off. It is said they will be picked up in some other area, but somewhere along the line somebody will be bumped.

• (1730)

The name of the game, as far as the railroads are concerned, is subsidy. They go to the CTC, which allows them to lay these people off and run the railroads and services by using Zenith numbers, and so on. But the people are not going to ride these railroads. A year from now they will be back before the CTC saying the business is not there and they need bigger subsidies. The name of the game is not running a railroad, it is getting subsidies.

I support in general the implications of this bill because railroad safety is a subject that has bothered us a great deal. I have not the exact figures with me this afternoon, but I would suggest in the last 10 or 15 years the number of section men has been reduced to about 20 per cent or 25 per cent of what it used to be.

Last year, between April 20 and June 1, there were ten serious accidents on the railroad in the area between Thunder Bay and Sioux Lookout, and east, alone. On April 20 there was a derailment at Sunstrum with two lives lost and eight persons injured. I do not have the exact dates, but there was a derailment at Kelly, on the Sioux Lookout line, with 23 cars derailed and 11 persons sent to hospital. There was a derailment at Parmachenne, east of Thunder Bay, with a damaged bridge. There was a derailment at Jelly, seven miles west of the Neebing yards. There was a derailment near Shabaqua, 43 miles west of Neebing. There was a derailment between Garda and Arrita, about 30 miles west of Neebing. There was a derailment between mileage 78 and 79 on the Fort Frances subdivision.

There were also three bridges damaged, a washout near Griff on the Sioux Lookout line and a bridge damaged at mileage 20.8 on the Sioux Lookout line. There was a bridge damaged by fire west of Quetico, at mileage 109.6. There was another bridge accident subsequent to this which caused a great deal of damage, but the railway company has not cleaned up the pollution which resulted. These ten separate accidents happened between April 20 and June 1. In the north country we are now approaching the spring thaw, at which time washouts and accidents occur.

I am pleased to have an opportunity to speak on this matter because it is time we warned the railroads that we will be watching for accidents that may occur. I hope in our area there is not a repetition of what happened last year. Many of the employees are disturbed about this situation and fear for their lives.

Let me conclude by saying that an aggressive and concerned railway industry is vital to Canada, Canadian unity, progress and, in days of growing energy shortages, probably to Canadian survival. This industry must be vitally concerned with its responsibilities for the safety and the welfare of employees. If the management of the railways, particularly the CPR, does not want to assume responsibility, perhaps it is time parliament saw to it that management of these companies in Canada is put in other hands.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I want to say a few words in support of the hon. member's private bill. As hon. members who have been here for some time are aware, every year Members of Parliament in all parties raise this and other issues concerning various aspects of our railroad system. Every year in this House and before the transport committee the same issues are raised. The hon. member for Moncton (Mr. Thomas), who has been here longer than me, can probably vouch for this. In spite of that fact, nothing seems to be done. I am getting sick and tired of government members saying the same things, with the same result. It is time for us to quit talking a good fight.

The whole matter of making public the results of inquiries into rail mishaps has been aired time and again in this House. The former member for Moose Jaw, Mr. Skoberg, raised this issue repeatedly. I have a file of press releases, correspondence with the Canadian Transport Commission, railway union officials and officials of the railways all concerning the safety of operation. Any amendment to Canadian railway legislation which will do something about this and other matters will be welcomed. I suggest it is long overdue as far as we in this group are concerned. We must do a lot more to restore public confidence in the safety of rail transportation. This mode of transportation usually has the best safety record, but confidence is disappearing.

I suspect that many of those who have worked on the railroads since I left will tell you that many accidents can be attributed to a decrease in the number of train inspectors, car inspectors and track maintenance personnel. I do not understand how a track can be properly inspected by a crew driving in a truck along a highway parallel to the track. No one can convince me that this is proper track inspection or maintenance, but both companies have been getting away with this practice for a number of years. The rate of railway mishaps, I suggest, has increased in almost direct proportion to the decrease in the number of maintenance personnel.

I can never understand why the results of inquiries into rail mishaps are not made public. I can only assume it is because of fear. I recall the tragedy of the crash of a DC-8 aircraft in Toronto a couple of years ago. The report of that inquiry was made public and every member of this House received a copy. This report even gave in detail the last conversations of the aircrew with the control tower before the crash. Every detail of that inquiry was made public, but nobody was looking for revenge or anything else; no one was looking for a scapegoat.

The public needs and has the right to know the results of these inquiries. Surely this applies to rail transportation just as it applies to air traffic. The hon. member for Moncton and others, including the hon. member for London East (Mr. Turner), have been making efforts in this area for a number of years. I imagine we will be members of the transport committee again during this parliament, and I suggest that we get together to find more effective ways, as we have in respect of other issues, to get results.

If government members choose to talk out this bill we can take the matter up again before the transport committee. But it would be nice if the House gave this bill second reading and referred it to the committee; we could then deal with it when we meet with officials of the Canadian National system and study their annual report. This would provide an occasion which we have not had for a

good many years to question the officials of the Canadian Pacific. Too often CNR officials are the only ones required to appear before a committee of this House. The CPR, which I submit has an even worse record, never has to come before the committee and give an accounting of the discharge of its responsibilities to the public under the Railway Act.

• (1740)

It would be nice if this bill were to be given second reading in a few minutes. I hope the hon. member for London East will agree. There would be no problem in reading this bill the second time. It may not go beyond that stage because the government may want to amend the Railway Act; and God bless it if it does! It would be useful from the standpoint of the work of the transport committee if this bill were given second reading now. We could then deal with it and meet with officials of the Canadian National Railways; officials of the CPR could also appear. Let us pass the bill; this measure is long overdue.

Mr. Charles Turner (Parliamentary Secretary to Minister of Labour): Mr. Speaker, I agree with the hon. member for Moncton (Mr. Thomas) who is a good friend of mine and is the sponsor of Bill C-11, an act to amend the Railway Act. I think his bill should be placed on the statute books of this country.

Prior to my election in 1968 I was a CNR railway engineer, a head end man. Between 1941 and 1968, 27 years, I worked in that capacity. For the first ten years I worked as a fireman and for the next 17 as an engineer running yard, freight and passenger trains in southwestern Ontario.

Railways conduct their own investigations, as does the CTC. In the case of crossing accidents a "slow" order is placed on the crossing where a person has been killed until the accident has been investigated by a CTC investigator. I think statistics will show that most of the people killed by a moving train at a crossing lived within 25 miles of the crossing. They knew it was there and perhaps crossed it every day on their way to and from work.

The adage stop, look and listen means nothing to some people. Wigwags and flashers mean nothing. To some, flagmen mean nothing. I know of flagmen who have been run down by motorists at crossings. And let us remember the number of people who are killed in automobiles through running into trains stopped at crossings. Some drivers will even race a train to the crossing, and when they beat it they will turn around and thumb their nose at you. For many months I ran a train between London and Windsor. One fellow used to haul fruit and vegetables to the Windsor market. He played this game with us for about five weeks. Then one morning at a quarter to five we nailed him, and that was it.

As you know, Mr. Speaker, the railways are trying out a new system for the care and maintenance of railway equipment and track. Five men used to look after approximately ten miles of track; today they look after 30 miles of track and others operate as part of a gang that works out of a bus. Many of these employees who are personal friends of mine will tell you that even if they had the supplies necessary for looking after all the track, it would be impossible to do so because there are no longer enough men to work on the track.

I believe that railway accidents ought to be investigated by the railways and by the CTC. Quite definitely, a public statement ought to be made on such accidents. Many dangerous situations, if brought to the public's attention, could be eliminated. I certainly agree with and support the hon. member for Moncton.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, Bill C-11 is a good measure.

Mr. Benjamin: Come on, Joe, sit down.

Mr. Guay (St. Boniface): The hon. member for Moncton (Mr. Thomas) should be highly commended for presenting it to this House. Further, he should be given full credit, whether the bill is accepted this evening or at a later date, for making the suggestions it contains to the House. I should like to bring one matter to the attention of the House, and I will be brief.

Mr. Benjamin: Good. Sit down.

Mr. Guay (St. Boniface): The matter is now being investigated by the general inquiry into safety which has been in progress for well over a year. Certain parts of the report have been released from time to time and are in the domain of public disclosure. As I said a while ago, the entire report is nearly ready and the final report ought to come out soon. Although I support the bill, I sincerely think it might be useful if this measure were delayed slightly. It might be useful if we waited to see what the final report says. The report on the inquiry into safety will be disclosed to the public.

There has been an increasing trend when dealing with particularly important accidents to make public the reports of investigations. This is being done more and more, and I think the hon. member's bill is certainly a step in the right direction. For example, although I do not have the details regarding the Belledune accident near Moncton, the inquiry was finalized last week and a report will soon be made public.

[*Translation*]

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I am very happy to participate in the debate on Bill C-11, an Act to Amend the Railway Act, which has been brought in by the hon. member for Moncton (Mr. Thomas) considering that for these past few years the issue of security on our railways has become more important than ever, especially in the Province of Quebec with the many derailments that occurred in the months of November and December, 1972, and January, 1973.

The bill now before us proposes the appointment of one or many persons competent to inquire into the causes and circumstances of railway accidents in order to prevent other accidents. The bill also calls for a report to be made public in such cases.

Mr. Speaker, we should examine this bill carefully and also we should dismiss the idea that it has been introduced by a back-bencher. The proposal is very interest-

ing, as the hon. member for Saint-Boniface (Mr. Guay) said, and the government should take it into consideration. No activity is free of danger and we shall never manage to prevent all accidents. Still, we can reduce their seriousness to a minimum in every field.

Mr. Speaker, I have visited Canada from east to west in the trains of our two railway companies and, despite some of their problems, I admit that they serve the people adequately and that the railroaders are familiar with their routes. The railwaymen who are manning trains in the Rockies are to be congratulated since they work in very dangerous places. However, very few accidents are reported in the canyons of the Rockies where landslides are rather frequent.

• (1750)

A few years ago, we still had steam engines which could haul 50-odd cars. However, through the years, we have succeeded in building diesel engines which are more powerful and which nowadays can pull up to 150 cars.

It remains to be seen whether the technology of security has progressed at the same rate as the design of these powerful machines. As some of my colleagues will point out the railway companies have perhaps not brought comparable improvements to the security of railroads and passengers.

When we talk with diesel engineers who have to take those huge trains throughout the country, they agree with us that there are some dangers. They tell us that it is almost impossible to stop a train when they see an obstacle on the tracks.

The Canadian Transport Commission conducts regular studies in this field and an inquiry is now under way on security conditions of our railways. I congratulate the Minister of Transport (Mr. Marchand) as well as the Chairman of the Transport Commission on their prompt inquiries into the causes of major accidents which occurred on our railways during the past few years.

Mr. Speaker, it should now be pointed out in this House that 10 years ago there were some forty crossings on the railroad between Matapedia and Gaspe, all of which, thanks to the co-operation of the Canadian Transport Commission and the government of the province of Quebec, are to be eliminated from Highway 6 which girdles the Gaspe Peninsula within the next three years.

Such improvements to the highway network will certainly facilitate traffic and the people of the Gaspe peninsula and their visitors will greatly enjoy driving along a highway free of railway crossings.

In closing, Mr. Speaker, I shall say that there is always room for improvement in the field of railway security and I urge the House to adopt Bill 11 now before us.

Mr. Eymard Corbin (Madawaska-Victoria): Mr. Speaker, I greatly regret not having been able to be in this House when the hon. member for Moncton (Mr. Thomas) stated his case for the bill. Unfortunately, I had to remain at my office; I should have been most pleased to hear his comments.

Be it as it may, the subject matter of his bill interests me considerably, not to say that it fascinates me in a way, because since my election here in 1968 I have done the utmost to clarify all sorts of answers from the heads of various Canadian railway companies concerning accidents, number of passengers who use their lines and so on.

I even felt discouraged on occasion because every time I asked a question, they found all sorts of reasons for not answering. I have the feeling that it is not so much the minister responsible who answers in the House, for instance, regarding the railway companies, as the companies themselves which get together in order to withhold the vital information required by hon. members in the ordinary course of their duties.

The bill, Mr. Speaker, deals with the necessity to make inquiry reports public. I think that this is the essential aspect of the bill. About that matter, I have as have many other members very interesting experiences to relate to the House.

For example, I inquired, in the first session of the 28th Parliament, when a passenger service was established, in 1967, between Sydney-Halifax and Montreal via Edmundston, about the number of passengers from Edmundston, Moncton and other localities in the Maritime provinces. I quote that fact as an example only; the then Minister of Transport, the hon. Paul Hellyer, gave the following answer:

> The Management of Canadian National Railways advises as follows: It has not been the practice nor is it considered in the best interests of the Company to disclose information of a nature which would be of value to its competitors.

I had asked very specific questions about statistics relating to railway accidents, particularly in the province of New Brunswick. Of course, I am proud that it is a member from New Brunswick, the hon. member for Moncton who thought of introducing this bill. Some unjustified arguments, in my opinion, were also given to me in this regard to refuse to divulge information which I asked for as a member of parliament.

Mr. Speaker, to allow members of parliament to do a good job for their constituents and the province they represent in this House—the Atlantic region as far as we are concerned—it is absolutely necessary that railway companies co-operate with us to a larger extent, when required, through the Canadian Transport Commission.

I think that much could be said about the inquiry process itself, which is too long, in my opinion, and I do not believe that problems which exist in this area will be solved by appointing a person responsible for investigations and obliging him to make public the result of these investigations, which are always endless. As a matter of fact, by the time the information is made public, quite often we will no longer need the information we asked for.

At all events, we must support this bill, but if it is not passed today there will be no reason to shed tears. The hon. member who took the floor on behalf of the New Democratic Party said that we should act according to our own convictions. It seems to me that the subject matter of this bill could very well be discussed in committee with the representatives of the Canadian Transport Commission when they will be called upon to appear before the committee on Transport and Communications, as well as with the CN authorities, and the Parliamentary

Secretary to the Minister of Transport (Mr. Guay) stated a while ago that the commission was not only studying but, if I understood him right, actually taking steps to meet the objective stated in this bill.

So although this bill is essentially honest and pursues an objective entirely commendable and desirable it seems to me according to the information given to us by the parliamentary secretary that it comes somewhat too late.

But the introduction of a bill is always, particularly during the private members' hour, an opportunity for members to support the movers of various bills because some problems are strictly regional and that is why I rose to ask the CN authorities to make additional efforts to ensure more security on railway lines which millions of Canadians travel everyday—

The Acting Speaker (Mr. Laniel): Order. It being six o'clock, the hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock tonight.

At six o'clock the House took recess.

AFTER RECESS

[*English*]

The House resumed at 8 p.m.

Mr. MacEachen: Mr. Speaker, we agreed earlier that we might interrupt the debate to deal with order No. 10, an act to amend the Pilotage Act. We also agreed that we would deal with it in committee of the whole, rather than sending it to the standing committee, and going through all the stages here.

Mr. Baldwin: That is agreed, Mr. Speaker. We think this important economic issue should be proceeded with right away.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, on behalf of our party may I say that we agree.

GOVERNMENT ORDERS

PILOTAGE ACT

EXTENSION OF BYLAWS AND REGULATIONS DESCRIBED IN SECTION 43(4) TO FEBRUARY 1, 1974

Hon. Allan J. MacEachen (for the Minister of Transport) moved that Bill C-127, to amend the Pilotage Act, be read the second time and referred to the Committee of the Whole House.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, this amendment would extend the bylaws and regulations described in subsection 43(4) to the 1st day of February 1974. This is because the pilotage commission has not yet completed the work it has been called upon to do and is requesting more time. I believe after consultation with representatives of the pilots association and industry on items of tariffs they will be in a better position to report shortly.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I think we expected a little more from the parliamentary secretary than that. This is a matter of economics, and inasmuch as we have been here for a month and have not passed a piece of legislation that affects the economy I think before we get into committee of the whole there are one or two observations which should be made.

First of all, I hope that the government is aware of the serious situation that will exist at the port of Halifax and St. John's, as well as the river ports, in view of the tremendous increases that are going to come about as a result of the provisions of this bill. In some cases it will mean an immediate 60 per cent increase and in other cases the increase will be 180 per cent or 200 per cent. No one in Canada objects to paying for what are essentially good services and there is no question that these services are needed for the conduct of vessels in and out of the ports and restricted sailing areas. No one objects to paying just fees; what is objected to is the situation where receivers of pilotage services in Canada are being forced to pay through the nose. That is a matter of regret.

Another matter of regret, Mr. Speaker, which I think must be expressed before we move on is the fact that the government has had 19 months in which to make consequential or substantive amendments to the clauses of the bill that needed change. They apparently miscalculated to the tune of a couple of billion dollars in an area in which judgment played a role. I wonder how on earth they could have misjudged the length of time it was going to take Mr. Mahoney to complete his study of the Canada Shipping Act, if this is in fact the reason why this House is tonight faced with a deadline.

Surely something more could be expected from the parliamentary secretary than his cursory remarks. This type of housekeeping legislation, if it is so urgent, should have been the very first thing placed before us a month ago; instead of that we have it tonight because the deadline is February 1.

I do not think there is any point in getting into some of the details of the bill at this stage. Perhaps on second reading or during the committee stage the parliamentary secretary will explain why, after seven months in one sense and 19 months in the other sense, the government now wants an additional year. Perhaps he could tell us a little about the way Mr. Mahoney's work stands, and when we might expect to have a revision of the Canada Shipping Act before us so that we can do something about the pilotage legislation on a more permanent basis.

Perhaps over the next minute or two he would consider giving the committee some indication of what the government intends with respect to their reaction to the appeals that are being filed. I know that in a sense this is a little out of the context of our discussion in this House because it may become a matter for the courts, but perhaps the parliamentary secretary would give some indication of the government's position.

Mr. Frank Howard (Skeena): Mr. Speaker, as was indicated earlier, there is a disposition to expedite the passage of this bill. However, I am sure other members must wonder, as I do, why on the eve of the expiration of the extension of the old bylaws and regulations the government comes along and asks for another extension for one year. The short answer, of course, is that the new bills and new regulations in respect of the various pilotage authorities and areas are not yet ready.

However, what really disturbs me, Mr. Speaker, is the fact that by tomorrow midnight, in my interpretation of what this bill means and what the Pilotage Act means, there will be a void, a vacuum, a situation in which there are no rules and regulations and no bylaws regarding the operation of ships in Canada unless this particular piece of legislation is passed. The extension that was available in the current law expires tomorrow at midnight. I can conceive of a pretty chaotic situation in the various areas and districts of Canada that are affected by the Pilotage Act. The old rules and regulations will disappear and there will not be any new ones to take their place.

• (2010)

According to people I have spoken to on the west coast there is tremendous concern about the period when a vacuum will exist. One thing that could happen is this. The new draft bylaws, rules and regulations which were to be the subject of consultation with the shipping and towboat industry may, if this bill is not passed, be put into effect out of desperation by the pilotage authorities because nothing else will be available to them: their old rules will be gone; they will have only the draft rules. Out of desperation, in order to have some kind of regulation or bylaw in force on February 1 they may put into effect a half-baked set of rules that will cause chaos. If that situation prevails, this government will be entirely to blame for waiting until the last possible moment to ask for an additional one-year extension.

We have given unanimous consent to bailing out the government. This indicates the concern of members of the House about this matter. Also, we respect the rights of the shipping industry. However, in the process of the bill going through the legislative machinery there could be a vacuum between here, the Senate and royal assent. I hope there will not. It is regrettable that the government, through the parliamentary secretary, should wait until the last possible moment, when we are on the brink of a confused and chaotic situation, to ask us to help them out of this desperate position. Naturally, we are concerned about this because of the situation that could exist with regard to shipping in Canada. We want to do everything we can to assist.

I have not seen the draft bylaws or regulations that are proposed for the west coast. I do not know if they apply to other parts of Canada as well. I have been informed that the draft form is so rigid that it imposes a straitjacket type of regulation on the towboat industry. This is a local type of towing. These boats tow from port to port in British Columbia. The skippers of these towboats know the waters in their areas far better than any pilot because theirs is a year-round operation. I hope these draft bylaws are not put into effect; if they are, a towboat skipper will have to take a pilot aboard to move from one side of Vancouver harbour to the other. That is stupid and ridiculous. This industry knows more about shipping and moving barges and logs on the coast of British Columbia than any pilot or the Department of Transport, yet that is the situation that prevails.

In this extension of one year, I hope that whoever is responsible for drafting the bylaws that apply to the west coast, and possibly to other parts of Canada, will have enough common sense to make them meaningful and workable in the industry. I hope that those who are wrapped up in the bureaucratic concept of their own importance and cannot see beyond the paper they are writing on, cannot see beyond their office and cannot look into the industry to see what is happening, will be removed from those positions so that common sense can prevail in the drafting of the bylaws and regulations. I hope the minister, his parliamentary secretary or whoever is piloting this bill through the House will respond to the concerns I have expressed on behalf of those who will be affected by the current draft proposals.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I am quite agreeable to proceeding tonight through the various stages of this legislation as outlined by my colleague, the hon. member for Skeena (Mr. Howard). However, at the committee stage we ought to have more elucidation from whoever is piloting this bill through this chamber than was given to us by the parliamentary secretary in his few words on second reading.

I recall the sense of urgency with which members of this House were asked to deal with the legislation to set up the Pilotage Act. I recall that the committee was asked to sit morning, noon and night to get the new pilotage arrangement on the road. Those who participated in that exercise have a right to expect the parliamentary secretary, if he is to be the spokesman for this bill, to give us a better picture of what exactly has happened since we, under pressure, put the machinery in motion for the new pilotage authorities.

I would like to know what progress is being made. What is behind the fact that it will take another year for the pilotage authorities to establish, in their own right, their own particular bylaws and regulations? I realize there are complexities to some of these bylaws. I have not had a chance to examine in detail the proposal recently presented with regard to the proposed bylaws of the British Columbia pilotage authority.

What progress has the pilotage authority made in setting up a new pilotage system? This question is very much in my mind in view of some recent events in British Columbia involving a ship which, as stated by the Minister of Transport (Mr. Marchand) in the House, had aboard a Canadian pilot and an apprentice pilot. While I realize we cannot in this discussion go into the pros and cons of the functioning of the pilot of that vessel, we should be enlightened as to why it is taking so much longer to make the new pilotage authority bill operative than was obviously anticipated when the legislation went through. The impression was given that this was a matter of great urgency. We were asked to wrestle with a new bill bringing new machinery into being, and government authorities would then proceed full steam ahead to make the new system operative.

• (2020)

I cannot recall exact dates but it seems to me it was a long time after parliament had passed the law before the members of the pilotage authority on the British Columbia coast were named and the new authority actually came into being. I think we should be given some idea whether it is the pilotage authority that has been lax in getting down to the task of bringing out new bylaws, or whether it is a case of dilatory action or lack of action on the part of the government following the passage of the Pilotage Act. These are among the questions which I believe ought to be examined when the measure is studied in committee of the whole.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. McCleave in the chair.

On clause 1—*Continuation of Bylaws.*

Mr. Forrestall: Mr. Chairman, before we do anything else there are one or two questions to be asked by way of clarification so that we may understand exactly what it is that we are doing. The matter before us is the Pilotage Act. It is apparently to replace some existing provisions in the Canada Shipping Act. We have had it since 1971—around June 30 as a matter of fact. Section 43 (1) (2) and (3) came into force immediately, whereas subsections (4) (5) (6) and (7) of section 43 and the rest of the Pilotage Act did not come into force until proclamation which, if my memory serves me correctly, was about February 1 a year ago.

The hon. gentleman's opening remarks were so brief that by the time we got our earpieces in he had finished. While I accept them, I think the parliamentary secretary might have gone a few steps further. I believe he now senses what I am asking. Why, at this particular time, does he want a year's extension? Perhaps we could start with that question.

Mr. Guay (St. Boniface): Mr. Chairman, I should like to give hon. members some additional information. The Pilotage Act, Section 43(4), provided that "every bylaw made or expressed to have been made by a pilotage authority as defined in the Canada Shipping Act and every regulation made pursuant to part VII of that act and in force, or deemed to be in force, on the commencement of this Act, continues in force unless the bylaw or regulation is revoked by an authority." The bylaws and regulations referred to in this subsection covered the operations of each pilotage district, including such matters as the licensing of pilots, examinations, collection of dues, dispatching of pilots, entry into the pilotage service, assignment to duty, discipline and other matters respecting the regulating of pilot service and tariff schedules for each of the 29 districts which were operated under the Canada Shipping Act.

Since their establishment the authorities have been required to negotiate with pilots of the various districts within their regions. Under the act, pilots may elect to be employees of the authority or to contract their services through their association. The authorities could not establish new pilotage tariffs until negotiations with the pilots were completed, and they have found it impossible to adopt new bylaws and regulations prior to the expiration of the old bylaws and regulations because of unavoidable delays involved in rendering operable their administrative structures and in negotiating new tariffs with representatives of the pilots and industry to provide for their operating costs and allow for increases in wages demanded by the pilots.

Furthermore, some of the tariffs proposed were objected to under section 23 of the Pilotage Act. When an objection is filed before the Canadian Transport Commission a tariff is held in abeyance until such time as the objection is disposed of by the CTC. It may be some time before hearings are held by the commission and a decision is reached on the contentious items of the tariffs.

Due to the reasons I have outlined, no new regulations or bylaws were enacted establishing compulsory pilotage areas or prescribing ships or classes of ships to which compulsory pilotage applies. It is believed that the proposed regulations or bylaws on compulsory pilotage areas and ships will also be objected to by representatives of the pilots or the industry under section 14(3) of the act, entailing further delays before regulations on this subject are implemented.

Mr. Howard: Mr. Chairman, I wish at the outset to congratulate the hon. member for St. Boniface on being chosen parliamentary secretary. We have not had a chance to do this as yet. I should also like to congratulate him on his ability to read exceedingly well what has been written and placed before him.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): I learned that from the opposition.

Mr. Howard: One thing his speechwriters have done, however, is this: they have prevented him from saying anything meaningful. Is the parliamentary secretary now saying that the various pilotage authorities have been unable to draft bylaws because of these negotiations? Surely the whole purpose of bylaws passed by a pilotage authority is not simply to deal with tariffs. Surely they deal with questions of safety, the class of ships, the circumstances under which pilots operate and matters such as those visited upon the coast of British Columbia the other day through the stupidity of the skipper of the *Irish Stardust.*

• (2030)

Section 22 of the act, from a quick reading of it, and as I recall the discussion in the committee a couple of years ago when the pilotage bill was being dealt with, relates to a tariff of pilotage charges. We do not know what it means in terms of time sequence, but is the parliamentary secretary saying that every set of negotiations with the pilots is going to result in things coming to a standstill? Surely he is not saying that the pilotage authorities are not going to do anything about bylaws, regulations, rules, safety of ships, safety of the environment, concern about our coastlines, about our crews on ships, about what may happen if there is a repetition of a situation that happened recently when one of the B.C. ferries and a Russian freighter collided off the coast of British Columbia. Surely they are

not going to abandon their responsibilities to the general public over what is going to be a course of negotiations regarding pilotage tariffs and fees.

The parliamentary secretary might be able to justify the government's negligence in the statement that he made earlier, but inasmuch as we have now reached almost the last day for passing this legislation—the deadline is midnight tomorrow, about 29 hours from now—I think we are entitled to ask just what is going to happen if the bill is not passed by February 1. What contingency plans exist? The parliamentary secretary avoided this question deliberately, but he should not have done so because parliament is responsible to the general public in this matter. The legislative authority for making bylaws expires at midnight tomorrow, according to the statement of the parliamentary secretary. But what if there are no bylaws, rules, regulations and safety requirements to go into effect?

True, all this is supposition. It may be that the Senate, contrary to its usual practice, moves with speed and dispatch and deals with this bill tomorrow. However, I am convinced that the government is not resting its whole case on the hope that parliament will give speedy passage to the bill. Although it received unanimous consent to deal with the bill this evening, the Senate may not give its unanimous consent and consider the bill in one day, with the Governor General then hustling down here tomorrow night to give royal assent to the bill. I think we are entitled to know what are the government's contingency plans, and so is the shipping industry.

I have another question I should like to ask the parliamentary secretary. As I understand it, unless the schedule has been altered there is in existence the Atlantic Pilotage Authority, a distinct authority with its office in Halifax. Its region is the Atlantic seaboard, the Atlantic coast. There is also in existence another pilotage authority known as the Laurentian Pilotage Authority. Its head office is in Montreal and its region of activity is the northern entrance to St. Lambert's lock and that general area. There is also the Great Lakes Pilotage Authority with headquarters in Cornwall, its region being all the waters in the province of Quebec south of the northern entrance to St. Lambert lock and all Canadian waters in and around the provinces of Ontario and Manitoba—in other words, the Great Lakes. There is also the Pacific Pilotage Authority which governs the waters along the Pacific coast.

I should like to know whether negotiations have been taking place with each of these pilotage authorities but have been stalled. Has each of these pilotage authorities been unable to reach a conclusive agreement with the pilots? I think we also require to know what is the position of the draft bylaws of each of these pilotage authorities. Are they incomplete, are they just proposals, are they waiting for some response from the industry in regard to whether or not they are acceptable, and does each of them require this additional one year's extension?

Another question I think we are entitled to have answered is this. I very much regret I have not yet had an opportunity to determine what authority is given by part VII of the Canada Shipping Act to make regulations. I assume from the general acceptance we give to the use of the word "regulation" that regulations made pursuant to part VII of the act are regulations made by the Governor in Council. In other words, they are order in council regulations as distinct from bylaws made by pilotage authorities. We should like to know whether these regulations that should have been prepared within the one year's time are half completed, whether anyone has looked at them, whether they have started to be drafted, whether they exist at all or are simply on the verge of being brought into effect by order in council.

These are all substantial questions that I think need to be asked and answered. This is especially so when the government comes in at the last moment and asks for unanimous consideration of the bill by the House. Consent was given because we realized the importance of the matter and the necessity for dealing with it expeditiously. The government also insists that there is a crisis, otherwise why would it have asked for unanimous consent? We agree that the matter is urgent.

In view of this, surely parliament is entitled to a little more detailed explanation than the well read statement made by the parliamentary secretary, which some civil servant obviously wrote, perhaps to cover up his own inability to draft regulations in time for consideration by cabinet.

Mr. Guay (St. Boniface): Mr. Chairman, I note that the last speaker kept on mentioning the fact that I read something. I am pleased to have read my statement because I am sure that the answers I have given him are correct. I also have a copy of what I said. I have definitely noticed that in many cases members on the other side of the House have no means of expressing an opinion unless there is argument. In respect of the hon. member's question as to what would happen if by midnight tomorrow we had not passed this bill, let me say that he knows the answer: we would not have the measures required.

• (2040)

In response to the question he asked as to why the authorities have taken more time than expected, let me point out that there were some difficulties experienced in setting up the internal organization after the regulations came into effect a year ago on February 1, 1972. Hon. members on the opposite side asked if we had expected that these authorities would be able to report before this time, but for reasons mentioned before they have not been able to do so. Another reason which made this impossible was the lengthy negotiation with the pilots associations. There were also appeals to the CTC in respect of proposed tariffs, and that commission has not yet concluded them. I might also say that there were long discussions with the shipping industry and the pilots in respect of pilotage, and these have not yet been concluded. I believe I have answered all the questions that have been asked so far.

Mr. Forrestall: Mr. Chairman, I appreciate what the parliamentary secretary has said, but I wonder if he would answer the essential question. Had I known he was going to go off on that tangent I would have finished my question in the first place. I thought he understood it. What will be the status of these bylaws and regulations during the period February 1, 1973, to February 1, 1974?

Will they be frozen or will there be latitude for substantive amendment?

There are some punitive measures involved in this area. In fact, this is a matter that should have been before the committee in order that we could call witnesses and consider it in depth. I am now a little suspicious as to why this bill is brought in now and whether there is any reason other than the ones put forward. I gather that the House leaders met and arrived at an agreement to bring the bill before the House tonight. This is certainly not the time to deal with it. I wonder whether the parliamentary secretary would address himself to the status of the regulations and indicate whether they are frozen or are subject to amendment or change during this one-year extension.

Mr. MacEachen: Mr. Chairman, I might be able to answer that question. In considering the short amendment to the act we had to make a decision as to how long we might have to wait for the pilotage authorities to complete their work, so we decided to give the pilotage authorities another year. During that period of time, hopefully, all the difficulties that have been mentioned will be cleared up and the pilotage authorities will have completed their work and established their own regimes. Until that is done, the existing regulations are in effect.

I regret that I have to come to the House with the parliamentary secretary asking for what I understand really to be an agreement to suspend the Standing Order. This has been necessary because the pilotage authorities have not completed their work and we must take steps to ensure that the regulations exist after tomorrow night. That is really the basic reason.

Mr. Mazankowski: Mr. Chairman, I should like to ask the House leader whether there was any indication at some point in time that the regulations and the bylaws would not be completed. Is that the reason we are dealing with the bill at this late hour? Was there some indication that the bylaws and regulations would be completed prior to the expiration of this act, and is that why we are now called upon to pass this measure before the expiration of those bylaws and regulations?

Mr. MacEachen: Mr. Chairman, my understanding, which I think is accurate, is that it was hoped the authorities would have completed their work and would have established their own regulations. It was only a short while ago that I was made aware of the fact that it would be necessary to take this action. It was expected, until the very last moment, that they might be completed. However, as I understand it now, most of the work of the pilotage authorities is well advanced but not completed.

Mr. Mazankowski: Mr. Chairman, in view of the difficulties indicated by the parliamentary secretary which have arisen in respect of lengthy discussion, appeals to the Canadian Transport Commission, and so on, would it not have been advisable to have brought this bill in earlier, with a higher priority? The House has been in session since January 4. Why is it that we are now dealing with the bill at this point in time, when according to the parliamentary secretary there was sufficient indication that there was going to be a delay?

[Mr. Forrestall.]

Mr. Howard: Mr. Chairman, I really must offer additional congratulations to the hon. member for St. Boniface. I am sure it is not within his talents and abilities, but he is taking the approach that the way to stay out of difficulty in the House is to keep answers short and concise.

Mr. Guay (St. Boniface): Precise.

Mr. Howard: That may not be very enlightening to hon. members but at least it helps the position of the parliamentary secretary. I am sure this was an oversight on that hon. member's part, but he failed to respond to a couple of things about which I asked. Without accepting his initial response as being a reasonable explanation, because I do not think it is in one or two instances, I should like to know whether the regulations under part VII of the Canada Shipping Act are regulations as we normally know them, or are they the result of decisions by the governor in council?

If they are the result of such decisions, I would like to know why it is necessary to provide a year's extension to the governor in council in order to draft regulations. The governor in council has had more than a year to consider this matter; in fact, it has had all the time since the passage of the act by parliament. I am sure the cabinet has been considering these regulations. I would like to know whether a conclusion has been reached and why it is necessary to give this additional year's extension. If these regulations are not in any condition of preparedness, when is it anticipated that they will be?

The parliamentary secretary also failed to indicate what state, status or stage the various pilotage authorities have reached. Have those pilotage authorities which I enumerated earlier concluded drafting their bylaws, or are they still in consultation? The minister referred to discussions with the industry and the pilots. How close are those discussions to a conclusion? Is it the fault of the industry, the fault of the pilots or the fault of the pilotage authorities that those discussions have been protracted? How much longer will it likely be before the regulations and the bylaws of the various authorities are properly drafted? Are all the pilotage authorities at the same stage in respect of drafting the bylaws? In other words, are they proceeding in tandem? Does each association want to keep in step with the other? In other words, are they being held up because of the delay experienced by one authority in getting bylaws prepared, discussions concluded or negotiations satisfactorily settled?

Mr. MacEachen: Mr. Chairman, I should like to repeat, and I hope it will be satisfactory to the hon. member, that when we were discussing this question we felt we ought to allow several months as it might be possible for the pilotage authorities to complete all their work in that time. My own opinion was that it would be better to be safe by giving them enough time, rather than a six months' period, for example, and then have to return to parliament because they had not completed their work. I understand that the work of all the pilotage authorities is well advanced but is not completed.

• (2050)

I understand that two or three months ago it was expected that they would be completed by February 1 and

that this law would be unnecessary. I would be delighted if they could complete their work within a few months, but I will not take any chances. I want to make sure that it will not be necessary to come back to parliament with a bill. If they finish within a short time, that will be fine.

Mr. Howard: What about the regulations?

Mr. MacEachen: With respect to the regulations, I must confess I have not looked at that section of the Canada Shipping Act to determine whether they are regulations under the governor in council; I presume they are. If that is the case, there will be no delay on the part of the governor in council in making its regulations, because if the pilotage authorities had completed the work we would have made the regulations and it would have been unnecessary for us to come before this House. I should like to qualify those words because I have not looked at that particular section of the Canada Shipping Act.

Mr. Forrestall: Mr. Chairman, may I ask one final question? Perhaps the government House leader or the parliamentary secretary can answer. What would happen if the work leading up to the amendments that are required with respect to this law and regulations is completed, say, in another six or eight weeks? Can this matter return to the House so that the problem can be looked at in depth, or will it be frozen out, so to speak, for one year?

Mr. MacEachen: I would think if we were to notify the House that the pilotage authorities had completed their work in creating their own rules, it would not be necessary to come back with a bill. That matter certainly would be made known.

Mr. Forrestall: Mr. Chairman, in other words we would wait for one year and then there would be further amendment to this particular section, and that amendment would give it the long-standing position that is needed?

Mr. MacEachen: That is right, Mr. Chairman.

Mr. Forrestall: Mr. Chairman, I take it that there would be no impediment to the work undertaken in the Great Lakes area. Many amendments have been introduced to regulations now in existence; these affect some of the other areas. I take it there would be no impediment to the work that is going on by virtue of this specific amendment.

Mr. MacEachen: Mr. Chairman, absolutely none.

Mr. Forrestall: Mr. Chairman, I did not hear that. Would the minister repeat his remark for the sake of the record?

Mr. MacEachen: Mr. Chairman, I am happy to put that assurance on record for my hon. friend.

Mr. Barnett: Mr. Chairman, there are a couple of questions I should like to raise in order to clarify certain things in my mind. As I listened to the parliamentary secretary explaining this situation, the question developed in my mind as to whether the proposed extension date of one year would be adequate. In other words, the committee ought to consider whether one year will be long enough. I ask the President of the Privy Council who has intervened in the debate whether I am correct in assuming from what he said that he has personally looked into the situation and satisfied himself that the proposed one year extension will be adequate to cover this period.

Certainly, his remarks seemed to lead to an inference of that sort. On the other hand, the explanation given by the parliamentary secretary left me wondering if we should not make the period two years. Could the President of the Privy Council clarify that question? I should like to ask him another after he has replied.

Mr. MacEachen: Mr. Chairman, I am reasonably certain, or as certain as one can be of anything in this world, that the work can be completed within one year. I discussed the matter with the officials and was so advised when the matter was being considered and the bill was being drafted.

Mr. Barnett: Mr. Chairman, the President of the Privy Council, being an experienced member of this House and of the government, has obviously left himself wide open with that sort of assurance, especially if ever he has to come back to the House and say it cannot be done. I should like to ask one or two questions about the present state of affairs. As I read the original section 43(4) this matter was envisaged, as I think we understood, as a continuing process. In other words, as each new section of the work of the new pilotage authority was completed and the authority worked out all that was necessary in respect of a new bylaw, the appropriate or equivalent section of the Canada Shipping Act would apply unless the bylaw or regulation was revoked by an authority.

There was some discussion of tariffs and pilotage fees. I heard the parliamentary secretary discussing the question. I also heard that notice can be given of an objection. the particular workings of the pilotage authorities that I am most vitally concerned about are those raised by the hon. member for Skeena. I am concerned about bylaws and regulations that have to do with the authority which is provided for in section 14 of the act. Also, there is the matter of the establishment of compulsory pilotage areas and the prescribing of ships or classes of ships that are subject to compulsory pilotage, as well as the qualifications of pilots, and so on.

Could we have some report on this matter? These are areas in which action is to be taken by the pilotage authorities, as I read the act, followed by approval of the governor in council. I take it that the parliament secretary or the President of the Privy Council have some knowledge as to where we stand on compulsory pilotage areas and the defining of classes of ships that are subject to compulsory pilotage. To me this is the area which is the meat and substance of the whole new concept and is very important in the long run with respect to the scale of tariffs that may be applicable at any given time.

Where do the pilotage authorities stand with respect to that part of the work? Has the governor in council approved proposals by any or all of the pilotage authorities? Naturally, of particular concern to me and to pilotage authorities in British Columbia is the question of the definition of compulsory pilotage areas and the kinds and classes of ships which are required to carry pilots. This, to me, is a most important aspect of the work and I think we

are entitled to know, when we talk about the timetable for extending the holdover of the Canada Shipping Act regulations, just where we stand in these very vital areas affecting the operation of the new pilotage system.

Mr. MacEachen: Mr. Chairman, my understanding of the philosophy behind the new Pilotage Act and of the royal commission that examined for such a long time pilotage in Canada is that the most efficient pilotage system can be established through decentralized authorities.

• (2100)

Mr. Barnett: I am agreeable to approving committee stage of the new bill, but what has happened with respect to putting decentralization into effect?

Mr. MacEachen: As the hon. member is aware, Mr. Chairman, pursuant to that philosophy of decentralization four pilotage authorities have been established in the country. Probably it would be best to describe them as regional authorities. They were established a year ago. As I understand it, they have jurisdiction to establish compulsory pilotage areas.

Mr. Barnett: Subject to the approval of the governor in council. Has the governor in council approved any of these?

Mr. MacEachen: On that particular detail I would have to obtain detailed information for the hon. member, and I would be glad to do so.

Mr. Howard: As I understand the situation, it is the governor in council, really the cabinet, who appoint the members of the various pilotage authorities. Can the President of the Privy Council tell us whether it has been found necessary to make any changes in the membership of the various pilotage authorities since they were first constituted about a year ago?

Mr. MacEachen: Mr. Chairman, as the hon. member says, the authorities were created just a year ago. The members of the authorities were determined as a result of nominations from pilots and shipping associations. To my knowledge there has been no necessity to change the membership of the authorities. I hope the hon. member won't have to ask that question a year from now, but maybe if he does I will agree with him that it might be necessary to do that.

Mr. Howard: If that question were asked at any time subsequent to now, it would only be because of the inability of the authorities to get the bylaws drafted. That is why I wonder if there is any difficulty with them. Does the minister know, with respect to the personnel or staff working with the pilotage authorities—I presume they employ their own staff or, if not, the federal government does—whether it has been necessary to fire any of these people because of their inability to develop bylaws to a successful conclusion?

Mr. MacEachen: No, Mr. Chairman. For example, the Atlantic Pilotage Authority employs 84 persons, including ten pilots, and supervises 60 pilots who are not members of the authority. We all ought to understand that the pilotage authorities had to set up their own administrations. The parliamentary secretary has explained that the work of establishing the administrations took quite a bit of time in the early months following creation of the authorities. There has been no necessity to change or fire any persons in these authorities.

Clause agreed to.

Title agreed to.

Bill reported, read the third time and passed.

* * *

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

The House resumed consideration of the motion of Mr. Allmand that Bill C-2, to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, when preparing my few remarks for this evening I was reminded of the situation where, if you take your research material from one source, in effect you are copying, but if you take it from several sources, that comes under the glorified heading of research. Each member who has participated in this debate has done a tremendous amount of research and a great deal of soul-searching. The speeches I have heard so far give clear evidence that a great deal of reading has been done by hon. members, which has served to elevate the calibre of the debate.

I want to put my position on the record and the reasons for the stand that I am taking. I believe that the death penalty is an immature response to an irrational act. I believe that advocates of capital punishment for murder are looking for an easy solution. There is not one. I am indebted to the Rev. George Goth who had an article in the London *Free Press* on this subject, on January 13 of this year. I would like to quote a few extracts from it:

> To be sure, I do not accept the voice of experts and statistics as final. None the less, it does need to be said that criminologists, by and large, do not believe that capital punishment acts as a deterrent. Violence creates violence.

If I may digress for a moment here, I would refer to the splendid address given by the hon. member for Thunder Bay (Mr. Penner) when he dealt with the question of deterrence. Returning to the Rev. Goth's article:

> To the argument that homicide is on the increase since the death penalty has been stopped the answer is very simple. Most crimes have increased dramatically in the past ten years. The reason for this is not a more cavalier treatment of the criminal. Let us rid ourselves of North American conceit. We belong to a violent society. Respect for authority has gone with the wind . . .
>
> We are living in a post-Christian era. The old order has died. No new one has come to take its place.

Faced with this, we in this House have a particular responsibility and certainly the government's responsibility increases day by day. The Rev. Goth makes the following points against the imposition of capital punishment, which he says does not meet the real problem. He writes:

There is no evidence that it will serve as a deterrent.

It would be a cheap evasion of the real causes of crime.

It is unworthy of any civilized state. Vengeance is not a mature response to an irrational act.

Violence creates violence. The state must not reduce itself to the level of the criminal.

We are looking for a simple answer and there is none. The way ahead will be long and hard.

• (2110)

Mr. Speaker, in addition to the comments made by the hon. member for Thunder Bay I should like to refer hon. members to the statements made by the hon. member for Broadview (Mr. Gilbert) and his timely comments yesterday. I have listened very carefully to the debate, and those speeches that I missed I have read. I must say that the calibre of the addresses has been high. This is due in no small measure to the fact that it is a free vote despite the occasion taken by some to launch cheap political shots. I think the tone and calibre of the debate is high also because there are good arguments to be made on both sides of the issue.

I was somewhat surprised, however, to hear my friend, the hon. member for Calgary North (Mr. Woolliams), suggest yesterday that there is little room for error in our present courts system. I suggest to him that the courts system is a long way from being infallible and I think there are better arguments he could use than those that the courts nowadays are not very likely to make an error.

We have used the M'Naghten rule in dealing with the criminally insane for all too long a period, and although today psychiatrists can be called as expert witnesses it is extremely difficult on many occasions to convince a jury of schizophrenia, paranoia or other problems of the mind that would lead an individual to kill. But aside from all of that, I think we must be aware of the fact there is daily a possibility of error creeping into judicial decisions. Crowded court calendars increase this ever-present danger. There is always the danger of executing an innocent person. Mr. Dahn Batchelor writes in the current issue of the "International Review," and I agree:

One of the greatest arguments against capital punishment is the danger of executing an innocent person. No miscarriage of justice is more terrible to contemplate. The execution of the innocent generally results from three types of testimony: the first is circumstantial. It is impossible to dispense with circumstantial evidence. If such evidence was not permitted to be heard in a court of law, criminals could laugh at the laws because a legally sane person rarely commits murder in front of witnesses.

Mr. Speaker, the courts recognize that it is often necessary to rely on circumstantial evidence, but they also know it is dangerous to do so. I should like, as many of my colleagues have done, to relate a personal experience that perhaps more than anything else convinced me that mistakes could be made and that we should be extremely careful. I will alter the circumstances a little to protect my client and the other parties involved, but the circumstances are true.

Some years ago, an elderly couple in their seventies were viciously beaten by, they said, three men. The licence number of the car used by the criminals had been secured and the police, through a splendid bit of investigatory work, eventually charged three men. One of the three men came into my office and indicated that they had in fact been together all day long, and this was established. He also indicated to me that they had done a tremendous amount of drinking. It is significant that this man did not know whether he had in fact participated in the beating up and the robbery, but he thought the likelihood was very good that he had although he assured me he had absolutely no memory of the incident; and in light of the amount of alcohol that had been consumed by him that day, I believed him.

Relying, however, on the necessity of the Crown to establish its case, a plea of not guilty was entered on behalf of this particular individual. In a subsequent interview with him I asked if time had helped his memory, had given him any reason to believe that he had participated or that he had not. He indicated that he established with his landlord the exact time that he had come into the house. Because he was actually at that particular time some 20 miles away from the scene of the crime, he began to wonder if he had, in fact, participated in the savage beating and robbery.

When we retraced his steps it was determined that he had left the company of the other individuals. The three men had driven off in the car, but subsequently he got out of the vehicle and went to a restaurant. We were able to find someone there who remembered him, not only because he had been violently ill in the restaurant but also because he had neglected to pay his bill. It was established that he had been in the restaurant at the time the vicious and brutal beating had taken place. I wondered at the time, Mr. Speaker, if we had not been able to locate that witness in the restaurant and if the elderly couple, or one of them had been killed, whether this man, not knowing whether he had participated, could have been hanged for this particular offence.

Aside from errors in the courts, Mr. Speaker, there are errors that creep in as a result of circumstances in particular cases. This case convinced me in dramatic fashion that it is possible to make a mistake. As I say, I wondered whether this man would have been found guilty of murder if one of the couple had died, or whether he would have served a long prison sentence if we had been unable to establish his innocence. He could not, in effect, go into the witness-box and proclaim his innocence because he did not know whether he had participated.

Mr. Speaker, it was exciting this afternoon to hear the right hon. member for Prince Albert (Mr. Diefenbaker) answer the question that I think is on the minds of many of us. Many of us have answered it to our satisfaction. I do not feel that I came down here as someone to pass on what I think the majority of people in my riding would do in the circumstances, to act as a computer card punch-out. I think I have an obligation to use such intelligence as I have to vote as I see fit.

The retentionist is in the enviable position of not having to pull the cord that opens the trapdoor, to pull the switch nor, for that matter, to drop the gas vial into the gas chamber. I think in the heat of the moment almost anyone could kill in the interest of protecting a member of his or her family, or in the interest of protecting a fellow human being from a vicious attack. This is done without thinking in the heat of the moment, and I think it is possible for most people. However, I wonder if a year later, after the

passion had been dispelled, after the heat of the moment and after the victim had long been buried, whether one person could go into a cell and hand another a cyanide tablet and say, "This is retribution for the heinous crime you committed." I think it is unlikely. The right hon. gentleman this afternoon pointed out very clearly that these hangings, these killings do not take place in public. If we are going to use that as a deterrent, surely in public is where society should say it should take place.

Mr. Speaker, I take strong exception to those who say that we abolitionists are backed into a corner; in other words, that we have more concern for the accused than we have for the victim. Of course this is not the case; this just cannot be true. I have no sympathy—my heart is filled with revulsion at the thought that one individual would take the life of another.

When the Solicitor General (Mr. Allmand) in his remarks mentioned that the first hanging in Canada was that of a 16-year-old girl, I think that filled most of us with revulsion. Had that taken place last night I do not think that one person in this House would have agreed with it. We have come a long way in 150 years, Mr. Speaker, and I think the time has come for abolition. I am going to support this bill, but I hope amendments will be introduced at the committee stage. I am not at present a member of the committee; that is why I want to make one or two remarks about my attitude.

Because I am an abolitionist, I think more than ever we have an obligation to society to protect society and so I abhor the situation where an individual who takes a life, a sexual offender, a psychopathic killer, is granted leave of absence or parole after a ten-year period. I think something must be done to protect society and that is why I feel, as an abolitionist, that individuals who kill other individuals should be put in prison; whether it be for a period of 20 or 25 years could be argued, it is academic, but the time has come to stop these ridiculous, easy paroles.

Some hon. Members: Hear, hear!

Mr. Cullen: I do not want to talk about particular cases, nor do I want to take the position that the right hon. gentleman took this afternoon to usurp the responsibility of the parole board, but the people of Canada are fed up with the easy access to leave of absence and parole. Mr. Speaker, I think I have made my position clear. I am an abolitionist; I support this bill. It would be my hope that amendments would take place at the committee stage which will see to it that there are no easy paroles, no easy leaves of absence. I hope the committee will read my speech and make appropriate amendments.

• (2120)

Mr. Doug Rowland (Selkirk): Mr. Speaker, in any debate, when it comes time for the thirtieth or thirty-fifth speaker, or whatever I am, to stand and say a few words, that person wonders what he can possibly contribute to the debate. I expect the answer is always, very little. What I am really doing this evening is giving a personal testimony rather than attempting to influence the outcome of the debate, since most of the arguments on either side of this case have been presented very ably by members who preceded me. There are a few things which are peripheral to the issue but they may have a bearing on the thinking of some members of this House. I want to draw these to the attention of the House before dealing with the main issues.

Some participants in this debate, notably the hon. member for Yukon (Mr. Nielsen), seem to consider it to be a sort of interlude between discussions of more difficult and socially important legislation. There is a certain element of hypocrisy in the legislation before us, legislation which continues the practice of restricting capital punishment to murderers of policemen and prison guards. Most of us cannot conceive of a Canadian cabinet reversing the practice of more than a decade and failing to exercise the royal prerogative of mercy on behalf of someone convicted of murder.

As appropriate as the remarks of the right hon. member for Prince Albert (Mr. Diefenbaker) were this afternoon when he said, in effect, "The law is the law; the cabinet must obey it. If it does not like it, it must change it," it is extremely unlikely that a cabinet would change the practice of the past decade or more. Like the hon. member for Calgary North (Mr. Woolliams) and the hon. member for Egmont (Mr. MacDonald), I would be much happier if we were completely honest with ourselves and the country and dealt with arguments for and against the abolition of capital punishment on their merits, avoiding the kind of obfuscation incorporated in the bill before us.

Having said that, I cannot associate myself with those who argue that the question of whether or not to retain the death penalty should be of relatively low legislative priority. To me, the outcome of this debate will reveal the general level of civilization, sophistication, compassion and understanding in Canadian society. It will also help to determine the level of civilization, sophistication, compassion and understanding in the years to come, because laws do change social attitudes. For that reason, this debate is important.

The debate is also important because the people of this country are telling us it is important. I very much doubt that any member at this moment is receiving more mail on any other subject. Public interest is revealed also in the response to questionnaires sent out by members. Returns of questionnaires which avoided the question of capital punishment have been much lower than returns of questionnaires which asked for opinions on the issue.

I entered this debate only after a considerable amount of soul-searching both with respect to the merits of the case and having decided that total abolition of the death penalty represents the greatest public good with respect to the correctness of taking a stand which would not seem to be in accord with that taken by a majority of my constituents, at least a majority of those who have taken the trouble to acquaint me with their views.

I feel obliged to inform the House, even in speaking for abolition of the death penalty, that returns of my questionnaire, about 3,000 of them now out of 35,000 mailed, confirm the results of similar unscientific, and I emphasize that word, surveys, conducted over the past few months by newspapers, magazines and the electronics media. In the returns of my questionnaire there is overwhelming support for the retention of the dealth penalty.

In retrospect, I believe that a more careful wording of the questionnaire would have modified the results of the questionnaire somewhat but would have left a majority of opinion in favour of retention of the death penalty.

Some grade 11 students from Lord Selkirk regional comprehensive secondary school in my constituency conducted a much more careful survey of 1,000 people on the issue of capital punishment. They discovered that in excess of 50 per cent of those polled favoured retention of the death penalty and only 36 per cent of the adults wanted abolition. I have lived in my constituency since I was 11 years old. I feel very much a part of it. I am saddened by the seeming fact that a majority of my neighbours do not believe, as I do, that capital punishment must be abolished. Yet I will vote for abolition in this House, or as near as I can come to abolition of the death penalty. What gives me that right? How can I, as an elected representative, vote against what would seem to be the wishes of the majority of my constituents at this moment?

Other members in attempting to explain their taking similar action, that is voting for abolition, referred to or quoted John Stuart Mill and Edmund Burke on the difference between a delegate and a representative. Stripped of their elitist language, both Burke's statement to the electors of Bristol and Locke's passage in an essay on representative government help to explain my position. Put simply, I believe that as an elected representative I have been sent here to exercise my judgment based upon the best information available to me, and that one of the most important pieces of information upon which I base any judgment is my assessment of the opinion of my electorate at any given moment. The opinion of my electorate always remains one of my most important considerations. It is always taken into account. However, there must be other considerations as well. In the final count, the opinion of my electorate must remain just one consideration, however important that one consideration may be.

I am not a delegate. Our system, I believe wisely, does not require me to poll my constituents on every issue and vote according to the results of that poll. If after reflection my constituents believe my judgment to have been faulty, their remedy lies in the polling booth. It is my hope that they will never feel obliged to resort to that remedy, but in the final analysis I must live with myself and my conscience.

Capital punishment is an emotionally charged issue. It is the duty of a politician, when dealing with such an issue, to attempt to divorce himself from emotion and to make his decision on the basis of logic and the facts before him. If that means occasionally acting contrary to the immediate wishes of his constituents—and such occasions will present themselves only rarely—then so acting is his duty. There are few Canadians today who do not wish that more of their politicians had possessed the courage or the judgment to oppose the internment of Canadian-Japanese and the confiscation of their property during World War II, although public opinion at the time was overwhelmingly in favour of the action taken by the government. I wonder, in that regard, how public opinion would be expressing itself in relation to capital punishment today if yesterday we had discovered that the state had hanged an innocent man or woman, something which has happened in the past.

• (2130)

The advocates of the retention of capital punishment have never yet answered Lafayette's challenge, "I shall ask for the abolition of the penalty of death until the infallibility of human judgment has been demonstrated to me." The hon. member for Calgary North tried to answer this challenge yesterday but I believe he failed to do so. No one can say how many innocent persons have been murdered by the courts. Consider the opportunities for error, the opportunity for false testimony to be given, the possibility of mistaken identification, the possibility of a biased jury, the possibility of evidence being misinterpreted. I could go on.

Responsible estimates of the proportion of innocent persons among those executed run as high as 5 per cent. But even if the figure is only .5 per cent, the argument against capital punishment because of the possibility of judicial error is a powerful one. That a judicial error may occur, even if only rarely, is sufficient reason to avoid exacting the penalty of death. I believe society should never lay claim to absolute authority over life.

Why do so many Canadians at this point in time wish to retain the death penalty? Part of the reason lies in the fact that we are disturbed, even frightened by the pace of change, social and technological, in our society. We seem to be losing control over important events which affect our daily lives. We set up a complicated system to ensure a reasonable standard of life for those people who have suffered misfortune—people who for illness or some other reason are no longer capable of providing for themselves—and we see people for whom the system was never intended benefiting from it. We pay our taxes and for the most part we obey the laws which govern us; we avoid temptations to cheat and steal and to take advantage of our neighbours. Yet we see others almost literally getting away with murder.

We search desperately for a touchstone, some evidence of permanence and certitude in a world increasingly characterized by change. And our search is without success. This leads to frustration, to a desire to lash out and assert ourselves. As a result, some citizens commit crimes of violence. The rest of us react by saying, "Kill them", thinking perhaps that in so doing a danger to our lives and to the lives around us may be removed and that others so inclined might be frightened away from such action.

To such thinking I pose two principal objections. The first is that we as a society have no right to take the life of any person. The second is that state-sanctioned murder probably accomplishes no real purpose in any event. The first argument is a moral one. I appreciate that there are sincere, concerned people who will disagree with me on moral grounds. For many of us, this is a matter of interpretation. What do we do when in one place a guide book to moral behaviour says, "Whoever sheds the blood of man, by man shall his blood be shed" and in another place seriously questions the moral authority of judge and executioner, "Let him that is without sin cast the first stone"?

I hope that this debate will not see numbers of members quoting the Bible as an authority for the retention of the death penalty. If such does happen, there are other members of my party who are better equipped than me to offer rebuttal. But in anticipation I should like to draw the attention of hon. members to a passage from a publication put out by the Institute of Mennonite Studies:

A close study of these earliest chapters of the Bible shows that the death penalty as stated there is clearly not so much a requirement as a limitation. It is spoken against the background of a story of corruption in which vengeance was the general pattern . . .

Let us, therefore, begin realistically as the Bible does. Vengeance does not need to be commanded; it happens. It is the normal response of fallen man to any situation which calls for his hostility. And normally such vengeance is unlimited.

Most primitive peoples show the same pattern of vengeance as the Old Testament peoples for whom the rules in the Bible were initially established. In such societies it is normal for vengeance and counter-vengeance to raise the toll of suffering brought about by any offence far beyond proportion to the original damage done. Limits have been set, as in the Old Testament. But I believe it to be a terrible distortion to interpret this practical solution, to limit punishment to the actual wrongdoer, as providing some sort of sanction for the death penalty. On the contrary, I believe the most powerful assertion of my heritage is in favour of the sanctity of human life.

I want no part in a decision, even a collective decision, which leads to the taking of sentient human life. Murder of any sort, in any circumstances, even in the course of an execution, is never moral and it should not be legal. In "Spirits Rebellious," the Lebanese philosopher, Kahlil Gibran, comes across the corpses of three people who have been executed for committing crimes. He writes:

Three human beings who yesterday were in the lap of life today fell as victims to death because they broke the rules of human society. When a man kills another man, the people say he is murderer, but when the Emir kills him, the Emir is just. When a man robs a monastery, they say he is a thief but when the Emir robs such a man of his life, the Emir is honourable.

Shedding of blood is forbidden. But who made it lawful for the Emir? Stealing money is a crime, but taking away one's life is a noble act. Shall we meet evil with evil and say this is the law? Shall we fight corruption with greater corruption and say this is the rule? Shall we conquer crimes with more crimes, and say this is justice?

I said earlier that some people are leaning toward retention because they feel capital punishment may reduce the number of murders committed. This theory of deterrence is undoubtedly the most serious of the social arguments for the retention of the death penalty. It is argued that if persons who are tempted to commit a crime know in advance what the punishment will be, they will turn away from committing such a crime. Superficially this appears to be a sensible argument. It is the argument put forward by the hon. member for Crowfoot (Mr. Horner) on Friday.

However, that the argument is basically in error can be seen clearly upon closer examination. A major source of the error is the assumption that murder is like speeding and that a normal person, through fear of being caught, will refrain from it out of consideration for the consequences. But the fallacy is this: murderers are not normal people, for the most part. Most of them are driven by forces of emotion, or outright insanity even, to such an extent that no reasoning takes place at all; there is no weighing of consequences as they proceed to kill. I am not necessarily making a plea that such people ought to be pitied; it is a demand that we understand the circumstances in which they are, for the most part, incapable of reacting and reasoning like normal human beings.

• (2140)

Thus to attempt, as did the hon. member for Crowfoot, to draw a parallel between the noose and the breathalyzer is at best foolish. Numerous psychological studies have made this fact clear. In committing murder, people for the most part are committing an insane act and are not capable of reasoning rationally. I think the hon. member for Egmont (Mr. MacDonald) this afternoon cited studies made of skyjackers, but there are other cases on record where unbalanced persons lacking the strength of will to kill themselves have committed murder or other violent acts as an indirect act of suicide. Here the death penalty is an encouragement to murder, not a deterrent. A small minority of murderers are professional criminals for whom death is simply one of the occupational hazards. They are also reasonably sure of avoiding capture, or if captured of avoiding conviction, or if convicted of avoiding execution.

The error of the deterrent theory can also be shown statistically. I do not intend to cite the great tables of statistics that are available, because this would take up too much time. In addition, such statistics are vulnerable to subjective interpretation and most of the statistics available have already been cited by other participants in this debate. However, I will cite the judgments of objective studies which have analysed the statistics. These studies have consistently found that there is absolutely no valid evidence to prove that the death penalty has any deterrent value whatever. This has been the finding generally throughout the western world and it has led country after country to abolish capital punishment over the course of the past 100 years. There are now probably in excess of 70 jurisdictions in the world that have abolished capital punishment.

In 1953 the British royal commission on capital punishment concluded that there is no clear evidence that homicide rates are influenced by the death penalty or by the frequency of executions. The New Jersey commission to study capital punishment found that the death penalty could not be demonstrated to be a more effective deterrent than life imprisonment. In Canada the joint committee on capital punishment reported on June 27, 1957, that capital punishment is not an effective deterrent, that it had no unique deterrent effect that could not be accomplished by imprisonment.

Ten years ago the United Nations published a report questioning the deterrent value of the death penalty in which it said that data showed no correlation between the existence of the death penalty and the incidence of murder. More recently, Dr. Fattah of the University of Montreal once again demonstrated in an objective study that a case cannot be made for the deterrent value of capital punishment.

I shall not waste time exchanging interpretations of statistics with hon. members who wish to retain the death

penalty, but I will say this. If there is dispute about the meaning of the statistics—and I would admit the possibility—then the burden of proof rests on those who wish the state to commit murder. There is a powerful moral argument against killing a person even by way of judicial execution. To support their position, those in favour of the retention of capital punishment, by any standard of justice, must present evidence beyond reasonable doubt that executions have some beneficial social effect. So far in this debate I submit they have not done so.

I am convinced that the people of Canada do not lust after the blood of murderers. I am convinced that if at the moment the majority tend to favour capital punishment, it is because they want an assurance that their lives and the lives of their loved ones will not be placed in jeopardy because of inadequacies in our penal system, our parole system and the totally and completely inadequate attempts at rehabilitation in penal institutions.

I am convinced that if the people of Canada could see avenues to explore other than the death penalty in the search for security from crimes of violence, they would eagerly explore them. To the extent that we as elected politicians have not made it apparent to Canadians that other avenues do exist, we have failed the Canadian people. We should be looking, for example, at indeterminate sentences for crimes of violence. We should be looking, until we can bolster and render effective our efforts at rehabilitation and at making our parole system effective, at longer mandatory sentences for those who commit violent crimes. We should be seeking effective psychiatric services for those in our penal institutions. Finally and most importantly, we should be seeking the means to remove the social causes, the inequalities, the injustices, the uncertainties, the frustrations that foster and nourish crimes of violence.

However this debate is decided—and I fervently hope it is decided in a manner that will bring us closer to the total elimination of the death penalty—we will be failing ourselves and our electorate if we do not immediately begin work on providing real measures of security for Canadians; and I submit that the death penalty does not provide any real measure of security. We shall have failed if we do not immediately begin work on improving our penal system; to ensure that our penal system is capable of rehabilitating criminals; to ensure that until that rehabilitation is complete, possibilities for parole do not exist; to ensure that until our penal system is capable of accomplishing rehabilitation we do not admit persons to the streets who are incapable of undertaking their responsibilities as citizens.

This is the kind of action we must take. We must immediately begin the task of removing the injustices, frustrations and uncertainties that produce crimes of violence. Once this debate is finished this must be our task; otherwise this debate will have been pointless and we will have failed in our duties as legislators.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, contrary to all calculations and to my own expectations, my remarks in this debate at this hour of the night turn out to be my maiden speech. On this special occasion, therefore, I wish to join my voice with those who have extended congratulations to you, Mr. Speaker, on election to your high office and to those who also occupy the chair.

I am sure Mr. Speaker will understand when I suggest that to some extent I was encouraged to present myself as a candidate for a parliamentary seat by the firmness and impartiality—and even humour, where humour was needed to defuse tense situations—with which you and your illustrious predecessors, one of whom is sitting here with us, one in the other place, and still another being the present occupant of Rideau Hall, conducted the business of this House, thereby preserving for us its ancient and noble role, its dignity and tradition against so many attempted affronts.

• (2150)

It is a formidable task, I suggest, in this my maiden speech and as a retentionist, to follow almost immediately on the heels of the eloquence of the right hon. member for Prince Albert (Mr. Diefenbaker). I accept the challenge although I have none of his legal training nor practice before the courts and in this House. I accept it more readily because, fortunately, there are a number of incidental statements made by the right hon. gentleman with which I do not have cause to take issue. I refer to his comment about the need of the fulfilment of the law carried out to the full, granting mercy where mercy is recommended but executing where execution is warranted, hard though that may be when no extenuating circumstances have been advanced. With all deference, however, I find that I must take issue with the right hon. gentleman not only on his basic stand for abolition but also in citing a supreme court ruling uttered by United States judges and suggesting that it might have a bearing in the Canadian context.

Meaning no disrespect to the right hon. gentleman or for the law of another country, I find the law of Canada, if properly administered, to be a law under which I feel I can live. I know we have inherited much of our law from Britain. We inherited it and we have transformed it and made it something Canadian of which we can be proud. Properly administered, that law is something of which we have no need to be ashamed. Nor do we have to go outside this country to buttress our respect for it. Carry an appeal to the Supreme Court of Canada, if you will, but let us draw all our arguments in any such submission from Canada's own experience and Canada's special character.

It has been said on a number of occasions from this side of the House that those sitting on the other side failed to get the message the electorate was seeking to get across during the campaign in September and October of 1972. Usually this deafness or obliqueness on the part of the Liberal party has been cast in economic terms; we have said it frequently and we will say it again. I think the Progressive Conservative party has tuned in to that message and is now seeking from this side of the House to get the government on the proper wavelength, but the government is being very obtuse.

The government missed the message that was cast in economic terms and, as evidenced by its approach to capital punishment, it missed it again on this issue of law and order. At least that was the message in my constituency, and I would say the government missed it throughout

the land. Had the government been attuned to the public pulse it would have heard the refrain, "Bring back capital punishment. Our womenfolk can no longer go out in the evening alone to post a letter." I have heard that said in my constituency, and I am ashamed. Petty larceny, assault with violence, muggings if you will, purse-snatching and even assault causing bodily harm are on the increase in this country.

In these circumstances the people in my constituency want tighter disciplinary controls imposed on those who refuse to accept the laws of society. They are not against rehabilitation, do not get them wrong. What they are against are consultants and do-gooders being hoodwinked by a bunch of smart con men into getting early paroles or leave passes on compassionate grounds. Where does compassion lie? What compassion had these miscreants when they snatched a purse from an elderly lady who had just got her pension cheque cashed, or when they mutilated a little girl and left her abandoned beside the road to be found by heartsick parents and angry neighbours?

Compassion is a virtue whose display restores man's faith in his fellows and whose absence breeds only disgust. The people of this country are compassionate people. They know what compassion is. But let not those who know no compassion seek, by feigning contrition, to wring compassionate tears from those who have compassion deep in their hearts.

In addition to failing to get the message the electorate was seeking to put across in September and October, the government managed to get its priorities thoroughly confused. From statements issued by the government during the campaign and since, it is clear that the rights of the criminal are placed above the protection of society. How can such a government demand the support of society and the Canadian people?

Furthermore, since coming into the House the government has demonstrated with incredible clarity just what is its set of priorities. These priorities are not those of the Canadian people, of that I am convinced. The government refused to respond to the Conservative party's offer to defer the throne speech debate in order to get down to priority matters—inflation, unemployment and relief for the elderly living on fixed incomes. The government's response to inflation was a proposed inquiry into food prices.

Then it set out, not to suggest measures for curing unemployment but, rather, to legalize an illegality in procedures in respect of financing insurance payments, plus a number of schemes for toughening up the regulations affecting qualification for unemployment benefits and increasing penalties for illegitimate claims. Now we have had this eleventh hour consideration of the pilotage bill. The government certainly failed to read the message of the general election. Not only that, it is derelict.

May I call it 10 o'clock, Mr. Speaker?

The Acting Speaker (Mr. Laniel): Is it agreed that we call it ten o'clock?

Some hon. Members: Agreed.

[Mr. Munro (Esquimalt-Saanich).]

PROCEEDINGS ON ADJOURNMENT MOTION

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

HOUSING—PURCHASE OF LAND TO ESTABLISH LAND BANKS

Mr. Don Blenkarn (Peel South): Mr. Speaker, on January 19 I asked the Secretary of State for Urban Affairs (Mr. Basford) a question in respect of land banks and the sum of $500 million suggested by the minister to be used over a five-year period at the rate of $100 million per annum. I asked the minister whether he was going to use these funds in any one particular urban area in Canada, particularly metropolitan Toronto. I suggested to the minister that if he was going to use these funds in metropolitan Toronto, he would have to buy land from certain large corporations around metro Toronto sometimes referred to by the hon. member for York South (Mr. Lewis) as corporate bums.

The matter was brought to my attention even more forcefully in a call from a constituent, Joseph Pittari. He was very upset when he went out in Mississauga to buy a house and found that although he earned $13,500 a year he, his wife and daughter could not find a house in a new development, not even a semi-detached house, for less than $35,000. He telephoned me and wanted to know what this government was going to do about that problem.

• (2200)

Clearly, the problem of housing in metropolitan Toronto in particular, and in all Canada probably, centres around the cost of urban land. There is no question that the price of a lot in metropolitan Toronto is as high or higher than anywhere else in North America. It is disgraceful that less than 11 per cent of the people in this area can afford to own a new home.

The minister has set aside $100 million a year for the acquisition of land for a land bank in all of Canada. On checking the cost of vacant land in and around metropolitan Toronto and the town of Mississauga which I represent, I found that the average cost of land which could be developed in the immediate future or within four or five years for housing is $40,000 per acre. I calculate that if the entire $100 million were used to purchase land in the town of Mississauga, the minister might conceivably acquire 2,500 acres for the whole of Canada, all in one municipality. Mr. Speaker, that is less than half of the land owned by S. B. McLaughlin and Associates Ltd., less than one-third of the land owned by Erin Mills Development Ltd., and approximately two-thirds of the land owned by Markborough Properties Ltd. If the land of each company was purchased, it would still amount to a minor proportion of the land available or needed. The truth of the matter is that there is a land bank in the metropolitan Toronto area but it is owned by private development corporations.

We shall not solve the problem of making housing available by spending limited social capital on buying land. The problem will be met by using social capital to service land and to make municipal road patterns possible. It must be spent to make water and sewers freely available,

on public transit, on halls, on public arenas, on community centres and schools. It is because there are problems connected with the provision of these amenities that it is impossible for the province of Ontario and municipalities in and around to permit land to be developed.

That land is there; developers right now want to develop it and are trying to develop it. The Urban Development Institute in Toronto which recently submitted a brief to the Prime Minister of Ontario set out this problem. They said that developers do not want to withhold land from the market place, that they want to develop the land in their land banks. It was suggested that the problem really is one involving ancillary costs of development. The province of Ontario and certain municipalities, particularly the municipality I represent, have already indicated to developers that development cannot be allowed to take place because there are not funds available for looking after those ancillary services.

The real difficulty is that this government is bankrupt when it talks about land banking. Land banks are not the answer. The answer will be found by using money presently available for LIP projects, for Opportunities for Youth projects, for waste here, there and everywhere and for every conceivable demand, in the right way. That money should be made available and lent to municipalities. It should be lent on debentures and secured against the land only so that needed land can be developed and the municipalities and provinces can get on with the job of making housing available.

Just going out and buying a piece of land has never been the answer to the problem of lot values. I speak with personal knowledge on this matter. A few years ago, I and some associates purchased 178 acres in the township of Vaughan, south of No. 7 highway; land you can stand on today, just as you could five or seven years ago, and see apartments and a housing development on three sides of it, with a sewer running through it. But that municipality still has not enough money to put in the access roads, the water mains, develop the water capacity, or build the schools to make it possible to service this land. Indeed, that and many other parcels of land could be made available so that lots could be sold in the area at the price they fetched ten years ago.

The Acting Speaker (Mr. Laniel): Order. I regret to interrupt the hon. member, but the time allotted to him has expired.

Mr. Ian Watson (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, the question put forward by the hon. member relates to the exact location of federally-supported land banking activities in the coming years. He mentions the Toronto area specifically. It is the government's belief that the specific location of these land bank areas is to be negotiated with the provincial and municipal governments directly concerned. So far as the government of Canada is concerned, the problems of price and the availability of serviced land in cities have to engage the attention of all three levels of government. A few months ago when Bill C-213 was introduced in the last session, again with the recent federal-provincial conference on housing and with the NHA amendments introduced today, the government has made clear its position on the question of land banking.

The idea behind land banking seems to have been missed entirely by the hon. member for Peel South (Mr. Blenkarn) who has made the point that he feels the water, the sewer services and the other various service costs for a particular piece of land which he has given as an example should be paid for by the municipality. Mr. Speaker, I represent an area outside Montreal where over the years I have seen this kind of speculative activity which does not profit anyone but the speculator, the land profiteer. I put it to the hon. member for Peel South that it is not the municipality involved with the particular 178 acres that he mentions who should be responsible for those services; the owners of the land should be responsible for them. There is no question about that. For too long in this country we have seen examples of—

Mr. Paproski: On a point of order—

The Acting Speaker (Mr. Laniel): Order, please. The hon. member knows that he cannot seek the floor when he is not speaking from his own seat.

Mr. Paproski: It is you he should be addressing, Sir.

Mr. Watson: Mr. Speaker, for a number of years we have had money available for land assembly projects. The total amounts which provinces have sought for this purpose in the past year comes to $50 million. We are offering $100 million and it is our belief that at the moment $100 million is sufficient for these land banking purposes. The objective is to create an amount of land available—

The Acting Speaker (Mr. Laniel): Order, please. Again I regret that I have to interrupt the parliamentary secretary, but the time allotted to him has expired.

CANADA EVIDENCE ACT—SUGGESTED AMENDMENT TO COMPEL SPOUSES TO TESTIFY IN CHILD-BEATING CASES

Mr. Derek Blackburn (Brant): Mr. Speaker, a couple of weeks ago I asked the Minister of Justice (Mr. Lang) if he was considering bringing in appropriate amendments to the Canada Evidence Act that would make spouses compellable and competent witnesses in cases relating to child-beating. The minister replied that the Law Reform Commission would probably be looking into this matter and that he would be considering the recommendations contained in its report.

Child-beating by parents is one of the most heinous of crimes as the victims are innocent and totally helpless. Each year in this country thousands of parental child-beaters go unpunished because the common law for many purposes has long regarded the married pair as constituting only one person, so one spouse cannot be forced to testify against the other in many instances, one of which is child-beating. Mr. Speaker, it is high time the Canada Evidence Act was amended to put an end to this archaic practice.

• (2210)

Most parental child-beatings take place within the confines of a house or apartment so that it is extremely difficult to find third party witnesses to such crimes. It is this problem, plus the Canada Evidence Act, which makes

it virtually impossible to prosecute such cases in our courts. In 1971 there was 442 known or suspected cases in the province of Ontario alone of parental child-beatings, only 51 reached court and only 15 convictions were secured. And the rate of child-beatings has been increasing over the years. It has been estimated on good authority that in Canada in 1971 there were close to 5,000 such crimes.

The problem, of course, is that while physicians may report such incidents, law enforcement agencies in an overwhelming number of alleged incidents simply cannot lay charges because they know full well that neither the father nor the mother can be compelled to give evidence in court. Consequently, policemen are forced into the frustrating position of not laying charges when in fact they have good reason to believe that child-beating has taken place, complete with medical evidence. And if charges are laid, prosecutors are in the unfortunate position of either having to withdraw the charge "due to lack of sufficient evidence" or to attempt to proceed knowing full well they cannot examine the witness to the child-beating for corroborating evidence with which to gain a conviction.

I am fully aware of the fact that even if spouses were made compellable and competent witnesses in cases of child-beating, great fear would exist in the mind of a parent as a witness—I would think in most cases the mother—to tell the truth for fear of physical reprisal by the other spouse. But surely, Mr. Speaker, this is no excuse. In the first place, the spouse testifying would have the full protection of the law on her side and threats of physical reprisal could be dealt with effectively by the appropriate authorities. Besides, it is the infant's mental and physical well-being that we are concerned about here.

I strongly plead with the Minister of Justice to introduce amendments to the Canada Evidence Act to attempt at least to lessen the number of child-beatings in this country. I have talked to Crown prosecutors, police officers, and Children's Aid officials, all of whom have urged me to make this representation in the House of Commons and all of whom have expressed their utter frustration at the present limitations of the Canada Evidence Act. I sincerely hope the Minister of Justice will act quickly to plug a legal loophole that is responsible for allowing parental child-beaters to go unprosecuted and unpunished.

It is my understanding that the Law Reform Commission is looking into the whole area of family law, which badly needs reform. It is my hope that the Minister of Justice will in his wisdom and sense of compassion expedite recommendations of the commission as they may relate to child-beating.

In closing, Mr. Speaker, I emphasize my argument with regard to certain anomalies in the Canada Evidence Act by citing the following: A spouse may testify against the other spouse in a case of rape, but not murder. I suggest to you, Mr. Speaker, that the time is long overdue in bringing the Canada Evidence Act into the twentieth century.

[*Translation*]

Mr. Raynald Guay (Parliamentary Secretary to Minister of Justice): Mr. Speaker, the suggestion that the Canada Evidence Act be amended to make spouses compellable and competent witnesses in cases relating to child-beating will be studied very carefully by the Department of Justice. A recent report of the committee assigned to review the criminal code in England recommended, and I quote:

> 9.(3) In any court proceedings, the wife or husband of the accused shall (unless one or the other is accused jointly) be compelled to act as witness against the accused or the person jointly accused with the latter.
>
> (*a*) The act or acts constituting the offence will consist of assault or violent treatment on the part of the wife or husband of the accused, or any person who belonged, at the time, to the same family of the accused and was under 16 years of age.

The committee assigned to review the criminal code felt that this would protect battered children who might be unable to supply themselves the proofs of the accusation.

As indicated by the Minister of Justice (Mr. Lang) in his reply the first time the question was put in the House on January 16, 1973, the question of amendments to the Canada Evidence Act and the criminal code is at present under study by the law Reform Commission, but in a broader context.

One of the first reports submitted by the Law Reform Commission relates in part to the appearance of witnesses in criminal cases. The report suggests that spouses should be forced to give evidence in all cases. That, naturally, would involve a substantial change to present legislation and before preparing final recommendations on the subject, the law Reform Commission wisely called for the opinions of competent individuals and groups interested in this legislation.

In the circumstances, the minister of Justice feels that he should await replies from the public and final recommendations of the commission concerning the admissibility and the appearance of witnesses before bringing forward new legislation in this field, particularly since the law Reform Commission is making satisfactory progress in its project related to evidence.

[*English*]

MANPOWER—ON-THE-JOB TRAINING PROGRAM—REASONS FOR LACK OF APPLICATIONS

Mr. Jake Epp (Provencher): Mr. Speaker, I wish to direct my comments to the Department of Manpower and Immigration, specifically to on-the-job training. It appears this government has been dedicated to alleviating unemployment by a band-aid approach. For example, we have become the unhappy recipients of more types of programs than you can think of, such as LIP, OFY and Summer '73. Massive infusion of public moneys have been used to cut down the rate of unemployment. While the programs have merit in part—I do not want to be condemning in a general way—they are generally on a short-term basis. What we must concentrate on is long-term employment. On-the-job training, properly administered, could be a partial answer to that problem.

As I have stated in this House, I am very concerned about rural depopulation. I am also convinced that rural Canada has a labour force that can be utilized for the development of secondary industry in rural areas. Large numbers of our rural labour force are going to the cities to find employment that is more meaningful. Often they

receive on-the-job training in the cities which they do not receive in the rural areas. Often they are employed by companies in which they see job advancement as being more likely than in rural areas. How is the on-the-job training program working in the areas to which I refer?

• (2220)

We are all aware that the age group between 18 and 25 is experiencing the highest rate of unemployment. Many of these people after completing high school go to the city only to be dissilusioned by the workaday world. Often they cannot find meaningful employment or any employment at all. With the minimum wage rate rising in many provinces, employers are not willing to hire these young men and women and offer them a long period of on-the-job training. Rather, they continue to prefer older employees, people with experience who have been on the labour market for some time, who do not need further training or who need only limited training.

As I see it, three problems have developed in the field of on-the-job training. The first is that communication with regional offices has been difficult in some areas in Manitoba. Employers were placed in the unfortunate position of having to press the government for specific details in relation to the program. While the department often came out with a variety of glossy printed material, employers were not able to get specific answers from the department once they had read the material.

I submit that departmental officials should be in the field to help employers get started with the program. The department has spent large sums advertising the merits of the program and trying to get employers to take part in it. It seems incongruous to me that in these circumstances employers should find difficulty in obtaining information.

Second, No. 12 of the fact sheets presented by the department requires employers to show technical and financial competence to provide full-time employment. Surely, departmental officers can decide without an exchange of bureaucratic red tape whether a firm can in fact afford to employ a person for on-the-job training. If we look at the training schedule on the basis of a 40-hour week for 40 weeks, we are looking at an outlay per employer of approximately $1,000. The government reimburses an average of 62.5 per cent during the training. I suggest there are better ways of determining the financial position of employers than by requiring them to fill out one form after another.

Lastly, employees have been asked in certain cases to provide specific work schedules for trainees. While I can see merit in this requirement up to a point, I believe these schedules should not be such as to force an employer to second guess the question whether or not an employee should be accepted under this program. Employers generally consider that employees should be exposed to various areas of the industry rather than made subject to a specific schedule.

In conclusion, I should like to submit that on-the-job training has merit. I welcome the program, as a former teacher, but I suggest the department take a look at some of the bureaucratic practices which are being followed and the administrative detail which is required at the present time. This, I feel, is minimizing some of the positive effects the program could have.

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, as a result of last year's experience with the on-the-job training program we introduced certain refinements in this year's program. First, a sliding scale of wage reimbursement providing an average of 62.5 per cent to the employer in lieu of a flat 75 per cent. Second, reduction of the maximum training period to 40 weeks from 52 weeks. Third, introduction of a maximum reimbursement of $100,000 per employer per region.

As well, the closing date for receipt of proposals was advanced to January 31, 1973, to ensure that maximum program impact would more closely coincide with peak winter unemployment. By introducing these refinements we had hoped to increase the number of trainees at the same level of program funding. Though the actual response from employers in terms of number of trainees and proposals received is somewhat higher than last winter, so far it has not been as high as we had anticipated.

I am sure the hon. member for Provencher (Mr. Epp) would wish to ensure that employees in training on-the-job programs are adequately protected, and it is primarily for their benefit that adequate scrutiny of employers has been introduced. There has been some experience of employers going bankrupt, and since the government pays the employer in a case of that kind the employee may be left without reimbursement. While we have introduced a requirement for employers to provide evidence of their financial capability for this purpose, we have no evidence that employers are not submitting proposals because of the questions they are asked in this investigation. However, if the hon. member has any particular case he would wish to bring to our attention, we would be very pleased to investigate it.

Motion agreed to and the House adjourned at 10.28 p.m.

APPENDIX

Statement By
Transport Minister Jean Marchand
On The Site Selection For A Second
Toronto-centered Region International Airport

The Minister of Public Works has now tabled the report of the Hearing Officer on the expropriation of the land for the new Toronto airport at Pickering and has indicated that the government intends to confirm the expropriation.

As the minister responsible for transportation, I should like to explain the reasons which led the Government to take this decision.

It is a decision with many broad facets. It involves the communications and business of the nation, the life style of Canadians, and their aspirations for travel. Equally it involves the growth and planning of the Toronto region and the opportunities for good community environment.

The federal government shares this concern about the elements of growth in the Toronto planning region, and has been moved by its expression across Canada as a whole and, more specifically, in the Toronto region. It is not a matter of the airport alone. Commuter rail services, rapid transit expressways and other transportation considerations are all related. Projections indicate that by the end of the century, just 27 years away, the Toronto region will have a population in excess of six million people. Some projections are well in excess of this, if one considers the entire Toronto-centered region within a radius of some ninety miles. The quality, direction and pace of this growth is a matter of deep interest and involvement for the federal government. The government is satisfied that the new airport is required, and for this purpose the expropriation of the Pickering site has been confirmed. In making this decision we are aware of the broad implications of such a development, particularly coordinated as it is with Ontario's plan for the Toronto-centered region. Accordingly as the government stated on previous occasions we will establish an independent group who will look at these questions and in doing so receive representations on all the issues related to the planning and transportation needs of the region.

Representations have been made in the recent Hearings on many aspects, but primarily on three main issues; the need for a second airport; the selection of the site; and the degree of public participation in the selection.

With regard to the need, no one can question that Toronto is at the hub of the domestic air transportation system. Equally, its importance as a gateway internationally and to the United States is growing rapidly and can be expected to increase at an even greater pace. People are exchanging visits from this area with families and relatives across Canada and abroad to Britain, Italy, Germany and Scandinavia, to name just a few. Transportation by air is no longer for the wealthy few, and in the years to come, its role can be expected to increase even more. The new bilateral agreements now before the government provide improved access abroad for Toronto and Ontario residents to many parts of the world. Travel to improve Canada's trading position and very great increases in the use of air cargo will be a vital part of our international economic activity.

Thus, more facilities will be needed—not just a little more but many times more than we have now. All technical studies affirm this. No one has challenged this although there have been differences as to what the forecast might be over the next twenty-five years. Most forecasts point to a seven to eight time increase. Some suggest a four-fold increase; and others a ten to twelve-fold increase. To deny this key area of Canada anything but its full potential for development would be dishonest and a true derogation of federal responsibility.

In 1968, in anticipation of the need, the idea was put forward to enlarge the present airport at Malton. The plan called for acquiring some 2,500 acres of land, land planned, and, in some parts, already serviced by adjacent municipalities for other purposes. Concentrating virtually all traffic at Malton would have resulted in a vast increase in the area and number of people that would be affected by noise. Some 65,000 more people in existing homes would be disturbed by the resultant increase in flight activity.

The government listened to the reaction of the people and of the municipalities and subsequently rejected this concept. Malton would continue to be expanded for the traffic of the 1970's, but not enlarged. This has continued to be our policy since the Minister of Transport, in December 1968, announced the two airport system.

Ontario later established controls on land around the airport based on our forecasts of the traffic in the 1970's to keep the situation from becoming worse. Since then communities outside the controls have grown rapidly; this is the fastest growing area of the fastest growing region of Canada. In contrast the residential areas on the land that is controlled have grown very slowly.

Some say that if we were more clever we could squeeze through all the traffic without enlarging the airport. Unfortunately this is simply not true.

With all the traffic at Malton, a fourth runway will be required by the late 70's and a fifth will be required for the traffic to the year 2000. The idea of building the fourth runway—very close (1,000 feet) to the existing north-south runway was studied. Our critics feel that this is what we should do but such a proposition will only give us about a 20 per cent increase in capacity, simply not enough. The fourth runway should be separated by some 5,000 feet and certainly no less than 3,500 feet. More terminals will be required and will represent the major portion (85 per cent) of all the expenditures to the year 2000 whatever the proportion of traffic at Malton and at the new Toronto airport.

There is simply not enough land for all these developments within the existing boundary; furthermore, the federal government and the province is concerned about the commitments made by the province of Ontario to those people in adjacent communities who were assured that the traffic would not increase and the noise would not become intolerable from the traffic of the 1970's.

The technical studies clearly show that the problem of noise is simply the volume and frequency of traffic over existing built up areas. Even if no new runway were needed (and clearly it is) and all the traffic could be accommodated on the existing three runways, approximately the same number of people will be affected. And we looked for every possible advantage in quieter aircraft, quieter engines.

We studied STOL in great detail as well as high speed ground transport. The development of STOL as Canadian transportation and industrial initiative is a matter to which the Government attaches high importance in both industrial and transportation terms. Clearly if it could solve the need of Toronto it would be most fortunate. But this solution does not meet the test. The fastest growing air marked is the long-haul; domestic, continental and international for which air is the natural way to travel. STOL will be important but will not reduce the need for facilities and the noise adequately to alter the basic need for the new airport. Similarly with high speed ground transport which in fact is a competitive mode with STOL: Neither are relevant or economic beyond 300 to 500 miles.

Next I shall deal with the selection of the site. Experts have made very extensive studies on our behalf assessing various alternatives. These studies have been released to the public and subjected to critical evaluation. As one would expect, there is much conflicting information and opposing points of view, but there are some common themes that provide the basis for a decision.

The Toronto region is continuing to expand. Ontario has elaborated a regional plan for orderly development in the area referred to as the Toronto-centered region. This plan recognizes that the growth should be distributed to reduce the pressures of urbanization in some areas and improve the economic and social opportunities in other areas; as this question is largely within provincial jurisdiction, the federal government does not feel that it should interfere with provincial planning priorities.

It was therefore apparent to the government that close collaboration with the provincial government was desirable. In this regard we have learned some lessons from the experiences of establishing a second airport in the Montreal regin. When this decision was taken in 1969, it was apparent that traffic at Dorval would expand by the late 1970's to a point where the existing airport facilities could not accommodate it, and there was no way in physical or environmental terms to expand Dorval. A second airport was required—a decision which I believe was fully supported by Quebec. However, the provincial government had other objectives in the selection of the site not consistent with civil aviation requirements or other national interests. We proceeded, but the federal government was obliged, because of the lack of provincial support at the time, to acquire 88,000 acres of land to guarantee environmental protection. The land for the airport site itself was about 17,000 acres, roughly the equivalent of what we are expropriating at Pickering.

In my view, it has been a substantial move forward in federal-provincial relations in that we have been able to achieve a consensus of view with the province of Ontario in selecting the site consistent with their planning and where they undertook to carry out zoning to protect potential noise land.

Since 1970, working with the province jointly we boiled down the possibilities for a new site and reached some basic conclusions.

We showed that Southern Ontario really consists of two broad regions of air travellers: The Toronto area; southwestern Ontario. Given the very great size of these regions, it became clear that two systems of airports for each region specifically developed for the needs of that region were most convenient.

In fact the documents demonstrate that even if we could accommodate all of the traffic at Malton, which we cannot, new airports would be required for maximum convenience. The multiple system of airports that we have proposed is more convenient and will cost the users less than any one single airport, even Malton.

With Malton to the west of Metro Toronto the closest possible site for the majority of travellers who live or are destined to Toronto is the Pickering site to the east. In turn the passengers from the southwest would increasingly use the improved facilities there especially for short haul or charter operations. Improved connections to regional domestic points and to key international airports from a number of centres like Hamilton, Windsor and London where relatively modest expansion is envisaged, would benefit these communities and adjacent areas; equally important, it would hopefully reduce automobile traffic congestion and fatalities.

This conclusion has been challenged. Critics say that the majority of passengers live to the west and if a new airport is needed it should be west of Toronto. Actually the majority of passengers live in Toronto and the idea is to locate as close as possible to them for convenience while avoiding as far as possible disruption as at Malton. There are fewer, but still a considerable number of passengers to the southwest, and they will find it convenient to use the airports there.

It emerged from all the studies that Pickering fully met aviation criteria, was convenient, and could be developed to satisfy future demand.

The Ontario government also reached the basic conclusion that the airport at Pickering best suited their regional planning. In the airport they saw further opportunities to achieve the goal of stimulating more growth to the east.

The planning of Ontario together with the establishment of a new airport held out the prospect of new jobs for 100,000 Canadians over the next decade. Clearly, this factor is a matter of interest to both levels of government.

As one who has long worked with people, I deeply regret the disturbance of some homeowners. This is true at any site. The natural features of the site will also be

disturbed. These concerns must be weighed against the concerns of greater disruption elsewhere.

We set ourselves the task of finding ways to minimize the disruption, and we set ourselves the obligation of having the general public test these conclusions before we made a final decision.

All those on the expropriated land will be paid not only the market value but also related payments for relocation and disturbance as provided for by the Expropriation Act and other related expenditures as the Act is based on the principle of "a home for a home".

We will strive for the preservation of both historic buildings and the area's natural landscape; in this regard we will cooperate with the conservation authorities of Ontario, and also allow adequate opportunities to historic, horticulture and wildlife groups, to make recommendations as to steps that should be taken in respect to these questions.

A great deal of concern has been expressed in respect to the destruction of agricultural lands and we are convinced that with proper planning a great deal of expropriated land can be made available for agricultural use within the airport zone. We wish to assure residents that such lands will be leased back at rates which will assure that farming can be conducted on an economically viable basis.

Given the steps both levels of government have taken or envisaged, it can be fairly argued that the dangers in the general area around Pickering of unstructured urban sprawl and ravage to the environment that would have occurred had private speculation been allowed to continue, has been diminished rather than increased.

The question so often raised in connection with green belts and urban growth east of Toronto are, in our view, extremely important from an environmental and quality of life viewpoint. The federal government is convinced that an airport in the region will not, in itself, prohibit the achievement of an adequate buffer zone for green belt and recreational lands between Toronto and communities to the east. This is a matter which the federal government would be prepared to discuss further with the provincial government.

The final question concerns public participation.

Since the original announcement about expansion at Malton, we have listened to the people.

With respect to Pickering, hearings under the Expropriation Act have been held. This was the first time the act was employed for such a major project. The Hearing Officer conducted the hearings with objectivity and fairness. Everyone had the opportunity to object and was given the time to he heard.

Many objections were heard and they have been very effectively summarized in the report that my colleague, the Minister of Public Works, has tabled. The report records only the objections. But it is an important document and it weighs heavily in the balance of reaching a final decision.

In this balance we must also weigh the objections of others to the other alternatives and the objections of the majority of people today and in the future who will condemn us for procrastination and the abdication of our responsibilities until it is too late and impossible to plan sensibly.

Let me review the numbers of people involved and the issues raised. 2,163 people objected. These include 136 households and the land being expropriated. Some 130 owners also being expropriated formally wrote asking that the expropriation go ahead. The majority of the total 815 property owners did not object.

The approximately 2,000 people who objected and who live near the site and elsewhere were very articulate in their presentations. From the time of the announcement they have challenged the conclusions of the two governments.

Over and above the hearings, groups have met with government ministers, and numerous officials have themselves been made available to answer their questions. In addition, technical reports have been released for their consideration.

Their fundamental point is that we are overestimating the amount of the traffic, underestimating the amount of facilities that we could squeeze into Malton airport and not taking enough account of new technologies that could quieten the aircraft and reduce noise.

They are right that aspects of future technology are uncertain. We have evaluated these possibilities ourselves and are continuing to do so. But these important possibilities do not negate the need for the land for the new airport. The report that I am tabling today summarizes reasons drawn basically from the previous documents that demonstrate this conclusion.

Fundamentally it is a choice of either enlarging Malton or developing a new airport. Clearly failure to meet the growing demand is not an acceptable option for the people of the region, for Ontario and for the nation. And in the balance of the numbers of people disrupted, the economic and planning advantages gained and the capacity for air transportation achieved, Pickering is preferable.

After years of technical studies and after all the arguments have been heard, it remains to elected governments to make the decision. I personally could claim the need for additional time to review the whole matter further, and a few would applaud. But I have reviewed the matter, and this government has decided to go ahead sincerely believing it to be the right decision, and supported in this belief by Ontario.

While we intend to acquire the land, no one will be disturbed nor will construction begin until there has been an opportunity for an independent group working with the federal, provincial and municipal governments to determine the type and timing of facilities required and the one which in their view could be most consistent with the transportation and other planning activity of all three levels of government.

The decisions resulting from such an open public discussion will affect the life style of the residents of the region for generations to come. For this reason, it is felt that concerned community groups, as well as governments, should have full opportunity for participation.

This process will be the first of its kind and could be a model for the future.

The land will remain secure while this participation of the public and various groups occurs. The people will be able to make whatever inputs they feel is appropriate, not only on the question of the airport but also on the kind of urban region and how this affects air service and airports. The independent group and the government will be open-minded and will consider all information including any vitally new facts on technology or changes in the attitudes of the people that might point to a different conclusion than our present conviction. Should such information come to light and should we be moved to reconsider our present conclusion that the people of Toronto and Canada need this facility, the land will still be there and the option will still be open.

But in planning for the future we have concluded on the best information available that the Pickering airport is needed.

I hope this public examination will proceed expeditiously so that we avoid within ten years any kind of transportation crisis for Toronto which would force the travelling public there to use less convenient methods of travel or rely on other gateways for access abroad. As the transportation and planning needs of the area are urgent, it would not be in the general interest to unduly prolong such a hearing. It is the government's intention to meet with the leaders of the other levels of government immediately to commence the study at the earliest possible date and report within twelve months.

HOUSE OF COMMONS

Wednesday, January 31, 1973

The House met at 2 p.m.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received which is as follows:

Government House, Ottawa
January 31, 1973

Sir:

I have the honour to inform you that the Right Honourable Gerald Fauteux, P.C., Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, January 31, at 5.45 p.m., for the purpose of giving royal assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
Andre Garneau
Brigadier General
Administrative Secretary to the Governor General

* * *

OFFICIAL LANGUAGES

TABLING OF ANNUAL REPORT OF COMMISSIONER FOR YEAR ENDED MARCH 31, 1972

Mr. Speaker: I have the honour to lay before the House copies of the second annual report of the commissioner of official languages for the year ended March 31, 1972.

ROUTINE PROCEEDINGS

VETERANS AFFAIRS

TABLING OF REPORT OF JOINT STUDY GROUP ON BASIC RATE OF PENSIONS

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, pursuant to Standing Order 41(2) I wish to table in the two official languages the report of the joint study group on the basic rate of pensions.

[*Later:*]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. Before we move from motions, may I ask whether the Minister of Veterans Affairs is going to refer the report he just tabled to the Standing Committee on Veterans Affairs?

Mr. MacDonald (Cardigan): Yes, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): When?

Mr. MacDonald (Cardigan): In a matter, possibly, of a day or two.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—TABLING OF REPORT OF HEARING OFFICER ON EXPROPRIATION OF PROPERTIES ON LANCASTER CRESCENT

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, pursuant to Standing Order 41(2) I should like to lay on the table the report of A. W. Fisher, Q.C., the hearing officer under the Expropriation Act, with reference to five properties on Lancaster Crescent, Burkeville subdivision, on Sea Island, municipality of Richmond, province of British Columbia.

[*Translation*]

Mr. Speaker, the report is being translated, the French text will be available early next week.

* * *

[*English*]

TRANSPORT

CHARTERING OF SHIP FOR SERVICE BETWEEN NEWFOUNDLAND AND NOVA SCOTIA—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Elmer MacKay (Central Nova): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to Standing Order 43, involving the chartering of vessels by the Department of Transport, specifically on the matter of the chartering of the *Princess of Tasmania* for use as a ferry between Newfoundland and Nova Scotia. Since the five-year charter will cost over $3 million for this British registered vessel, which could have been purchased by the government for less than $2 million, and this amount is now supplemented by substantial extra conversion expenses occasioned by stricter enforcement of British shipping regulations, I move, seconded by the hon. member for Egmont (Mr. MacDonald):

That this matter be referred to the Standing Committee on Transport for detailed investigation.

Mr. Speaker: This motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

INDIAN AFFAIRS

ABORIGINAL RIGHTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Frank Howard (Skeena): Mr. Speaker, I rise to seek the unanimous consent of the House to move a motion pursuant to Standing Order 43. The matter of urgent and pressing necessity has arisen from the decision rendered by the Supreme Court of Canada today with respect to the claim of the Nishga nation of Indian peoples and the necessity that the parliament of Canada express some view about the matter. Therefore I move, seconded by the hon. member for Comox-Alberni (Mr. Barnett):

This house is of the opinion that the decision rendered today by the Supreme Court of Canada with respect to the land claim's case of the Nishga nation of Indians has implications beyond these particular claims and therefore expresses the view that there should be set aside a period of time within this session, in the reasonably near future, during which a debate may be entered upon relating to the hereditary and aboriginal rights of the Indian people.

Mr. Speaker: The hon. member's motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity with respect to the motion proposed by the hon. member for Skeena. Therefore it cannot be put at this time.

* * *

• (1410)

[*Translation*]

UNEMPLOYMENT INSURANCE

DELAY IN PAYMENT OF BENEFITS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. André Fortin (Lotbinière): Mr. Speaker, I solicit unanimous consent of the House, under Standing Order 43, to propose a motion in a case of urgent and pressing necessity. In view of the delay in taking remedial action and of the inability of the Minister of Manpower and Immigration (Mr. Andras) to accelerate payments of unemployment insurance benefits, I therefore move seconded by the hon. member for Roberval (Mr. Gauthier):

That the whole matter of payment of unemployment insurance benefits be immediately reviewed by the appropriate House committee and that an interim report be presented to the House by Feburary 15, 1973.

Mr. Speaker: The House has heard the motion brought forward by the hon. member for Lotbinière. It requires unanimous consent, since is proposed under provisions of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The hon. member will have noted, as I have, that there is no unanimity. The motion cannot therefor be put to the House now.

* * *

[*English*]

REGIONAL ECONOMIC EXPANSION

CLOSING OF COSMOS IMPERIAL MILLS PLANTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise under the provisions of Standing Order 43 to seek the unanimous consent of the House to move a motion concerning the sudden closing yesterday of the Cosmos Imperial Mills Ltd. plant at Marysville, New Brunswick, with lay-offs of some 300 workers, following similar plant closures by the same company in 1971 and 1972 in Ajax, Hamilton, and Trenton, Ontario, with job losses totalling 210, after the company had in May, 1972 accepted grants from the Department of Regional Economic Expansion totalling $403,000 for its plants at Marysville, New Brunswick, and Yarmouth, Nova Scotia. Therefore, I move, seconded by the hon. member for Regina-Lake Centre (Mr. Benjamin):

That the dealings of the Department of Regional Economic Expansion with Cosmos Imperial Mills Ltd. under the Regional Development Incentives Act be referred to the Standing Committee on Regional Development in order to establish whether or not the company acted in good faith when it applied for and accepted offers of grants of $403,000 from the public treasury for the ostensible purpose of creating jobs in the maritime provinces.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—EXPROPRIATION HEARINGS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I, too, rise under Standing Order 43 on a matter of urgent and pressing necessity. In view of the fact that the hearings under the Expropriation Act in Richmond, B.C., dealing with the proposed expansion of the Vancouver International Airport, are causing much controversy and grave concern in that area, I move, seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds):

That the appropriate minister or ministers consult with the hearing officer and order these hearings to be adjourned immediately on the grounds that the spirit if not the intent of the Expropriation Act is being violated because the government has denied

the residents affected full information as required under Part I, Section 4, of the said act—

Mr. Speaker: Order, please. I think hon. members might expect the Chair to take exception again to the form of some of these motions. I have long thought that members were perhaps taking advantage of this Standing Order. I doubt whether a motion proposed in the terms of the hon. member's motion is entirely regular in that it is more than a motion; it includes argument and as such would not normally be accepted in other circumstances. As always, the Chair finds it more practical simply to inquire whether there is unanimous consent to put the motion. I assumed the hon. member had reached the end of the motion.

Mr. Rose: No, I had not.

Some hon. Members: Oh, oh!

Mr. Speaker: I am somewhat startled but I will allow the hon. member to complete the motion.

Mr. Rose: Mr. Speaker, with your indulgence I might say that since I am the fourth member to move such a motion I can understand your lack of patience with this technique.

Some hon. Members: Hear, hear!

Mr. Rose: If I may conclude in a sentence, I make this motion with the utmost seriousness to allow time for the necessary environmental impact studies to be completed and for the Minister of Transport (Mr. Marchand) to visit Vancouver and discuss the department's long-range plans for the airport with the concerned citizens.

Mr. Speaker: I think I should complete my remarks now that the hon. member has completed his motion. I assure the hon. member that there was no lack of patience. I recognize that the hon. member has the right to propose this motion. My thought was that hon. members in drafting these motions, and I am referring particularly to the motions themselves, should take care to ensure that they respect the general rules for drafting motions and should not include argument. That was the suggestion I was making to the hon. member and others who exercise their rights under Standing Order 43. This motion requires the unanimous consent of the House, so the Chair will inquire whether there is such consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The hon. member will have noted that there is not unanimity. The motion, therefore, cannot be put under the terms of Standing Order 43.

B.C. INDIAN LAND QUESTION BILL

PROVISION FOR RECOGNITION THAT ABORIGINAL AND HEREDITARY OWNERSHIP NOT EXTINGUISHED

Mr. Frank Howard (Skeena) moved for leave to introduce Bill C-134, respecting Indian lands in the province of British Columbia.

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, I have introduced this bill on a number of occasions in the past. I think it is probably even more necessary to deal with it now than was the case in the past. The purpose of the bill is to permit parliament to express an opinion and to give favourable recognition to the historical fact that the aboriginal and hereditary ownership of the land in what is now British Columbia, held by the native Indian people, has not been extinguished. It also seeks to give permission to the Governor in Council to enter into discussions with the native Indian people with a view to reaching a mutually satisfactory settlement of these claims.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

BICYCLE TRAFFIC DEATH TOLL, 1970

Question No. 2—**Mr. Mather:**

What was the annual bicycle traffic death toll in 1970, 1971 and 1972?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Statistics Canada reports that: The table below shows the pedal cycle fatalities in Canada for 1970 and 1971. Figures for 1972 are not yet available.

Pedal Cycle Fatalities in Canada	
1970	124 fatalities
1971	153 fatalities
1972	not yet available

REMOVAL OF LETTERS O.H.M.S. FROM GOVERNMENT MAIL ENVELOPES

*Question No. 56—**Mr. Diefenbaker:**

Since January 1, 1972, have any departments of government removed from mail envelopes, the letters O.H.M.S. and, if so (a) what departments (b) for what reason was such action taken and under what authority?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the answer to that

question is yes. (a) The following departments have begun to use envelopes without OHMS or related words printed on them (Environment, Indian Affairs and Northern Development, Industry, Trade and Commerce, Information Canada, Justice, Labour, Manpower and Immigration, National Defence, Prime Minister and Privy Council offices, Regional Economic Expansion, Science and Technology and Public Works). (b) Until 1970 the designs of envelopes used by federal government departments were quite various. In that year, designs began to be adjusted in accordance with the adoption of an identifying federal logo as announced in this House on October 23, 1970.

Pursuant to amendments to the Post Office Act 1971, which eliminated postage-free mail for the departments, effective April 1, 1972, the standards for envelopes and mailing were further amended by the Canadian Government Specifications Board, with deletion of the letters OHMS which were associated with the freedom from postage. Envelope designs have been revised by departments accordingly, as exhaustion of supplies has required new orders.

Mr. Diefenbaker: That is a real alibi.

Mr. MacEachen: It is good to have a real one.

THIRD NATIONAL PARK ON EASTERN SHORE OF NOVA SCOTIA

Question No. 145—**Mr. Forrestall:**

Has the Province of Nova Scotia indicated to federal authorities whether or not it intends to proceed with the Third National Park on the Eastern Shore of Nova Scotia?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): The signing of the Memorandum of Intention by the federal government and the government of Nova Scotia on August 25, 1972 indicates the intention of both governments to proceed with the establishment of the Third National Park in Nova Scotia and the Federal-Provincial Advisory Committee is presently assessing briefs submitted to them as a result of public meetings held in the area in early November.

EAST COAST WHALING INDUSTRY

Question No. 178—**Mr. Crouse:**

1. What scientific studies were carried out by the Department of the Environment prior to the implementation of a total ban on the East Coast whaling industry?

2. (a) What are the names of the scientists who carried out the studies (b) how much time was spent at sea conducting the studies (c) what was the name of the ship used by the scientists (d) in what areas of the ocean were whale sightings made?

3. Did representatives from the Department of the Environment or the Department of External Affairs meet with representatives from Russia, Norway, Australia, South Africa and Japan prior to announcing the East Coast whaling ban?

4. Has Russia, Norway, Australia, South Africa and Japan signed any agreement at the international level to stop catching whales and, if not, what annual quotas have been set for these countries by the International Whaling Commission?

Mr. William Rompkey (Parliamentary Secretary to Minister of the Environment): 1. A seven year research program was carried out by the Fisheries Research Board of Canada involving population structure, morphology, parasitology, prey species reproductive capacity, physiology, pathology, and other disciplines.

2. (a) K. R. Allen and E. D. Mitchell. (b) 11½ months during the period 1966 to 1972. (c) Several ships were used, including *William S, Polarstar, Westwhale 8, Fumi, Carino* and *Erline.* (d) On the Continental shelf and Atlantic coast of North America from Florida, to Baffin Island, in the waters surrounding Greenland and Iceland, and in the northern area of the North Atlantic including part of the mid-Atlantic ridge.

3. No.

4. No. The International Whaling Commission does not have the authority to establish national quotas but it can set overall quotas. At its 1972 meeting, the Commission established overall quotas by areas for operations and species indicated as follows: Southern Hemisphere—coastal and factory ship operations combined, sperm whales 8,000 males and 5,000 females. Antarctic (south of 40° south latitude), for factory ships, 1,950 fin whales; 5,000 sei and Bryde's whales; and 5,000 minke whales. North Pacific Ocean, for factory ships, 650 fin whales; 3,000 sei and Bryde's whales and 6,000 male and 3,000 female sperm whales.

ENVIRONMENTAL STUDIES—MACKENZIE VALLEY PIPELINE

Question No. 179—**Mr. Harding:**

Do the terms of reference of any of the environmental studies commissioned by the government of the Mackenzie Valley pipeline include the possibility of rejecting the pipeline as environmentally unsound and, if so, which studies include this possibility as one of the conclusions and what are the terms of reference in each case?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. The terms of reference neither seek nor preclude any particular decision. They make no reference to acceptance or rejection as the studies are intended to provide information on which applicants' or intervenors' environmental impact statements can be assessed. They are intended to supply government with data upon which questions can be based and subsequent answers can be assessed. The objectives of the environmental studies are: (a) to provide the base data required to develop an understanding of the northern environmental and ecological balance, with particular emphasis on probable pipeline routes along the MacKenzie Valley; (b) to provide the technical and scientific information necessary to enable government to assess proposals and statements about the impact on the environment of building and operating pipelines in the North.

NUMBER OF FULL-TIME EMPLOYEES IN FORMER DEPARTMENT OF TRADE AND COMMERCE

Question No. 200—**Mr. Knight:**

1. How many full-time employees were there in the former Department of Trade and Commerce immediately before its amalgamation with the Department of Industry?

2. How many of these were earning more than $15,000 annually, distributed according to $1,000 intervals?

Hon. Alastair Gillespie (Minister of Industry Trade and Commerce): 1. The number of full-time employees in the former Department of Trade and Commerce prior to amalgamation with the Department of Industry was 1961.

2. Records are not available so as to readily provide information concerning salary ranges. However, the total earning more than $15,000 annually was 170.

DEPARTMENT OF INDUSTRY PERSONNEL BEFORE AMALGAMATION WITH DEPARTMENT OF TRADE AND COMMERCE

Question No. 213—**Mr. Knight:**

1. How many full-time employees were there in the former Department of Industry immediately before its amalgamation with the Department of Trade and Commerce?

2. How many of these were earning more than $15,000 annually, distributed according to $1,000 intervals?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): 1. The number of full-time employees in the former Department of Industry prior to amalgamation with the Department of Trade and Commerce was 768.

2. Records are not available so as to readily provide information concerning salary ranges. However, the total number earning more than $15,000 annually was 157.

R. PATRICK LIPPERT

Question No. 219—**Mr. Cossitt:**

1. Has any attempt been made by the Department of External Affairs to negotiate a parole for Canadian citizen R. Patrick Lippert of Kitchener, Ontario, who has been imprisoned in Cuba for ten years?

2. When was the last time that an official of the Canadian Embassy in Havana was permitted by Cuban authorities to see Mr. Lippert?

3. Has the government knowledge of Mr. Lippert's present state of health?

4. Is the present location of Mr. Lippert's imprisonment in Cuba known?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. There have been no negotiations. Mr. Lippert has not been eligible for parole but representations have been made and continue to be made on his behalf.

2. January 25, 1973.

3. Yes. Mr. Lippert is in good health.

4. Yes. Mr. Lippert is at the Guanajay Prison Farm.

LIP PROGRAM—COST BENEFIT ANALYSIS

Question No. 264—**Mr. Haliburton:**

Has any cost-benefit analysis of the LIP program been made and (a) if so, what were its conclusions (b) if not, does the government intend to conduct a cost-benefit analysis of this program?

[*Translation*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): No. (a) Not applicable. (b) Yes.

Order Paper Questions

[*English*]

VOTE 20A—SUPPLEMENTARY ESTIMATES

Question No. 431—**Mr. Marshall:**

What is the breakdown by province of the following items under Vote 20a of the Supplementary Estimates (A) for the Department of the Environment (a) Fisheries Management and Research, $2,882,000 (b) Compensation to Atlantic Salmon Fishermen, $1,300,000?

Mr. William Rompkey (Parliamentary Secretary to Minister of the Environment): In so far as the Department of the Environment is concerned: (a) Newfoundland, $973,000; Nova Scotia, $23,000; New Brunswick, $1,374,000; Quebec, $512,000; Total, $2,882,000. (b) Newfoundland, $273,000; New Brunswick, $850,000; Quebec, $177,000; Total, $1,300,000.

SUPPLEMENTARY ESTIMATES—DEPARTMENT OF VETERANS AFFAIRS

Question No. 435—**Mr. Marshall:**

What is the breakdown by province of the following items listed in the Supplementary Estimates (A) for the Department of Veterans Affairs (a) Vote 10a, Welfare Services, War Veterans Allowances and Civilian War Allowances, $9,100,000 (b) Vote 35a, Disability Pensions, $9,100,000?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): The two items listed in Supplementary Estimates (A) for Vote 10a and Vote 35a are amounts required to supplement the overall requirements of these two votes. The forecast distribution by province of the overall expenditures in these two votes is as follows:

Province	Vote 10a $	Vote 35a $
Newfoundland	5,956,800	2,899,800
Prince Edward Island	1,576,800	2,658,200
Nova Scotia	10,074,000	15,465,600
New Brunswick	7,183,200	9,666,000
Quebec	11,388,000	25,856,500
Ontario	25,666,800	82,161,000
Manitoba	4,292,400	18,365,400
Saskatchewan	3,153,600	9,907,700
Alberta	5,431,200	16,432,200
British Columbia	11,826,000	39,388,900
Outside Canada	1,051,200	18,848,700
	$87,600,000	$241,650,000

REMOVAL BY NATIONAL FILM BOARD OF VOLUMES ASSOCIATED WITH THE MONARCHY

*Question No. 528—**Mr. Coates:**

1. Has the National Film Board of Canada removed the following volumes from its libraries *The Sceptre and the Mace, The Queen Opens Parliament, The Queen in Canada* and, if so, for what reason?

2. Have any other volumes associated with the Monarchy and with Parliament been removed from the libraries of the National Film Board of Canada?

Motions for Papers

[*Translation*]

Mr. Gilles Marceau (Parliamentary Secretary to Secretary of State): Mr. Speaker, I have obtained from the National Film Board the following information. 1. Yes, because those films were out- of-date and seldom used. Moreover, it is customary for the National Film Board to withdraw some films from its film libraries located throughout the country for the above-mentioned reasons.

2. Yes and all those films are kept in the archives of the National Film Board of Canada.

[*English*]

PORTNEUF CONSTITUENCY—APPOINTMENT OF SPECIAL CONSTABLES ON OCTOBER 30, 1972

Question No. 600—**Mr. Godin:**

On election day, October 30, 1972 (a) how many special constables were appointed in the constituency of Portneuf (b) how many of them were members of (i) RCMP (ii) Quebec Provincial Police (iii) municipal police (iv) casual officers (c) were the casual officers sworn in and in which polling division were they on duty?

Mr. John M. Reid (Parliamentary Secretary to the President of the Privy Council): I am informed by the Chief Electoral Officer as follows: (a) 43. (b) i. Nil; ii. Nil; iii. Nil; iv. 43. (c) As envelope 169 containing the results of the polls cannot be opened, it is impossible for this Office to inform you if the constables have been sworn in. Polling division numbers: 12, 15, 16, 20, 21, 49, 50, 58, 59, 60, 82, 84, 109, 111B, 112, 115, 119, 120A, 128B, 130B, 137A, 138A, 140B, 142, 144, 148, 152, 158, 164, 178, 183, 184, 197, 199, 203, 204, 205B, 217, 218, 227, 229, 231, 233A, 242, 245, 256, 257, 266HV, 271AH, 271LV, 272, 273, 284, 288, 316, 318.

MOTIONS FOR PAPERS

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion for the production of papers No. 74 is acceptable to the government subject to the usual reservations concerning confidential documents and the authorization of the government authorities concerned.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary, is it the pleasure of the House that the motion be deemed to be adopted?

Some hon. Members: Agreed.

RELOCATION OF TRACK IN WETASKIWIN, ALBERTA

Motion No. 74—**Mr. Schellenberger:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House copies of all letters, telegrams, memoranda and other documents or correspondence between the government, the CPR, the CNR, and any municipality or individual in relation to the possible relocation of track situated in Wetaskiwin, Alberta.

Motion agreed to.

[Mr. Coates.]

Mr. Reid: Mr. Speaker, I ask that all the other notices of motions be allowed to stand.

Mr. Howard: Mr. Speaker, I rise on a point of order. There appear on the notice paper notices of motions in my name, Nos. 36 to 40 inclusive, all of which were set down on January 8 and all of which were allowed to linger on the notice paper during the last session of the previous parliament. Surely in that period of time some decision must have been reached with respect to them. There is an even greater element of urgency now than there was before. I would ask the parliamentary secretary or the minister concerned in this matter whether some response could not be made next week.

Mr. Reid: Yes, Mr. Speaker.

Mr. Hamilton (Qu'Appelle-Moose Mountain): On a similar point of order, Mr. Speaker, I also have a notice of motion for the production of papers, dated January 8, on the order paper, dealing with the production of the minutes of the British Columbia-Canada Liaison Committee on the Columbia River. That committee completed its work in 1960. Surely the government can make a decision to present these papers to the House?

Mr. Macdonald (Rosedale): Mr. Speaker, I have just made a note to look into that.

ORAL QUESTION PERIOD

INCOME TAX

DISTRIBUTION TO OFFICES OF REVISED TD-1 FORMS PERMITTING $1,000 DEDUCTION BY PERSONS AGE 65 OR OVER—STEPS TO PUBLICIZE AVAILABILITY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a question to the Minister of National Revenue arising out of the press release he issued today saying that revised TD-1 forms permitting a $1,000 deduction by Canadian taxpayers aged 65 and over, as opposed to the $650 previously allowed, were distributed to district taxation offices last August with instructions that they were to be supplied on request. The release says in part:

The purpose was to enable those who wished to have the $1,000 exemption applied to current deductions to do so by completing the revised TD-1 form.

I would like to ask the minister what measures he or his department took to advise those Canadians affected, that is, those aged 65 and over, that these revised forms were available permitting the larger deduction of $1,000 rather than $650, so that this purpose could be carried out?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I am not sure what steps were taken at the time, but the hon. gentleman will be familiar with the rather substantial publicity given to the announcement of the Minister of Finance concerning these new exemptions that he was proposing, and many people did inquire who

felt they would like to use the new exemptions in their deductions and did obtain the forms. It is always possible, of course, that others will not wish to take a chance on that proposal being passed by parliament and having to end up paying a balance when they file their returns. We gave those people a choice, but I think there was ample publicity given to the proposal in the budget.

Mr. Stanfield: The minister's answer is that no publicity was given to the availability of those forms. The release also says that "those who prefer to continue the deduction of $650 pending enactment of the legislation need not complete the form". Will the minister tell the House what action his department took to advise the taxpayers concerned that they had this option of having more tax withheld if they did not fill out this form that was secreted in the offices of the department?

Mr. Stanbury: Mr. Speaker, taxpayers need only file new TD-1 forms when they wish to claim different exemptions from those they have previously claimed. So there would be no need to file a new TD-1 form unless they wished to do so.

Mr. Stanfield: Mr. Speaker, this must be one of the most extraordinary instances on record of tax maladministration. So that we can get to the bottom of this matter, I should like to ask the minister whether he will table the letter of advice and instructions which went out to the district taxation offices with these revised TD-1 forms last August?

Mr. Stanbury: Mr. Speaker, I do not know whether that is customary but I shall be glad to look into that possibility.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. I should like to ask the Minister of Finance when he intends to bring in the budget and the budget bills following it so that the House can act by act of parliament in matters of taxation rather than their being dealt with by press release?

Some hon. Members: Hear, hear!

REQUEST FOR IMMEDIATE LEGISLATION TO CONFIRM ADDITIONAL $1,000 EXEMPTION FOR PERSONS AGE 65 OR OVER

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a supplementary question to the Minister of Finance. In view of the assurance he gave on Monday that he would give consideration to the proposal I made that he bring in immediately a bill which by itself would confirm the $1,000 additional exemption for those aged 65 and over, can the minister tell the House whether a decision has yet been made?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, that assurance that I would consider the hon. gentleman's suggestion will be discussed with the House leader, but I cannot go beyond that assurance and would not encourage him to be too optimistic about it.

Mr. Stanfield: I would not either.

Mr. Tom Bell (Saint John-Lancaster): Mr. Speaker, I have a supplementary question for the Minister of National Revenue. Has the minister any other forms available on request that will permit taxpayers to have less tax deducted at source?

Some hon. Members: Hear, hear!

REQUEST FOR EXTENSION OF DEADLINE FOR FILING OF 1972 RETURNS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have a question for the Minister of National Revenue. In view of the fact the new tax act is being implemented and accountants as a whole are still not familiar with the act, and in view of the fact that as of January 15, 1973, the department had not mailed out personal income tax forms and would not distribute blank forms to accounting firms in Alberta, would the government extend the deadline for filing 1972 returns to either May 31 or June 30, 1973?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I think the hon. member has been misinformed. The personalized tax return forms went out some time ago. If he has not received his, I shall try to arrange that he get it promptly.

* * *

AGRICULTURE

INCREASE IN PRICE OF FERTILIZER—ACTION BY MINISTER—INVESTIGATION BY COMBINES OFFICIALS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to put to the Minister of Agriculture a similar question to that asked of him on January 15 by the hon. member for Assiniboia in regard to the increase in the price of fertilizer in Canada and also the discontinuance of discounts. Can the minister inform the House as to what action he has taken and whether he has initiated inquiries in regard to these increases?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the investigation so far has shown that there is some price increase but not as much as many people would like to make out. The main concern at the present time seems to be a shortage of ingredients that the manufacturers need. The main ingredient comes from Saskatchewan and if more could be produced there maybe we would not be in trouble.

• (1430)

Mr. Gleave: I do not know who was trying to make out how great the price increase was. What I am asking the minister is this: In view of these reports and, indeed, the possibility of shortages, is he prepared to ask the Department of Consumer and Corporate Affairs to initiate an inquiry and check into possible collusion on the part of the fertilizer companies, both as to price and supply, in order that we will be assured of satisfactory amounts of fertilizer in the coming crop year?

Mr. Whelan: Mr. Speaker, we have done some of the very things the hon. member has suggested we ought to do. We have not finalized our investigation into fertilizer prices, but if we find any evidence of what he is suggesting, and there may be some although I am not in a position to say so to the House at this time, we will certainly ask for an investigation as suggested by my colleague.

INCREASE IN FARM MACHINERY PRICES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, may I direct a supplementary question to the Minister of Agriculture. As farm machinery prices and the cost of farm machinery repairs have been going up in the past year or so, can the minister tell the House what action his department is taking to implement the recommendations of the commission—

Mr. Speaker: Order, please. The hon. member will appreciate that that is not a supplementary but a related question. The hon. member will be given an opportunity to ask his question in a moment. For the time being the Chair will recognize the hon. member for Richmond.

[*Translation*]

FEED GRAINS—MEASURES TO STOP PRICE INCREASE

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

My question is complementary to the one which I asked him Monday last concerning the excessive price increases of feed grains and proteins in eastern Canada. Can the minister tell us, after having met with the representatives of the Canadian Feed Manufacturers Association and the persons directly concerned with the matter in eastern Canada, what he intends to do to improve conditions concerning the price of feed grains?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, as I said before, the main cost is the high cost of proteins. There is a world shortage. I think the latest figures given to me show an increase of 140 per cent to farmers for these protein supplements. We will be making a decision next week as to how we will aid farmers caught in this cost-price squeeze.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I should like to put a supplementary question.

Could the minister say whether he has actually met the representatives of this association and, if so, what practical solution he is considering for eastern Canada producers?

[*English*]

Mr. Whelan: Mr. Speaker, I have met with many of the producers from different parts of the agricultural industry who use feed grains and protein supplements. I have promised that action will be taken soon. We went through all the ramifications of taking action and I think they were satisfied with what I told them.

[Mr. Gleave.]

[*Translation*]

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

Can the minister then say whether, in view of his affirmative answer, he intends to inform this House in the very near future that a solution has been found for eastern producers, or whether this is only going to be done at the administrative level?

[*English*]

Mr. Whelan: Mr. Speaker, I promised the producer groups, the people concerned in this case, that before I make a submission to anyone I will consult with them first.

FERTILIZER—REPRESENTATIONS RESPECTING SALE OF CANADIAN PRODUCT AT LOWER PRICE IN UNITED STATES

Mr. Jack Murta (Lisgar): Mr. Speaker, may I revert to the question first asked about fertilizers, a most important subject. Has the Minister of Agriculture received any submissions from people in western Canada about fertilizer made in western Canada being shipped to the United States at up to $20 a ton cheaper than it can be bought in Canada? Have any groups inquired about this and is his department ready to look into what appears to be a very important matter?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, first of all I recognize that this is an important matter because of the price and because of the availability of the basic ingredients in Canada. As far as I know I have not received a submission from any group, but I will need to check in my office first. I have received many informal representations about costs from individual farmers and from farmers at farm meetings I have attended.

An hon. Member: A supplementary question, Mr. Speaker—

Mr. Speaker: Order, please. I wonder whether the House might allow the Chair to recognize a few other hon. members who wish to ask questions and then return to the hon. member for Annapolis Valley, the hon. member for Assiniboia and other hon. members who wish to ask supplementaries on this subject.

* * *

POLLUTION

GREAT LAKES—CANADIAN PROPOSALS AT TALKS WITH UNITED STATES OFFICIALS RESPECTING CLEAN-UP—MEETING OF TARGETS

Mr. Terry O'Connor (Halton): Mr. Speaker, my question is directed to the Minister of the Environment and is with regard to the Great Lakes pollution talks at present under way. Would the minister inform the House what was proposed by Canadian officials at the talks yesterday with the United States representatives on the progress of programs to clean up the Great Lakes?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, our main concern was United States performance in building clean-up facilities on the Great Lakes.

Mr. O'Connor: In light of the United States administration's attempts to cut in half funds appropriated by the U.S. Congress to construct necessary water treatment facilities in the next two years, did the Canadian representatives press for assurance that the United States government will live up to the targets it agreed to in 1972 for the Great Lakes clean-up? If so, has the government received detailed commitments that these targets will be met?

Mr. Davis: Yes, Mr. Speaker, we pressed for that assurance and have been told on several occasions by the Director of the Environmental Protection Agency of the United States that the United States will be honouring its commitments with respect to the Great Lakes.

Mr. O'Connor: Can the minister tell the House whether anything was resolved or agreed upon as a result of yesterday's talks? Will he make a full statement to the House, perhaps on motions, as to what progress was made on completion of the talks?

Mr. Davis: Mr. Speaker, I have not seen a detailed report on yesterday's talks. I will be glad to consider a statement on motions if there is anything unique that warrants reporting to the House.

* * *

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—REQUEST FOR REPORT ON VIOLATIONS, POSITION OF CANADIAN SUPERVISORY PERSONNEL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, would the Secretary of State for External Affairs bring the House and country up to date in connection with the Canadian supervisory force in Viet Nam. What incidents have taken place in the last 24 hours? Are Canadians in any way adjacent to those areas where there have been outbreaks? Also, what representations has the Canadian government made to the government of North Viet Nam?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the information we have does not differ fundamentally from what has appeared in the newspapers. The supervisory commission, consisting of Canadian, Hungarian, Polish and Indonesian groups, is in Saigon at the present time. They have to wait for a meeting of the military commissions before they can begin their work. For this reason, as far as I know, they are not in any danger.

Mr. Diefenbaker: Mr. Speaker, is the minister coming to the point of concluding that the agreement made will, indeed, be the Munich of 1973?

VIET NAM—CEASE-FIRE AGREEMENT—ADDITIONAL CONTINGENT OF CANADIAN TROOPS FOR SUPERVISORY COMMISSION

Mr. A. D. Hales (Wellington): Mr. Speaker, may I direct a supplementary question to the Secretary of State for External Affairs. Will another contingent of Canadian soldiers be leaving for Viet Nam and will they be leaving before the situation is cleared up?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, the protocol calls for the completion of our forces between 15 and 30 days from cease-fire. That means that our second aircraft will be leaving in about two weeks from now.

Mr. Baldwin: Will you bring back the *Bonaventure*?

* * *

MANPOWER

POSSIBLE AMALGAMATION OF OPPORTUNITIES FOR YOUTH AND LOCAL INITIATIVES PROGRAMS

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, my question is directed to the Secretary of State. Has he had discussions with the Minister of Manpower and Immigration relating to a recommendation that the Opportunities for Youth and Local Initiatives Programs be placed together under one single program?

Hon. James Hugh Faulkner (Secretary of State): Yes, Mr. speaker, in a very preliminary way. I am more concerned at this point about this summer's youth project, but that is a longer term objective.

Mr. Grafftey: Will such discussions affect the opportunities for youth program already announced in the House for next summer?

Mr. Faulkner: Mr. Speaker, if the hon. member means for this summer, the answer is, no.

* * *

INDIAN AFFAIRS

SUPREME COURT DECISION IN NISHGA LAND CASE—REQUEST FOR STATEMENT ON GOVERNMENT POSITION RESPECTING ABORIGINAL RIGHTS

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a question to the Prime Minister. It arises from the decision rendered this morning by the Supreme Court of Canada in the Nishga Nation of Indians land case. Will the Prime Minister make a statement on motions at any early date outlining the government's position with respect to the question of land claims and the aboriginal rights of the Indian people?

• (1440)

Right Hon. P. E. Trudeau (Prime Minister): I will gladly discuss it with the minister, who will, unfortunately, be absent for another few weeks.

An hon. Member: What about the acting minister?

Mr. Trudeau: Yes, there is an acting minister and, as I said the other day, there is the excellent parliamentary secretary from Kamloops. Get your questions on line and you will find he can answer them. That is the position.

Mr. Howard: I have a supplementary question, partly necessitated by the noise from the far right which did not appear to have much sense attached to it.

Mr. Crouse: Don't you like your new friends?

Mr. Paproski: Shame on you. That is a terrible statement.

Mr. Howard: Would the Prime Minister tell the House today whether his statement in 1969, which then reflected government policy of rejecting aboriginal rights, still stands?

Mr. Trudeau: The hon. member will recall that spokesmen for his party as, indeed, for the Conservatives approved the government statement which was made in 1969.

Mr. Baldwin: No.

Mr. Trudeau: If hon. members look up the record of what they said in *Hansard,* they will see that the only comment they had to make about the minister's policy was: "Too little, too late".

Mr. Baldwin: Not on that issue.

Mr. Trudeau: There will, no doubt, be a debate on the minister's estimates and it seems to me the matter can be brought up at that time.

Mr. Speaker: Order, please. It seems to me that both the question and the reply by the Prime Minister are debate. Is the hon. member for Skeena rising on a point of order?

Mr. Howard: Yes, Your Honour. My point of order is that the statement to which the Prime Minister refers is the one that was issued in the House on June 25, 1969. The question I asked related to a statement the Prime Minister made in September, 1969, in which he called the Indian people historical might-have-beens and rejected the notion of aboriginal rights. Perhaps the right hon. gentleman did not appreciate the force of my question. I want to know whether that September statement still stands.

Mr. Trudeau: It may be the hon. member was part of the riff-raff outside the hall when I was talking inside. He perhaps does not know—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, apparently neither the hon. member for Skeena nor the right hon. gentleman know what happened today in the Supreme Court of Canada, because three judges decided to allow the appeal, three were in favour of dismissing it, and Mr. Justice Pigeon decided that since there had not been a petition of right the matter could not be heard. In view of the fact that no judgment has yet been formally—

Mr. Speaker: Order, please. I apologize to the right hon. member. He knows I always hesitate to interrupt him, but he should ask his question. I am sure that the House will appreciate the information but, this information having been conveyed, the right hon. gentleman might ask the question.

Mr. Diefenbaker: Mr. Speaker, I found it necessary to give the hon. members some information. In view of the fact that only seven judges sat on this case and there are nine judges in the Supreme Court, would the Prime Minister give consideration to having the matter re-argued before nine judges to the end that a judgment could be secured which would determine once and for all the aboriginal rights of this particular tribe of Indians? In this way justice could be done by simply reconvening the court and having the nine judges present.

An hon. Member: Not before that court.

Mr. Trudeau: I can only say I lack the rapidity of the right hon. gentleman, who seems already to have read the hundreds of pages of the judgment which only came out yesterday.

Mr. Diefenbaker: It was today that it came out. The Prime Minister is wrong again.

Some hon. Members: Oh, oh!

Mr. Trudeau: I was wrong again. I underestimated the rapidity of the mind of the right hon. gentleman. I can only say that the Minister of Justice has the judgment in his hands. I will flip through it, just as the right hon. member did, and try to say something about it.

Mr. Erik Nielsen (Yukon): In view of the fact that the judgment is only 104 pages long and that a deadlock has been reached, would the government give consideration to referring the question of aboriginal rights to the Supreme Court in full bench?

Mr. Diefenbaker: That would to it.

ABORIGINAL RIGHTS—REQUEST THAT GOVERNMENT ACCEPT AS ITS OWN MOTION PROPOSING ESTABLISHMENT OF COMMITTEE

Mr. Wally Firth (Northwest Territories): Mr. Speaker, my supplementary question is directed to the government House leader. In view of the recent judgment of the Supreme Court of Canada I should like to know whether the hon. gentleman would now be willing to accept the motion I have on the order paper, No. 49, to set up a House committee to look into all aspects of the aboriginal rights of native peoples?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (President of the Privy Council): I promised the hon. member that I would consider the matter with the minister. Unfortunately, I have not been able to do that. But I will do it, and I will consider that

suggestion in tandem with another suggestion, that possibly there might be an opportunity to debate the issue in the House at an early date.

* * *

[*Translation*]

AIR TRANSPORT

TRANSFER OF CERTAIN AIRLINES FROM MONTREAL TO TORONTO—POSITION OF GOVERNMENT

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of Transport.

Could he tell us whether his department has received other requests from air transport companies wishing to be authorized to transfer their departure point from Montreal to Toronto? If so, what is the state of negotiations on this matter?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, negotiations have been held between two countries. I think it is well known that these were negotiations between Germany and Canada, and between China and Canada. The cabinet has to take decisions regarding this subject, and I hope that they will be taken soon, but I am still unable to say what they will be.

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a supplementary question for the hon. Minister of Transport.

The minister stated yesterday outside the House that there was no concern about Montreal's trade volume. Would the minister mean that a decision has already been arrived at on that matter?

Mr. Marchand (Langelier): Mr. Speaker, I think I understood only part of the question due to a faulty listening device.

No decision has yet been taken. There is only a memorandum of agreement which will be submitted to the cabinet.

* * *

[*English*]

ENERGY

REQUEST FOR INQUIRY INTO DEATH OF TWO WORKERS AT OFFSHORE DRILLING OPERATION

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. In view of the unfortunate deaths of two young Canadians this past weekend in the course of offshore drilling operations and the uncertainty of surrounding events, would the hon. gentleman undertake to conduct a ministerial inquiry into this tragic happening?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): I thank the hon. member for having given me notice of the question. I should explain that three representatives of the department's resource management and conservation branch arrived at the site last night along with experts from the Defence and Civil Institute of Environmental Medicine in Toronto to investigate the accident. I might add that a departmental representative from Dartmouth had already been on the scene together with an officer of the RCMP, and an investigation is now under way.

* * *

RESEARCH

STEPS TO ENSURE FAIR SHARE OF GRANTS FOR WESTERN CANADA AND MARITIME PROVINCES

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. In view of the statement made by the Minister of National Defence during the debate on the address in reply to the Speech from the Throne, in which he pointed out that 91 per cent of all industrial research grants are going to Ontario and Quebec, and in view of the government's newfound interest in industry in western Canada, can the minister indicate what steps have been taken to ensure that the west and, for that matter, the Maritimes get their fair share of these grants?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): As far as the Minister of Industry, Trade and Commerce is concerned, I am interested in seeing research and development grants spread right across this great nation of ours.

• (1450)

Mr. Andre: I assume that means that no steps have been taken so far. May I direct a supplementary question to the Minister of State for Science and Technology. In view of the inequitable distribution of current industrial research grants and the statement of policy issued by her department last September to the effect that the government was going to contract out research, can the minister indicate what administrative provisions apply to this policy so that the west and the Maritimes will be able to participate in the program?

[*Translation*]

Hon. Jeanne Sauvé (Minister of State for Science and Technology): Mr. Speaker, the terms of reference of the Department of Science and Technology include a survey of the allocation of these funds across the country. If the statistics referred to by the hon. member are available, it is because the department has made the ground work studies which will allow us to make a better balanced allocation of funds.

[*English*]

* * *

PUBLIC WORKS

PROPOSED TORONTO WATERFRONT PARK—STEPS TO CARRY OUT PROJECT

Mr. Ian Arrol (York East): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources or whichever minister is responsible for the suggested park on the Toronto waterfront. Would the minister responsible indicate what steps have been taken, apart from the press release just prior to October 30, to carry out this project?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): While I am, of course, very much in favour of this project, Mr. Speaker, actually it is my colleague the Minister of Public Works who currently has the closing of the transaction in hand.

Mr. Speaker: Order, please. Perhaps the hon. member might like to ask a supplementary.

Mr. Arrol: Then I direct my question to the appropriate minister, the Minister of Public Works.

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, we are proceeding at the present time with the assembly of the land referred to.

* * *

[*Translation*]

POST OFFICE

HIRING POLICY—REHABILITATION OF JOB APPLICANTS WITH CRIMINAL RECORDS

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, I should like to put a question to the Postmaster General.

Does the government or more specifically the Post Office Department have a hiring policy intended to facilitate the rehabilitation of persons with a criminal record? If so, why does this policy not apply to persons who seek a job as mere despatch handler?

Hon. André Ouellet (Postmaster General): Mr. Speaker, such a policy does exist and if the hon. member has a specific case to put to me, I shall look into it very carefully.

* * *

[*English*]

INDIAN AFFAIRS

SUPREME COURT DECISION IN NISHGA LAND CASE—SUGGESTED ASSISTANCE TO NATIVES TO OBTAIN PETITION OF RIGHT OR FIAT AND REHEARING

Mr. David Lewis (York South): Mr. Speaker, my question is supplementary to the question about the judgment rendered this morning regarding the claims of the Nishga Indian tribe. I have not had time to read the judgment either, but may I say that the information I have is that the right hon. member for Prince Albert is correct in describing the way in which the seven justices decided the case.

In view of this, may I ask the Minister of Justice whether he, in combination with the Minister of Indian Affairs and Northern Development, would consider assisting the representatives of the Nishga tribe (a) to obtain a petition of right or a fiat from the present Attorney General of British Columbia—there may not be much difficulty in doing that—and (b) to apply for a rehearing of their case on the basis of the fiat?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, it certainly would be my expectation to have a very early and full discussion of the problem involved in the judgment, and the nature and shape of the judgment, with the minister responsible and to set before him alternatives that may be available. I think we would be interested in seeking an expeditious solution to some of these problems, but I do not think I would want to comment now on the possible avenues for obtaining that solution which may be available to us.

Mr. Lewis: In view of the fact that the result of the judgments rendered by the Supreme Court of Canada this morning means that the issue has not really been decided in any satisfactory way, either from the point of view of the court or from anybody else's point of view, will the minister assure the House that he will try to find some way to place before the courts the merits of the issue for decision?

Mr. Lang: Mr. Speaker, I and members of the House know that this would be the desire of the Minister of Indian Affairs and Northern Development and of the government. It will be my job to attempt to lay before the minister courses of action that will lead to that result. I agree with the hon. gentleman that the substantial issue in the case remains to be decided notwithstanding the judgments, and this would certainly be the approach that we would be examining.

RECOGNITION OF ABORIGINAL RIGHTS OF NORTHERN QUEBEC INDIANS BY PROVINCE BEFORE JAMES BAY HYDRO PROJECT PROCEEDED WITH

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is supplementary and is directed to the Minister of Justice. It is also on the question of aboriginal rights. In light of the fact that the Quebec Boundaries Extension Act, 1912, has been accepted by the courts as relevant to the present interests of the Indians of northern Quebec, is the minister going to insist that the government of Quebec fully recognize the aboriginal rights of the Indians in the James Bay area, as required by law, before proceeding with the James Bay power project?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, hon. members are aware of the limitations placed on ministers in the House when issues are before the courts.

Some hon. Members: Oh, oh!

Mr. Hees: You are in serious trouble over there.

Mr. Lang: Hon. members opposite may not respect the tradition in the House of avoiding comment on questions before the courts, but I should like hon. members to know that I do respect that tradition and I do not intend to make any such comment.

Miss MacDonald (Kingston and The Islands): Mr. Speaker, I have a further supplementary question which I will direct to the Prime Minister. Would the Prime Minister tell the House whether the government, in light of this decision, is going to present a brief to the interlocutory hearings, and whether the government takes the position that the Quebec Boundaries Extension Act of 1912 does bind the government of Quebec to reach a mutually

agreed position with the Indians in the James Bay area before proceeding with the power project?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Indian Affairs and Northern Development has commented previously on this question. He indicated to the House that he did not want to act in a paternalistic way toward the Indians but that we would assist them in every way we were obliged to under the law and, indeed, our policy is to assist them.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—PROPOSED NEW RUNWAY—REQUEST FOR INFORMATION ON ENVIRONMENTAL IMPACT

Mr. John A. Fraser (Vancouver South): Mr. Speaker, if I may change the subject my question is for the Minister of Transport. Because questions were raised on Monday last at the expropriation hearings in Vancouver asking what environmental impact the proposed new runway at Vancouver International Airport will have, will the minister fulfil the statement made to the House by his parliamentary secretary on January 16 to the effect that answers will be given and now give such answers to the House as well as to the objectors and the public attending the said expropriation hearings?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, hon. members know that the public inquiry now being held under the Expropriation Act is very limited, that is to say the commissioner can only receive complaints. He cannot decide on the consequences of the noise or plane exhaust gases on the environment; he merely hears the objections.

We have consulted all specialized government services on the consequences of noise and temperature on the environment; the Department of the Environment is supposed to collate all those reports. I shall be happy to send one to my hon. friend.

[*English*]

• (1500)

Mr. Fraser: Mr. Speaker, my supplementary question is directed to the Minister of Transport. There is a clear commitment here to answer the question that has been raised, that is, what will the environmental impact be? Surely the Minister of Transport must inform the House when he is going to give the answer rather than an explanation of what he is looking at.

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is for the Minister of the Environment. Yesterday he was quoted as saying there were environmental impact studies carried out respecting the Vancouver airport and that he would release them if they were requested to be released by the Minister of Transport. Has that minister requested these environmental impact findings, and will he release them?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, there have been environmental assessments done. They have been done over the years by the various agencies of government which have been commissioned by the Department of Transport to carry out assessments of airport plans. They are not within one set of covers and are not readily available. I am not referring here to the expropriation of a few homes, the removal of which does not create any environmental hazard whatsoever.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for a supplementary question, but hon. members will appreciate that we are quickly reaching the end of the question period and a number of members are still waiting for an opportunity to ask questions.

Mr. Reynolds: Mr. Speaker, I will be very brief. The Minister of the Environment has said the reports are there. Will the Minister of Transport release these findings to the people, so they will know what is going to happen in Vancouver when the airport is expanded and will have a fair chance at the hearings to enter objections in respect of the facts contained in the findings which they cannot get their hands on right now?

[*Translation*]

Mr. Marchand (Langelier): I think the Minister of Environment is right, Mr. Speaker, because these are two different things. On the one hand it deals with a review of arguments against building the airport and new runways while on the other it bears on specialized reports. I am willing to join them in one single item and publish it if the hon. member wants to get a copy of it.

* * *

HARBOURS

POSSIBILITY OF DEVELOPING NATURAL HARBOUR AT POINTE-AU-PIC

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I would like to direct a question to the Minister of Transport or to the Minister of Public Works.

Has the department received representations from the Murray Bay Marine Terminal of Pointe-au-Pic regarding the possibility of developing the natural port of Pointe-au-Pic?

Hon. Jean-Eudes Dubé (Minister of Public Works): Not to my knowledge, Mr. Speaker. I will check and reply later to the hon. member.

* * *

[*English*]

COMMUNICATIONS

REPORTED GOVERNMENTAL SURVEY OF CANADIAN WEEKLY NEWSPAPERS

Mr. Ellwood Madill (Peel-Dufferin-Simcoe): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce and deals with a report that the minister's department plans to conduct an in-depth survey of

Canadian weekly newspapers. Will he say whether such a survey is planned and, if so, will he explain its purpose?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, such a survey is being planned as part of a general survey of the commercial printing industry in Canada. This survey was discussed with representatives of the industry and it has their support. I cannot tell the hon. member when the results will be published but I should think it might be some months away.

* * *

ROYAL CANADIAN MOUNTED POLICE

OVERTIME PAY—REQUEST FOR REPORT FOLLOWING SURVEY

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to direct a question to the Solicitor General. In view of representations that have been made over a period of several years about the payment of overtime to members of the RCMP, will he advise the House whether a survey was made of the force in respect of overtime and, if so, was the survey submitted to the government and has the government turned over moneys to the force for the payment of overtime?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the RCMP is presently conducting a study into overtime pay but I have not yet received the report. In the meanwhile, however, overtime compensation is being paid to the RCMP in the form of premium payments.

Mr. Benjamin: Mr. Speaker, I ask the Solicitor General whether it is correct that the payments being made to members of the force constitute equal payments to all its members whether or not they actually work overtime.

Mr. Allmand: I would have to inquire about that further, Mr. Speaker.

* * *

SPORTS

MONTREAL OLYMPIC GAMES, 1976—DECISION ON STAMP, COIN AND LOTTERY SCHEME PROPOSED BY COMMITTEE AND PROVISION OF FUNDS

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, I should like to address my question to the right hon. Prime Minister. In light of the fact the main body of the Montreal Olympics Commission left this morning for Lausanne, Switzerland, to make a complete report to the International Olympic Committee, and that the commission feels its ability to cover the costs of the games hinges on government approval of special stamps, lotteries and coins, and in view of the fact the Prime Minister's office announced last week that the final decision had been made by the cabinet regarding this matter, will he now finally tell the House and, indeed, millions of frustrated Canadians what that decision is?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the simplest answer is that there was no such announcement made by my office.

Mr. Hees: What is the decision?

[Mr. Madill.]

Mr. Trudeau: Are you one of the thousands of frustrated Canadians?

Mr. Hees: I am frustrated every time I listen to you.

Mr. Jelinek: Mr. Speaker, some of us remember that the Prime Minister made an announcement through his office, but I will ask a supplementary question. In view of the fact the Prime Minister has had the Olympics budget in his possession since last October, will he tell the House whether he has, due to his obvious non-committal stand on this matter, withdrawn the government support of the games that he made initially in a letter written in 1968?

Mr. Trudeau: Mr. Speaker, I must correct the hon. member again on his facts. The budget of the commission was only made known to the federal government in late November after I had been pressing COJO and Mayor Drapeau since at least August, in writing, to get that budget.

An hon. Member: Answer the question.

Mr. Trudeau: Mr. Speaker, since the facts are wrong, if it is permitted by the House I will correct those facts before attempting to deal with the question.

An hon. Member: As long as you get to the question.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. We have gone beyond the end of the question period. Perhaps the hon. member might ask a supplementary if he is seeking the floor for that purpose and then we will call orders of the day.

Mr. Jelinek: Mr. Speaker, it seems to me that the Prime Minister is evading the question as far as—

Some hon. Members: Order.

Mr. Speaker: Order, please. The Chair was prepared to recognize the hon. member for the purpose of asking a supplementary question to which the right hon. Prime Minister might have replied. I will recognize the hon. member for that purpose, but I hope we will not get involved in argument.

Mr. Jelinek: Thank you very much, Mr. Speaker. Has the Prime Minister made a decision one way or another regarding the request made to him by the Olympics committee back in October?

An hon. Member: Come on, Pierre.

[*Translation*]

MONTREAL OLYMPIC GAMES, 1976—MEANS OF FINANCING—POSITION OF GOVERNMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister.

In view of the press conference given by Mr. Drapeau in which he confirmed again that he was not requesting funds from the federal government but approval of the means which the city of Montreal will be taking to finance the Olympic games, can the right hon. Prime Minister inform us if the verbal guarantee of the mayor of Montreal is sufficient or if he is asking for more concrete

guarantees before parliament endorse the means of financing those games?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I indicated to parliament last week—and the situation is still the same at this time—that we could not introduce in the House an amendment to the legislation before we have more than verbal guarantees that the deficit, if any, should not be assumed by the Canadian taxpayer. This is still the position of the government and it is also the wish of Mr. Drapeau who right from the outset assured Canadian taxpayers that they would not have to pay anything since Montreal benefited in 1967 of millions of dollars for Expo 67 and because of this attitude of both Mr. Drapeau and ourselves we are simply waiting for some valid assurance not only from a political point of view but from a legal point of view that the Canadian taxpayer will not be the backer in the final analysis.

We are still waiting for that assurance and I think the Quebec government and the Montreal administration are presently working on it.

[*English*]

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I have one further supplementary question for the Prime Minister. Will he stop playing games and advise the House how much money he plans to give to the 1976 Olympics?

Some hon. Members: Oh, oh!

Mr. Paproski: Why are you so tough on Montreal?

Mr. Speaker: Order, please. The hon. member will appreciate that his question as asked is somewhat irregular.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Will hon. members kindly resume their seats.

[*Translation*]

I simply want to indicate that we have reached the end of the question period. Obviously, if we are to continue on this interesting subject we will have to do it during the question period tomorrow.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

REINSTATEMENT OF LAW RELATING TO CAPITAL PUNISHMENT THAT EXISTED PRIOR TO DECEMBER 30, 1972

The House resumed from Tuesday, January 30, 1973, consideration of the motion of Mr. Allmand that Bill C-2,

to amend the Criminal Code, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, when I called it ten o'clock last evening I was in the midst of listing a number of failures of the government to respond to what the electorate was asking during the past election campaign. My catalogue had not been terminated. We now have before us a bill asking for a moratorium on the death penalty. This, I submit, is in no way an answer to what the electorate asked during the past election campaign. The people were not asking for another moratorium; they certainly were not asking for perpetuation of the situation in which the criminal commits and the cabinet commutes. That is not law and order; it is not respect for the law.

We have heard a lot in this debate about deterrence. I wish to talk about it myself although my case for retention is not based only on deterrence. In this connection I submit that the very need for written law with its penalties and punishment presupposes an imperfect society. These imperfections or readiness to disregard the law are themselves graded in seriousness from jaywalking, through embezzlement and fraud to the commission of the most heinous of all crimes, murder. To each of these acts of lawlessness, be they slight or serious, is attached a progressively stringent punishment. Does it not follow from this—that is, the recognition of graded crimes alongside their appropriately graded punishments—that there is a deterrent relationship between the assigned punishment and the misdemeanour of crime? If it does not, I am seriously puzzled.

Are punishments deterrents? If not, what are they? Is the threat of having your driver's licence removed not a deterrent to exceeding the speed limit or driving while under the influence of alcohol or a drug? If this is a deterrent, why consider that other, more grievous punishments are not? In short, I find it difficult to follow those who are against the death penalty on the ground that it is no deterrent. There may be no statistical evidence to prove that it is a deterrent: those who were deterred from committing murder will not come forward and say so. Our evidence, therefore, is faulty; but that is no excuse for having faulty logic.

Furthermore, some are claiming, basing themselves on recent Canadian experience, that the death penalty has shown itself to be no deterrent. How can we draw any such inference when the death penalty has not been carried out because of cabinet decision since, I think, 1961 and certainly not since the moratorium? It has invariably been commuted. No statistics on the deterrent value of the death penalty for this period are, therefore, available. What do we really know, in such circumstances, about the deterrent effect of the death penalty in Canada.

We are told the statistics are two years behind in preparation and a clear five-year period is needed before any really reliable conclusions can be drawn. If this is the case, I submit we in this House and our constituents in the country are entitled to ask why the government did not ask in the first place for a seven-year moratorium so as to get five clear years' statistics on hand when the moratorium expired.

Had the government insufficient experience with delay in the presentation of statistics to imagine that the full five years' statistics would be available at the end of that period? If indeed that is the case, is that the reason parliament is being asked to approve this proposal? I submit that is not the case.

I have already suggested one reason which I believe to be the case; the government has got its priorities mixed. Furthermore, I think that the present bill is a compromise, as has been suggested by many previous speakers. It is a compromise between those, on the one hand, in the Liberal party who are split on the issue but are prepared to accept the moratorium to absolve their consciences and those, on the other hand, to my left who are theoretical abolitionists, some of whom are prepared to stand up and say so and some of whom are not prepared to do so.

I have a third reason for suggesting that the reason offered by the Solicitor General (Mr. Allmand) is specious. This reason is closely related to the number of convictions for murder under study in Canada. We are told there were 12 murderers in jail when the present moratorium went into effect. Is it the study on those 12 cases that is two years behind? Or was that comment related to the studies being made in other areas of criminality to prove, show or demonstrate that, comparatively speaking, the rise in one sector of criminal behaviour is greater or less than in another since the moratorium was instituted? No, Mr. Speaker, this sort of reasoning does not stand up too well to the searching test of logic or practicality.

This is a compromise bill because the government did not have the gumption to come out on this matter one way or the other to let us stand and be counted, abolitionists or retentionists. This is a bill introduced to cloak the bankruptcy of the government in the area of economic reform directed toward alleviating unemployment, reducing inflation, helping the old age pensioner and relieving taxation. For that reason alone it deserves to be defeated.

It would be tempting to examine other features of the minister's speech in the cold light of logic and to reveal its many inconsistencies. That temptation must be resisted, if only because of the clock. We are, in any event, dealing with a very practical and serious matter; the death penalty, something of concern to all Canadians. Emotions run high, I know; I felt the pressures throughout the election campaign. The wind is still blowing strong. My information, based on a survey regarding which returns are still coming in, is that 85 per cent to 90 per cent of my constituents favour the restoration of the death penalty to the statute books for use, as judge and jury direct, in cases of convictions on the charge of murder. As I say, 85 per cent to 90 per cent are for restoration of the death penalty, with only 2 per cent or so undecided.

[Mr. Munro (Esquimalt-Saanich).]

• (1520)

Statisticians, sociologists, psychologists, academics of all sorts have provided us with their views on criminology. They have produced conflicting observations, conclusions and recommendations. Some argue that statistics show that the death penalty is no deterrent, and some that it is. These academics study either cold, inhuman statistics and from that material draw their findings, or they examine case files, interview a sampling of criminals and on that basis reach their conclusions. These conclusions are useful as signposts but they are conflicting; they are no substitute for evidence from those who know even more about criminals than statisticians, sociologists and psychologists.

There is a group of specialists in this field whose views we seem content to ignore, those who have to deal daily with criminals of all sorts. They are Canada's policemen. The Canadian Association of Police Chiefs has submitted a brief that recommends in favour of retention. Why do we turn away from this representation supported, as the police chiefs are, by practical, day to day contact with criminals of all kinds?

There are two or three other considerations I would like to lay before the House before rounding out my contribution to this debate. One of these deals with terminology. I do not quite know why we allowed ourselves to be sidetracked from murder, first degree; murder, second degree and manslaughter, etc., into capital and non-capital murder, and I care not which party produced the change. For myself, I find it hard to get the idea underlying non-capital murder. It is awfully capital for the victim, that is, if my Latin still serves me correctly.

Now we have a set of new terms being introduced—murder punishable by death, and murder punishable by life imprisonment. When, in Canadian law, have we associated a sentence with a charge? What sort of cockeyed logic leads people to dream up such nonsense? First of all, on the charge sheet the indictment would set things out in a way that almost presupposes guilt. Where have our law officers allowed themselves to be led by coming up with such ideas? Not only is this clumsy, in my view, but it is also contrary to the spirit of our justice to cite the maximum penalty along with the alleged offence. Where are we heading?

Next I think we should somehow set the record straight about murder. Some speakers opposite and to my left have charged that for the state to restore the death penalty is tantamount to making the state a murderer. Those who use this argument disregard the definition of "murder". In the Oxford pocket dictionary, "murder" is defined as "the unlawful killing of a person with malice aforethought." The state cannot become guilty of murder, on that definition. If the law exists, the state's action to implement it cannot be unlawful. In executing the sentence there is no malice. There is forethought, certainly, but the state exercises forethought with a view to its self-protection and the protection of its citizens. I reject that form of argument. The state is no murderer.

Finally, I do think it is important in any discussion of the death penalty to distinguish between the principle of requiring the death of the convicted murderer and the manner in which that penalty is executed. We are not here

talking about hanging, the electric chair or what you will. We are talking about whether one man should die for having taken the life of another.

Speakers in this debate have devoted almost their entire attention to the fate of convicted criminals, whether they should die by the rope or in the chair. The whole emphasis of this debate has been directed toward the criminal and what might happen to him. Mr. Speaker, our concern should not be for convicted criminals but for law abiding Canadian citizens and the victims of crimes committed by criminals. Perhaps here we should be speaking for the dead, not for those who caused them to die.

Retentionism has been characterized in this debate as a vicious policy, one that caters to viciousness. With all due deference to those who have spoken along these lines, I just will not accept their argumentation. There is nothing vicious in the normal, law abiding Canadian. He is not vindictive nor is he vengeful. I submit that he is a charitable being. The letters I have received from my constituents along with the survey that they have completed are ample testimony to that effect. They have thought seriously about this problem. They are not vengeful. They are seeking other ways. Some shrink from hanging and the gallows; they say, "Find another quicker, less dramatic form of imposing the death penalty, but see that it is imposed."

Some are reluctant retentionists but because they fear the direction society is taking they want discipline back. They want people to know that misdemeanours will be punished and that criminals will pay for their crimes. I gathered this during the election campaign and from the correspondence I am now receiving. Canadians are not vicious, nor vindictive, nor vengeful. They are compassionate people, but they are fearful of the direction in which Canadian society is heading. What they are looking for is national self-protection. It is parliament's job to provide it. Civilized society is an ordered society. Regrettably, more and more people are becoming disturbed by the growing disorderliness of society and are preparing on their own to ensure that as far as they themselves are concerned, there will be order—or else! They are acquiring small arms for their own self-defence.

In these circumstances this parliament has cause to worry. The notion of an orderly society is beginning to erode; and when erosion starts, who knows where it will end? This falling away of society from its reliance on the upholders of law and order must be halted. There must be punishments for crimes and those punishments must be carried out. Society will no longer tolerate subservience to that philosophy which sees all criminality solely in terms of sickness and therefore devotes more attention to its alleviation than to the alleviation of the unrest that that sickness—if that is what it is—is spreading throughout society.

According to the survey that I have already mentioned, Mr. Speaker, there are 85 to 90 per cent in favour of the retention of capital punishment. These are the people who are either afraid of or have misgivings about where our society is heading. The views that I am receiving from my riding as a result of this survey also indicate that there are some 8 per cent to 10 per cent opposed to any form of capital punishment on the grounds that it is barbaric, medieval and unworthy of civilized persons.

• (1530)

I respect the views of these people: I do not agree with them, but I respect them and I voice their concerns in this House. These too, are compassionate people. Some of them, of course, are opposed to hanging because they feel we should not take life. Some advocate life imprisonment and some, equally compassionate, are undecided. Not wanting to take life, they are none the less fearful that permissiveness, if allowed to go unchecked, can lead to a society where no one is safe and no order can be assured. These views I wish to record, Mr. Speaker.

I should like to borrow from two speeches that have already contributed to this discussion, one by the hon. member for Hamilton Mountain (Mr. Beattie) and the other by a member whose riding I cannot recall but who spoke about "stepping into another man's moccasins". What the electorate is asking us to do—of this I am convinced, Mr. Speaker—is to provide them with the security and safety in society that they see slipping away from them. We are also being asked to provide a law which will enable judge and jury to step into the moccasins of the victim and in the cold, unemotional light of calm deliberation, determine guilt, award penalty even if that penalty is death for the accused, and see that it is executed. What is not so clear to my constituents, of course, are the confines within which I operate. Can this bill bring back what they want? Can it bring back the death penalty the 85 per cent want?

I should like to record the options as I see them. First, I can agree with the bill as it stands and permit the experimental period to be resumed. This in effect would suspend the death penalty. Second, I can oppose the bill, seeking its defeat in order to secure restoration of the status quo ante-1968; this would ensure the return of the death penalty for murder.

My options are clear. I oppose this bill. This is my inclination; this is what I am directed to do by my constituents; and I appeal to all members of this House who want order to return to our Canadian society to oppose this bill. Laxness and permissiveness have gone far enough; we must tighten up our discipline. I oppose this bill not because it is a government bill but because it represents an abdication of the law and order concept which any self-respecting parliament should uphold.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Jacques Olivier (Longueuil): Mr. Speaker, as a new member of parliament, I had been green enough to prepare a sophisticated speech, but it seems very difficult today to deliver it in front of my colleagues, for the main arguments I wanted to underline have already been said.

On the other hand, I would like to rise a matter which seemed to be the main concern of those who intervened, saying that the first purpose was to protect society and still legalize murder. As a matter of fact, maintaining capital punishment would do just that. They also wanted to protect police officers but, in my opinion, the bill now before us brings no solution to this problem. It would just

be a transition period. Now I suggest that capital punishment should stand trial, not murderers.

I think that it is extremely important—as the right hon. member for Prince Albert (Mr. Diefenbaker) said yesterday—to know that this House has no jurisdiction to rule over the life or death of any individual. In my opinion, the authority which seems to be given to us is far beyond our competence. Anyway, we shall never succeed in protecting the public by hanging people who committed murder. And the problem will not be settled by taking the life of anyone even though this person has willingly killed another person.

What is to be considered, I suggest, is the kind of society in which we live and what leads murderers to commit such acts. As a matter of fact, our society should be blamed rather than these people who, thanks to a whole set of circumstances, may have been very badly educated.

I think that we should consider the viewpoint of the right hon. member for Prince Albert about the judgment rendered on June 29, 1972 in the United States, in the Furman case. If I may be permitted to quote from what the right hon. gentleman said:

> . . . given by the Supreme Court of the United States. It is a long judgment, and was rendered on June 29 last. The case before the Supreme Court involved three men, one who had committed a horrible murder, and two who had committed frightful rape. They appealed and they contended that under the Bill of Rights of the United States the death penalty could no longer be imposed.

As for the eighth amendment in the American Bill of Rights, it can be found word for word in our own Canadian Bill of Rights which denies the right to punish people by taking away their life, certainly a most abominable punishment.

A number of my colleagues have alluded to the electoral spectre and public opinion. I too am aware that public opinion for the most part is in favour of capital punishment.

I believe however that a member should not have to take public opinion into consideration, since the public does not have the necessary background to make a valid judgment on the deterrent effect of capital on criminals.

I now quote from the conclusions of Ceylon's commission on capital punishment:

> Even if it were presumed that public opinion is in favour of capital punishment, it is not in itself a conclusive argument for reinstatement. Public opinion can be well informed and use reason, but in the light of our experience, it is not very likely; maybe from the strict political point of view public opinion strongly in favour of capital punishment can be a reason to maintain it, but surely it cannot be a rational justification.

• (1540)

Some will be readily happy to learn that we regard the death penalty as a political problem.

I continue quoting the report of the Ceylan commission:

> When public opinion is neither informed nor clearly defined, the social justification for a proposed legislative measure should be determined by considerations other than the public's belief in the justification of the said measure.

In my view the bill we are studying justifies all members of the House not to account for public opinion. Some will say that their image before the electorate is tarnished.

In good faith, I believe that a member who has some respect for himself can convince his electors that he has to take this decision according to his own conscience.

Moreover, it would be easy for people to play politics with that problem. It is easy to supply striking examples of offenders having been discharged and having relapsed. It is easy to describe some murders with all relevant details. I think that it amounts to distorting this debate.

A pertinent debate should bear on the following question: Should we or should we not continue killing people legally? This is the question now being put to us.

For me, Mr. Speaker, the situation is the following: my colleague from Matane (Mr. De Bané) and I will introduce an amendment in committee; we will be compelled to vote for second reading of the bill if we want to be in a position to propose an amendment for abolition of capital punishment under any form. If the intention is to add candies or to impose a minimum absolute term of 25 years, we shall agree. We do not mind what people will do. The question is to have the death sentence disappear. The point is to have capital punishment go on trial and not to have vengefulness gratified.

I hope people will understand that I do not pity the offenders. There are places where we can detain offenders in a decent fashion in order to prevent them from harming society.

Today, we should deal strictly with the issue, that is whether or not in this century the death penalty should still be enforced. My opinion Mr. Speaker, is that it should disappear.

Some of my colleagues have expressed another major argument: if the death penalty were abolished for any type of murder, police officers would run greater risks and would be in constant danger.

Mr. Speaker, there is a greater danger for construction crews, miners, farmers and transportation workers than for policemen.

There were 225,000 policemen in the United States in 1960. Between 1961 and 1963, 140 were killed by criminals, 97 died accidentally, which is a total of 237 or an annual average of 3.1 per 10,000 police officers.

I have some other statistics. On comparing with peace officers, the rate of eventual accidental death at work was 11 in the mining industry, 7.7 in the construction industry, 6.5 in agriculture and 4.2 in public services and transportation.

Dont't tell me that police officers are going to be protected. Risks are greater for construction workers, for transport and public service employees than for policemen. I can absolutely not believe that risks are going to be greater for police officers in view of the difference that already exists between construction workers and peace or police officers. In my opinion, this is definitely not a valid reason to justify legalized murder.

Mr. Speaker, I should like to conclude my remarks simply by questioning the right of this House to dispose of the life of an individual. And I remind all my colleagues to read the judgment quoted by the right hon. member for Prince Albert yesterday because they will find it very instructive.

I suggest that we shall try in committee to have the death penalty abolished. I think that we shall try first to have the government's proposal rejected, but on third reading we shall have to abstain from voting because we cannot acknowledge—I do not know whether other hon. members will agree with me—the right of people to dispose of the life of convicts. I submit there are other means in 1973 to deal with criminals and prevent them from causing any harm to the public.

[*English*]

Mr. Ian Arrol (York East): Mr. Speaker, this is a strange age in which we live. The doers of society, those who pay their taxes and do their jobs, those who are members of ratepayers' associations, those who collect for the heart fund and cancer society, those who work in church groups, those who are active in service clubs, those who personally help those in need are increasingly held up to derision and ridicule, while the whiners and social delinquents are presented as the pure gems of society. The lost, the social orphans, the nuts and fruits of society, at least as generally depicted by the movies, newspapers, magazines, radio and television have become the heroes.

The more a man spits on society, the more society coddles him. If someone is lazy, we are to blame, of course. If someone is a thief, society is at fault. If the man of the house spends all his money on booze, then shame on society for driving him to drink. If someone is a rapist and murderer, why, society allowed the terrible environment which produced him. It has got so now that a person who defecates on the floor blames society for not cleaning it up. Sure enough, such characters will be hailed as heroes of the common people in some feature article in the daily press or in some documentary on the CBC.

Some hon. Members: Hear, hear!

Mr. Arrol: The indolent, the far-out, the emotional blackmailers are pampered by sociologists, psychologists and psychiatrists, many of them as mad as the people they serve. Evil, it seems, no longer exists. Modern educationalists and left-wing groups romanticize the sick and the sorry in our society. If only we understood, they say.

What should be understood is that if there is no evil person in the world, it must follow that there is no good person. If we cannot blame individuals for their conduct, we cannot praise individuals for their achievements. This, of course, is nonsense. The fact of the matter, and it is the basic assumption to which I adhere in my remarks on the need for the reinstitution of capital punishment, is that there are incorrigibles in society. If a man's life has been one of violent, aggressive, anti-social activity, and if his career in crime culminates in the murder of an innocent person in society, that social misfit should be done away with; indeed, for his own benefit as well as that of the society he has rejected.

• (1550)

The majority of people in our nation feel it is our right and duty to go to war against outside aggressors and in the process, perhaps, kill thousands of the innocent as well as those who might be called the guilty in order to preserve the society we defend. Then why, when the enemy is inside the country and is fairly tried and judged to be the guilty one, should not society protect itself from such a one? Even if capital punishment does not act as a general deterrent, capital punishment certainly prevents the person who kills from ever murdering again.

That which is barbaric about capital punishment is not that society feels it has to remove the guilty one but the way in which the guilty one is removed. In this modern scientific age there are alternatives to hanging. If hanging is repugnant, then let us be merciful in the way in which the person is brought to death. Let him not suffer the cruelty of a lifelong sentence, or even 25 years, in prison. Let us close the book of life for the transgressor quickly, cleanly and finally. But let there be no mistake that a society, in order to maintain law and order, must provide both for rewards and punishment.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, on this first occasion upon which I have risen formally to take part in a debate in this House I should like to begin by extending congratulations to Your Honour and to your deputy upon your election to the high offices you now hold.

I rise to take part in this debate, not so much because I believe my contribution will match any of the great speeches we have heard so far but because I feel I have a contribution to make which goes far beyond the question whether capital punishment ought to be imposed or not. I wish to consider the circumstances which lead people into committing capital crimes.

I remember as a child my parents telling me a fable from Aesop about a contest between the sun and the wind to see which could make a man take his coat off first. The wind blew as hard as it could but the only result was to make the man clasp his coat more tightly about him. After the wind had expended its efforts, the man still had his coat on. Then the sun had its turn. It came out in all its glory, and in a very short time the man shed his coat. For too long, as it were, we have tried to use the force of the wind to eliminate crime, rather than turning light on the topic.

I have heard expressed in this House and in my constituency arguments for and against deterrence; I have heard arguments for and against rehabilitation; I have heard arguments on the basis of divine instruction. And, Mr. Speaker, I have even heard arguments based on cost to the taxpayer. But in my view, when we are considering the crime of murder we should become much more curious about the conditions under which such a crime is committed and the nature of the criminals themselves. If we could prevent crime being committed, it seems to me we would be serving a much greater purpose in the long run than we would be by eliminating a criminal by means of a rope or a gas chamber.

In a detailed study of crime in Canada between March 31, 1964, and March 31, 1965, the following figures appear. I picked this particular year because the profile seems to be more complete. In that year, 3,621 offenders were admitted to penitentiaries. Most of them were under 30 years of age and 2,400 of them, or 67 per cent, were unemployed when their crimes were committed. Seventy-five per cent of those who were unemployed, or 1,800, had one or more dependants.

Something else which I found very interesting in this survey was that 1,600 of the 3,621 prisoners were alcoholics or had a drinking problem. That is a little over 45 per cent. Forty-one of the 3,621 prisoners were convicted of murder and 20 of them had an alcohol problem or, at least, alcohol was involved. Alcoholism and violence seem to go hand in hand. Beside being a factor in almost half the murders, alcohol played a part in 31 of the 47 manslaughters, 46 of the 77 rapes and 31 of the 51 assaults. These two factors, unemployment and alcohol, have not only contributed in a major way to crime in the past but, I believe, continue to do so today. In my opinion, this correlation will continue unless steps are taken to alter the situation.

Capital punishment does not by one iota alleviate the adverse conditions under which too many of our people live. What has the government done to alleviate the conditions which spawn crime? In 1971, the Senate Committee on Poverty concluded there were five million people living in poverty in this country. The committee made ten major recommendations but not one of those recommendations has been acted upon. The government has produced nothing better than band-aid solutions stuck on with glib platitudes and affecting only a very small percentage of the population. As long as large numbers of our people continue to live in poverty and deprivation amidst the great wealth of this country, alienation will thrive and crimes of violence, including murder, will be committed. For too long, those responsible for directing the economic destiny of this country have placed great emphasis on the standard of living. I think we ought to concentrate, now, on quality of living.

I mentioned alcoholism as being a contributing factor to crime. We know it is the most serious drug problem facing Canada today. How effectively involved has the government been in spearheading a program aimed at educating the youth of our society with respect to alcoholism? I tried last Monday to ascertain from the Department of National Health and Welfare how much money had been spent by the government in the past year on combating alcoholism. I was told none had been spent because there was no program. The federal government will spend, in 1972-73, $7,548,000 under the heading "non-medical use of drugs". None of this sum is earmarked for use in the particular area to which I have brought attention.

The time has come to exercise control over the advertising of alcohol on radio and television. In my own constituency, "Hockey Night in Canada" is probably the most popular program for the young people on Saturday evenings. Yet this program is sponsored by beer companies whose advertising is psychologically directed at the young people. The time has come to take a look at this kind of advertising and the effect it may have on "hooking" the citizens of this country on the most dangerous drug we have today.

• (1600)

On Friday last the hon. member for Yukon (Mr. Nielsen) stated, "There is a genuine fear of death in the mind of every rational person". The operative word in that statement is, of course, "rational". But the murderer is hardly ever a rational person. Between 1966 and 1969 alone, 36 murderers were found to be insane. Moreover, an interesting facet is the relationship between the murderer and the victim. In the 1964-65 period, 47.8 per cent of the total number of murders committed involved members of the same family.

In too many parts of the country there are no family counselling clinics; the family is left to cope with the pressures of an accelerated life style for which they are not mentally or emotionally equipped. The role of the federal government ought to be reviewed, with greater emphasis on community clinics co-ordinated and financed by all levels of government.

Funds for mental health clinics have never been as freely available as funds for improving physical health in this country. The state will spend, in 1972-73, on fitness and amateur sports $8.5 million, yet only $354,404 on mental health. There are far too many areas of this country where mental health clinics are unknown and where school and municipal authorities have no access to qualified help, assistance or educational information in dealing with the emotionally disturbed or the mentally disabled. Often it is done on an ad hoc basis and by well intentioned but untrained or unskilled volunteers. It is fairly obvious that the federal government has abrogated its leadership responsibilities in this field. I hope that at the upcoming conference between the Minister of National Health and Welfare (Mr. Lalonde) and his provincial counterparts the topic of mental health will occupy a position of some prominence on the agenda.

The annual cost of caring for all prisoners in federal penitentiaries is $51,900,000. Every penny intelligently spent on preventing the individual from becoming a prison inmate not only reduces penitentiary costs to the taxpayer but also does more to ensure the ultimate protection of society than does the rope.

Bill C-2 proposes capital punishment for those guilty of killing a policeman or prison guard while on duty. The Solicitor General (Mr. Allmand) says he is an abolitionist. He provides an array of statistical information which indicates that capital punishment is not a deterrent to murder. My colleague from New Westminster (Mr. Leggatt) last Friday presented a statistic which indicated that miners had a higher fatality rate—11 per 10,000—than police officers with a rate of 3.1 per 10,000. Coming from a mining district, I suspect that the 11 probably does not include those who die as a result of silicosis contracted after 30 to 40 years in the mines of Inco and Falconbridge.

No one would suggest capital punishment for the boards of directors of Inco and Falconbridge. Indeed, I think a more effective deterrent than the rope for these directors would be nationalization of their companies. The Solicitor General blithely ignores this statistic, which indicates not only inconsistency but also lack of political courage. The state must organize its resources, both human and material, in solving these human problems. Unless the government starts moving in this direction now, we run the dangerous possibility of reducing the human condition to nothing but a society of Clockwork Oranges.

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I must confess that I do not find this a particularly easy speech to make. I have

given a great deal of consideration to how I shall vote on this particular issue, and I must say it is far more difficult for me this time to decide how to vote than it was last time when this matter came up for a vote in the House. At that time I was convinced, after reviewing all the evidence, that the main justification for capital punishment, namely, that it was an effective deterrent, simply did not exist and I therefore voted for complete abolition and then for the partial abolition bill which followed. That bill provided for a five-year trial, both to find out whether or not capital punishment was a deterrent and, secondly, to give the public of Canada some idea how the new system would work or whether in fact it would work at all.

It strikes me that, taking into consideration the way that the public of Canada feels about this issue, the trial period has failed in that it has not convinced either the public of Canada or Canadian police forces that doing away with capital punishment was a good idea.

Mr. Broadbent: What about the documentary evidence?

Mr. Reid: I want to deal with the question of evidence; the hon. member for Oshawa-Whitby (Mr. Broadbent) has correctly raised that point. In reviewing all the evidence that has been put before us by the Solicitor General (Mr. Allmand) in terms of documents, in terms of the amount of material put before us by interested citizens and the evidence that members on all sides of the House have used, I think it is fair to say that that which supports the abolition of capital punishment is far more scientific, lucid and reasonable than that evidence which those who are retentionists have placed before the House to convince the House of their arguments.

I do not think that anyone who impartially reads this debate in the House of Commons, or the evidence that we have, can doubt that statement for a moment. Basically, the arguments used by retentionists are emotional. They are valid in terms of the way in which the Canadian public feels about this subject. I think those of us in this House who prefer the position of the abolitionists must be very careful in taking a position on this question, simply because of the way in which the public, which we represent, feels about it.

As I said before, the five-year period has failed to convince the Canadian public that we can have abolition and public safety at the same time. There are a number of reasons, serious reasons, reasons that deserve our attention, for that position. First of all, I think it is fair to say that there has been a growth of violence in our society, not just in British Columbia, Quebec or Ontario but in all of Canada.

This is not a purely Canadian phenomenon: it is equally a phenomenon in the United States, in the United Kingdom, in the European countries and in the underdeveloped world. It is not unique to us. If the figures mean anything at all, they seem to indicate that the growth of violence in Canada on a per capita basis is substantially less than it is in most other countries. On this point alone it seems to me that no one can blame the fact that we do not have capital punishment in this country at the present time for the growth of violence. Nevertheless, the important factor is not so much what the situation is but, rather, what those people who have sent us here believe, and it is in this kind of atmosphere that we must make our decision.

In addition, there has been a growth in what is called permissiveness which has been tied to the growth of violence in our society. There has been tremendous experimentation with a variety of drugs in our society, particularly with alcohol which has shown the largest increase in consumption of any drug even though some others have received most of the publicity.

• (1610)

There has been a decline in the power of legally constituted authority; people no longer accept authority blindly—parental authority, judicial authority, school authority, any kind of authority you wish to mention. That authority no longer has the high status it had. That breakdown of authority, coupled with permissiveness, drugs and an increase in violence preys very heavily on the emotions of Canadian people.

I think we are dealing with a gap between those who have studied the matter and the way in which an ordinary Canadian citizen perceives how the abolition of capital punishment will affect him. The ordinary Canadian citizen seems to believe that the prison system has collapsed, that there is no punishment adequate for the crimes that are committed, and that in particular when dealing with capital murder there is no guarantee that people who are legitimately convicted will suffer punishment for the heinous acts in which they have indulged.

I think it fair to say that the Canadian prison system has not been given much attention by governments. It has been allowed to wither on the vine. Governments have taken the attitude that this is part of the shadowy side of Canadian society. Society has put people away and has not cared about their rehabilitation or what happens to them when they are in these institutions. Consequently, our institutions of penal reform have become, not places of punishment and rehabilitation but, rather, graduate schools in the development of advanced criminals. I think that factor, coupled with the abject failure of the parole board over the last five years, has given the Canadian people a tremendous sense of uncertainty about the efficiency of our penal system.

I believe this is at the root of the brief which the Canadian Association of Police Chiefs has filed with all members of the House of Commons. They do their work in catching criminals, and once their work is done the courts sentence; but the penal system does not work and people are getting off with ridiculously light sentences and there is often no concept of punishment, let alone attempt at rehabilitation.

I believe the previous government from 1968 to 1972 made significant strides in the parole system, but these were not coupled with a proper system of penal reform which I believe we must have before we can develop an effective parole system. It seems to me that what is on trial here is not the question of capital punishment but, rather, the whole concept of the role of law, punishment and rehabilitation in a system of the just society. It strikes me that we have failed to reform the penal system to make it effective. The Canadian people are looking for some sense of security, so that people who have been

convicted of crime are given proper punishment and then an opportunity to work their way back into society. At the present time the Canadian people feel there is no attempt at punishment, or that any attempt at punishment is a façade because people who are convicted of crime go to jail, learn more about crime and then are released upon an unsuspecting public.

Concerning the work of the parole board, some time ago a gentleman from my constituency was convicted of manslaughter, I believe. He served part of his sentence and was released on parole. As he went down to get the policeman who had carried out the investigation, he stopped off in another community and killed a person whom he had never met before. It is incidents of that kind, repeated all over Canada, which really lead the Canadian people to a sense of uncertainty as to whether or not we should continue the abolition of capital punishment. In other words, I would suggest that the parole board has caused a great deal of doubt in Canada as to whether or not capital punishment should be abolished.

I have a suggestion for the Solicitor General. The next time paroles are made and the person paroled goes wrong, those people who approved the parole should then go to jail and serve the rest of the sentence without any possibility of parole. That might make them think a little more carefully about what they are doing. Then we might have a system of parole in which the ordinary Canadian citizen could have some confidence. Unfortunately, that does not now exist.

The other problem I want to deal with involves the question of the police and the fear which people have. The police are our front line troops in terms of protecting society. Of all the jobs which we have people do in our society, it is the police who in many ways have the most difficult one. They are the ones who deal with what I think can be classified as the underside of Canadian society. They are the ones who try to keep the peace and protect law abiding citizens with the rules we in this chamber create. They often do not get the support they require and deserve from people in this House and outside.

When the police see the results of their work thrown away by our penal system, thrown away by the parole board or thrown away by the courts, they have cause to be worried. They are the ones on the firing line, the ones who are most in danger of being shot without warning, of being murdered in cold blood. Consequently, while I may not agree with the arguments they have proposed, I do understand fully the emotion which powers their request. This is an emotion which they share with the bulk of the Canadian people and it is an emotion which I believe we in this House ignore at our peril and at the expense of avoiding our proper responsibilities. That fear is there.

One of the tragedies in attempting to deal with the issue of capital punishment is that under our laws there are few people who have committed first degree murder who have come up for trial on a charge of first degree murder, an act that is premeditated and then executed. I have been told that there might be a maximum of 25, and perhaps a minimum of ten per year in these circumstances.

We are not dealing with murders that are committed under great surges of emotion or by accident. We are dealing with a very small number of murders which offend public opinion and frighten the public. These are exactly the kind of murders that do not call for capital punishment. It is those murderers, the public cries, who should have to face capital punishment; yet under the system as it is this does not in fact happen. It is unfortunate that the debate does not involve that central problem, because what the Canadian public has argued for in the sense of capital punishment does not in fact affect 95 per cent of the murders committed in Canada.

The difficulty I have in trying to explain this to my constituents is the gap between the knowledge we have been given and the perception of that knowledge by the people in our constituencies. We have so far not found any way of bridging that gap. It bothers me to be placed in a position of voting on capital punishment when there is such a gap between what the public wants and what the facts are as I perceive them and as a significant number of members here perceive them. The emotion and fear of the Canadian public and the reality of these facts as we understand them, in terms of who has committed murder and who is likely to commit murder, is so wide it almost seems impossible to be bridged.

If the Canadian people want a return to capital punishment, we as legislators have a fearsome responsibility thrust upon us, no matter where we stand on an individual basis or how we feel we should vote according to our conscience. If our constituents and the people of Canada argue strongly that they require capital punishment to protect them, and we in this House deny them by voting for abolition or for another five-year trial period, there is ample evidence to indicate that we are not in fact obeying the obvious declaration of the will of the Canadian people. This is a dilemma which should happen to no man, no party and no government. It is a question, not of whether I obey my conscience or my party but how I, as an individual Member of Parliament, relate to my constituents. I have an obligation to do what I think best with the facts at my disposal. If the facts at our disposal contradict or are in opposition to the way in which our constituents perceive the problem, this then puts the Member of Parliament in a position that is well nigh impossible. I find this to be an extremely difficult position to be in.

• (1620)

I regret that at this time I have not been able to come to any final conclusion as to how I will vote on this particular bill. Quite frankly, I am an abolitionist. From the evidence I have seen, I am convinced that capital punishment does not do the very thing that its proponents argue for it, that is, it does not act as an effective deterrent.

An hon. Member: Would it deter you?

Mr. Reid: I do not think so. If I really wanted to get you, for example, I would go after you. According to all the evidence and statistics that have been developed in this debate, capital punishment does not do what it is claimed to do. Consequently, I cannot accept that I should vote for a bill which may affect somebody else's life in the future on the basis of somebody's feelings.

We want to take our position in this House, particularly on an issue where we have a free vote, on our reading of

the facts as they are presented. The facts as they are presented indicate quite clearly that in no jurisdiction in the world, where there is an opportunity to compare, is capital punishment a deterrent. Therefore, as an individual I am in an embarrassing situation. I am now going to indicate how I hope to extricate myself from this position.

An hon. Member: What did Burke say?

Mr. Reid: I want to deal with Edmund Burke and John Stuart Mill. This, of course, is the argument which all Members of Parliament memorize as soon as they become members, that is, the Member of Parliament is not a delegate with specific instructions to do this or that. The Member of Parliament is elected to exercise leadership and judgment. He is here to interpose, by definition, his interpretation of the common good above those who have elected him. I accept that definition. I accepted that definition when I voted for the abolition of capital punishment the last time and for the partial ban which has just ended.

I understand there have been changes in the rules of the House of Commons in that second reading is no longer the approval in principle that it was before the rules were changed. The motion to commit a bill to committee for further study does not commit one to the principle of the bill. The real debate, or real conflict of opinion should come when the bill is returned from committee for third reading. I believe that any reasonable interpretation of the existing Standing Orders will bear out that interpretation. In any event, my credential for making that statement is that I was a member of the committee which made the recommendation to the House of Commons which was subsequently accepted. That was our interpretation.

I intend to vote for the bill at second reading. I want to say to the House that I shall not vote for the bill when it comes down at third reading unless there are provisions to provide for those individuals convicted of murder and sentenced to prison with no possibility of parole for at least three-quarters of the sentence. For the other one-quarter of the sentence attempts should be made by the parole board to integrate these people back into the society in which they will have to live. I do not say whether that period should be 25 years, 22 years or 20 years, but it must be for a significant portion of a person's lifespan. I also believe that it is a useless experiment if we do not also provide some means for the rehabilitation and re-education of that man and, since we have women's lib, that woman back into the mainstream of society. If that is not done it is likely that the person will end up committing another murder or some other crime within a short period of time.

I take a philosophical position on capital punishment and the question of abortion which I developed only after being elected to this House of Commons when both these issues were brought forward for decision. I have taken what can be termed a conservative position on both these issues. I only wish the Conservative party would follow my logic and accept it as well. My position, basically, is that human life is far too precious to be wasted. I am an optimist about the way in which human nature can improve itself and develop. Accordingly, I am opposed to abortion of any kind on the ground that once conception has taken place there is a potential human being who has every right to grow and develop.

I am opposed to capital punishment by the same logic. Anybody who has made a mistake, however heinous it may be in the way of murder, there is a possibility for something useful to come from that person. I hold this position very carefully, Mr. Speaker. I do not mention it to the House lightly. I wish those people who are retentionists would take that argument to heart and follow it through.

It has always been a matter of some shock and even surprise to me that those people who are in favour of abortion on demand are also in favour of the abolition of capital punishment, a position with a logic in which I can find no sense at all. The logical position is that one is either in favour of abortion on demand and capital punishment, or one takes the position which I have enunciated, that one is opposed to abortion on demand and also to capital punishment.

I have made my decision, Mr. Speaker. I had not made it before I began to speak. I will support this bill at second reading. I will support it at third reading only if it is suitably amended to provide for long sentences without parole until the end. Otherwise, I am inclined at this time to submit my judgment to my constituents and the people of Canada. They are looking for some sign or symbol that their interests are going to be considered. They must feel that even though it may not be effective, we in this House have moved to protect society from the criminal element.

Mr. Knight: I rise on a point of order, Mr. Speaker. Would the hon. member entertain a question?

Mr. Reid: Yes, Mr. Speaker.

Mr. Knight: Mr. Speaker, in view of the fact that some members of this House had the good sense not to become either lawyers or professors, would the hon. member inform us what he means by a mandatory sentence of at least three-quarters of the period?

Mr. Reid: Yes, Mr. Speaker. It was my idea that if the proposal of long-term imprisonment without parole, which will be moved in committee by the hon. member for Saint-Denis (Mr. Prud'homme) and the hon. member for York West (Mr. Fleming), were accepted by the committee and reported back to the House as an integral part of the bill, one might consider taking 20 of the 25-year period in which there would be no parole and five years to integrate the person back into society. That is my position.

• (1630)

But I do insist that for a significant part of this time in prison he would not be let out. If you have taken somebody out of society for a significant period of time, you must also provide him with some way of returning to society, of coming to grips with a society which he will not know, having spent 25 years away from it. It is senseless to put somebody away for 20 years or 25 years and then suddenly release him back into a society and environment of which he has no knowledge and over which he has no control.

Capital Punishment

Mr. Broadbent: On a point of order, Mr. Speaker, I followed the hon. member's address with considerable interest and I wonder if he would be kind enough to answer one more related question. Did his decision regarding three-quarters of the term result from his reaction to what he senses to be the public mood in Canada, or was it in response to what he thinks expert penologists would recommend?

Mr. Reid: Mr. Speaker, it is a combination of both. It is in response to the need for security which the public feels, in terms of a long period in jail. It is also in response to the opinions of penologists with respect to the means of rehabilitating people into society after they have been away from it for so long.

Mr. Deputy Speaker: Order. Before the Chair recognizes the hon. member for South Shore (Mr. Crouse) I have to rule that in neither case was there a point of order; it was simply asking for amplification of the hon. member's remarks.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, it is with some concern that I rise to speak on Bill C-2, an act to amend the Criminal Code, for many Canadians are today wrestling with their consciences over the complex question of capital punishment. They are asking themselves: does one man have the right to kill another even if that man is carrying out that act on the orders of the state?

Obviously, there are times when a man finds himself in a situation where it is necessary to kill or be killed. Here I am referring to a soldier who in defence of his country or in defence of his own life is justified in taking the life of another. It is also acceptable to society if one man kills another in defence of his family whose safety is threatened or endangered. The law in most countries provides that anyone in fear of his life during an attack may kill another in self-defence. There are, therefore, occasions when a sound case can be made for killing another human being. However, in the bill before us we are concerned with the right of the state to take the life of a condemned murderer or to commute his sentence by cabinet decree.

The purpose of this bill is to reinstate the five-year ban on hanging which expired on December 29, 1972, and to extend it for another five-year period to December 31, 1977. It would also eliminate the terms "capital murder" in relation to murder punishable by death and "non-capital murder" in relation to murder punishable by life imprisonment.

No matter how we vote in this House on this issue, it is my firm conviction that we shall never again see a man hanged in Canada or put to death by any other means. I say this in light of the facts, for the federal cabinet has exercised its so-called executive prerogative of mercy more than 60 times during the past ten years by commuting all death sentences meted out by the courts.

In 1968, parliament approved the present trial ban on capital punishment in all cases except the murder of a policeman or prison guard. The House will recall that this was approved by a vote of 105 to 70. But hon. members know the result: since January 4, 1968, there were 17 death sentences commuted to life imprisonment, and of these 12 were persons sentenced to death for the murder of policemen or prison guards. It is therefore obvious that the present law was not upheld. Those who murdered policemen are still living and, under present laws, may one day be allowed out on parole. It therefore seems that we have not as yet given proper thought to this problem, and neither this government nor this bill will enable us find a solution that is generally acceptable to the majority of Canadians.

The abolitionists declare that capital punishment is not a deterrent and they point out that in a murder trial there is always the possibility of a miscarriage of justice, followed by the execution of an innocent man. The retentionists claim that the death penalty is a deterrent and that when it is imposed it prevents repetition of the offence by the executed criminal. On this ground there can be no argument. But the question still arises in the public's mind: does the death penalty deter others from committing murder? I submit that to this question there is no factual or final answer. In my opinion, the real question is not, alone, capital punishment but the alternatives to capital punishment and unfortunately this bill fails to deal with any death penalty alternatives. I think that the alternative to the death penalty seems to be the real crux of the problem.

Many of my constituents have implied to me that they do not want to see condemned murderers hanged by the neck until they are dead. They also state that they do not want to see them walking down the street, coming toward them, some ten years after they have committed a brutal murder. Obviously, our parole system is in need of major revision. The hon. member for Kenora-Rainy River (Mr. Reid) who spoke immediately prior to me dealt quite adequately with this problem. I hope that members of the cabinet who are in the House and heard his speech will take cognizance of his remarks and comments, for they are in line with my thinking on this matter.

There has obviously been neglect of duty by the parole board. Obviously they have been too lenient in dealing with convicted murderers and this leniency has caused unrest, concern, frustration and alarm among many many thousands of Canadians.

In many countries that have abolished the death penalty imprisonment for natural life has become the alternative. In all my more than 15 years in this House I have been a firm believer in capital punishment and I have so voted whenever the issue has come before parliament. However, I would personally be willing to support the abolition of capital punishment on one condition, namely, that the alternative punishment be natural life imprisonment: the expression "natural life imprisonment" is only one of several titles for the same idea—imprisonment until death.

I believe that a convicted murderer by his own act has shown he can no longer be trusted and that he is no longer fit to live in our modern society. I believe he must be punished for his crime. It has been said that capital punishment in a humane manner is far less cruel than spending one's natural life in prison. Mr. Speaker, if we are looking for a deterrent to murder, I believe that the sentence of natural life imprisonment is a less compassionate sentence than the sentence of death. The key words in my

proposal—I would emphasize them—are natural life imprisonment.

• (1640)

I also believe that we need this type of deterrent as protection for society. All too often we hear that the rights of the murderer as an individual must be protected. I ask this House, is it not away past the time when we should begin considering the rights of the victims?

Some hon. Members: Hear, hear!

Mr. Crouse: When a man blows up an aeroplane in order to kill his wife and collect her insurance, I ask myself what respect he had for human life. When a man hijacks an aeroplane and shoots two or three, or more, of its passengers and then directs the pilot to some unknown destination, when he takes over a whole planeload of people, I ask myself what respect he has for the life of others or even for his own. Society, Mr. Speaker, is crying out for protection against this type of outrageous action, against this type of murderer.

When I am speaking about natural life imprisonment for convicted murderers I do not mean that they should spend the rest of their lives in a cell. Meaningful employment could be found behind prison walls which would enable the convicted man to earn his keep. This afternoon the cost to society of keeping a man in prison was mentioned. Mr. Speaker, I submit that the cost would be almost the same whether the prison was full or empty. The guards would still be there, the cost of heating and maintaining the institution would be the same, so under my proposal the convicted murderer would help earn his keep.

Within the limits of certain principles there is no reason why a prisoner for life should not be treated decently. He could be allowed opportunities for education and for responsibilities within prison society. However, he should not be given even the hope of freedom except as he can manage to find it within himself. As a result of his own actions he would be permanently excluded from ordinary society.

The criticisms of this proposal are quite straightforward, Mr. Speaker. One of the main arguments is that a man condemned to prison for the rest of his natural life has precious little to lose. He may in desperation try to escape and he may kill anyone who stands in his way. In answer to this I can only suggest the prolonged use of solitary confinement or the retention of capital punishment for those who commit murder a second time. In this way, the various grades of reward and punishment would be maintained. Since there appears to be no hope of change in the murderer's attitude and he will be a continuing menace to society, it seems to me that a maximum security institution is the answer since capital punishment is obviously no longer acceptable to this government and I question whether it will be acceptable to any government in the future.

I have checked the Criminal Code and find that in order to bring about the changes I have proposed it would be necessary to change the present law. The sentence of natural life imprisonment would apply to those crimes which under the present law carry the sentence of death. Since December 29, 1972, at which time the 1967 amendment to the Criminal Code lapsed, capital crimes have included all acts of premeditated murder as outlined in the 1961 amendment to the Criminal Code. No change in the definition of capital murder is required by my proposal. For example, section 218(1) of the Criminal Code specifies the punishment for capital murder: it reads as follows:

> Every one who commits capital murder is guilty of an indictable offence and shall be sentenced to death.

This clause could be changed to read:

> Every one who commits capital murder is guilty of an indictable offence and shall be sentenced to natural life imprisonment.

What I am trying to do, Mr. Speaker, is to make the law acceptable or equal to the actions of the government. Other changes in the law would also be required, but I believe natural life imprisonment is an alternative to capital punishment. While its implementation would not be a simple matter, it obviously would provide Canadians with the alternative they require for their over-all protection.

The case for my proposal is quite clear and straightforward. If society should say, and if members of this House should decide that capital punishment is barbaric, then it must be prepared to employ that alternative which both justice and security demand. It is a requirement of justice that there be a reasonable relationship between the seriousness of crime and punishment. In my opinion, excluding death there is only one punishment which approaches the seriousness of murder, and that is permanent loss of freedom.

There are many who believe, and their belief is firmly based on the record of past experience, that the man who has murdered may murder again. An example was given to the House this afternoon by the hon. member for Kenora-Rainy River. Even if the risk of this happening is slight, I believe society should be relieved of the obligation to accept that risk. The cabinet has the power of granting mercy or clemency, but in my opinion it has abused that power by automatically commuting every death sentence to life imprisonment, which in some cases means serving ten years or less. The cabinet is undermining our legal processes and the power of this parliament. This practice in effect removes any deterrent effect associated with the death penalty and makes a sham of the whole judicial process.

How can we expect society to have respect for the law when those who are supposed to uphold it make a mockery of its own rules and regulations? This can no longer be tolerated. We must set an example for the entire country if parliament is to remain supreme. In my opinion clemency, which is the prerogative of the Crown, should be granted only when mercy has been recommended at the trial or in the case of an established error in conviction. Until a suitable alternative to capital punishment is proposed as a protection for society, I feel that the government has left me no choice but to vote against this bill.

• (1650)

[*Translation*]

Mr. Antonio Thomas (Maisonneuve-Rosemont): Mr. Speaker, I am pleased to have the opportunity today to

voice my opinion and to show that I am not unwilling to speak. You will agree with me that if we all did as some members who like to make speeches at every turn for the obvious purpose of being in the limelight and afterwards making the headlines in our newspapers, our proceedings would be interminable and the Canadian people would be waiting still longer for the beneficial legislation which the government would like to pass. Moreover, I am unhappy to have to deal with the same matter, that is the death penalty, for a third time in this House. I will not repeat my previous speeches.

On the previous occasions, I will frankly admit that I had been disturbed, not on account of a difference of opinions with a few colleagues but on account of my love for my fellow-being and my duty as a legislator which is to protect society and which drives me into a corner. It is like the surgeon who must decide to remove an organ or not to operate and run the risk of finding out later on that the disease will cause the death of his patient.

It is somewhat the same in society. The legislator must make decisions likely to please most people. In this case, it seems that the majority is in favour of retaining capital punishment. Why? Maybe through lack of information—I did not say "formation".

The population at large would appreciate a little more security. A citizen would find comfort in knowing that his dear ones or himself will be not be attacked, beaten up, raped and killed. What happened since 1967, notwithstanding the provision to the effect that the murderer of a policeman or prison guard would be sentenced to the death penalty? I say, how many of these murderers have received this penalty? None so far. What can the abolitionists answer to this? Have they gone down in the street to inform the people, to explain their view concerning the reasons which have motivated the 1967 decision? Have they gone down in the street to listen to the opinion of the people? Certainly not.

In the course of the five years following the provisional abolition of the death penalty, statistics have kept on showing an upward trend concerning murders, even killings of policemen. Perhaps they will play on words saying that the population having increased, it is therefore normal that crime should increase. Let us be frank, let us consider percentages. People in favour of the abolition of the death penalty having lost their cause in 1966 came back in 1967 and won their point: the abolition of the death penalty would be in force for a trial period of five years, except in the case of killing a policeman or prison guard. That is a lot of bunk, in my view.

So why not apply the death penalty for a similar period of five years? Such an experience would allow us subsequently to make comparisons and it would then be seen what best serves the interest of public security. Besides, the public would understand better.

Mr. Speaker, concerning premeditated murder, we lawmakers must assume a heavy responsibility. The fact that society is deemed guilty is no reason to leave the same society in insecurity. It is therefore our duty to protect it, and what are we doing to this end? Should we increase policemen's salaries? Will that make them better detectives? Will an increase in salaries of judges increase their ability to make objective decisions? Would increasing salaries of ministers and members of Parliament make them better legislators? Money certainly does not endow us with the enlightenment of the Holy Ghost and make each of us better in his sphere.

When a child is observed to be hot-tempered or shows symptoms of a bad disposition, that is when parents should strive to correct him and they should not wait until he has grown to be an adolescent, a young man or even an adult.

A tree should be straightened while growing and not when it has achieved full growth. So, all this, Mr. Speaker, boils down to say that since 1966 and 1967 I have not succeeded in convincing myself that I was wrong. So I examined the problem and I realized that there is a cause for every ill.

During the Middle Ages and the following centuries, there were fewer murders because the authorities used to judge instantly and on the public square even those who were charged with simple theft. With the passage of times and everything it entails, we now realize that because of our tolerance and Christian charity we are now faced with an undeniable fact, which is that proportionately, the criminal is judged less severely than the poor guy who has committed a simple theft; the latter begins his tribulations and learning of hatred of his equal and the established authorities.

Why? I think it is because we did not have then a "more human" rehabilitation mechanism, and I emphasize the words "more human".

Ask former inmates how they were treated in prison. I understand better today why they have become revolted, worn out and, in some cases, social discards. Indeed, they were not offered a helpful hand, treated like human beings. Is it more likely that a criminal will be brought to realize his mistake through bad treatment, or through good reasoning? This is what we have got.

Had we had 25 years ago the rehabilitation system that we are developing today, perhaps we would not have to discuss this serious problem. I think it is due to a bad investment of the interest accrued since, that is mistakes and errors, that we are now faced with this dilemma.

• (1700)

However, since it is never too late to mend, I offer my small contribution to our proceedings by making a few suggestions which might prompt us to make acceptable amendments, thus putting us in a better position.

Let us begin with judges, lawyers and future judges. Why not ask them to review the Criminal Code and to propose amendments to the section dealing with the heavy onus of proof.

Furthermore, paroles should only be granted after consultation and discussion with all those concerned with the supervision, the behaviour or the mental state of the prisoner. I mean the classification officer, the correctional officer, the psychologist, the psychiatrist and even the governor of the institution. On the strength of a report signed by all those people and not only one of them, the parole officer would make the necessary recommendations to the parole board which would make a decision on the basis of complete instead of partial reports.

Mr. Speaker, I remember that on November 16, 1967, on the occasion of my speech on capital punishment, I criticized the abolitionists for their lack of concern for the victims of those criminals and we know what followed. We are now paying compensation to the victim's dependents. Unfortunately this does not bring the victim back to life but at least his family is able to survive. Besides, this is the only improvement since December 1967.

I also had another consolation when I was informed that a new program will be implemented in penal institutions to hire correctional agents with a role of contact and discussions with the inmates. They will no longer be simple jail wardens sometimes arrogant and rough not to say sadistic. Formerly, many of them had to be arrogant and rough with the inmates even though, deep down, they disapproved strongly of this attitude. The old rehabilitation philosophy and the manner in which it was implemented by the authorities confined the correctional agents as well as the inmates in an inhuman prison. Today we want the agent to be able to make more use of his human qualities so as to render progressively more responsible the individuals whom life has deprived of their sense of responsibilities toward themselves and toward others.

The Sollicitor General (Mr. Allmand) may rely on my full support as well as on the support of all people inbued with civic and humanitarian spirit. An inmate is not an animal but a human being such as you and me who, it is true, has made a mistake but has been punished for it by losing his freedom, and is in jail for a certain number of years. Losing one's freedom is already quite hard, but how can we hope to rehabilitate the inmate if he is hunted down as an animal, treated as a slave and scoffed at by society. He will revolt against that society at the very first opportunity. Our correctional agents would be happy and proud to participate in the new method instead of being the executioners of the old.

Mr. Speaker, I am not asking that criminals be given the Canada Medal for services rendered but, as I have said before, if we had tried something like that 20 or 25 years ago, I am sure we would not be squabbling today about retaining or abolishing capital punishment.

To my mind, our penal system is at fault, at least partially. However, we must not wait to see if this new starting point will lead us where we want to go; unfortunately, I still do not see how we can help the hardened criminal. On the other hand, I feel we can do something for the young and the adults who are sent for the first time to a penitentiary.

In short, having expressed my opinions, I suggest first of all that our penal system be humanized, along the lines of the existing program. Then, instead of asking that abolition of the death penalty be extended for another five years, I would ask that it be reinstated for the same length of time. It would then apply in cases of premeditated crimes, rape followed by murder, kidnapping followed by murder, armed theft followed by murder as well as hijacking.

Mr. Jean-Marie Boisvert (Drummond): Mr. Speaker, the bill before the House compels many hon. members to ask themselves whether, in the name of what I might call a pseudo-advanced civilization, they should have capital punishment abolished or make themselves the spokesmen for the people they are supposed to represent.

I for one prefer to make myself the spokesman for the voters of my constituency; most of them consider that this is mainly a law for the protection of murderers and hired killers.

Many arguments have been put forward, including that there are fewer murders in countries where capital punishment was abolished. As far as I am concerned, I consider that we shall not have crime curtailed by setting the offenders free. If one compares this problem to that of road traffic, it can be said for sure that closing the roads to traffic will not enable us to prevent the escape of offenders.

I believe that for the protection of our people, the wisest solution would be to maintain capital punishment and to make the evidence act stricter so that when an accused is sentenced to death the evidence be complete enough to make sure that no error is being made. Otherwise, the same punishment would be applied to armed robbery and murder.

There are two conflicting theories on this matter: one, which might be called "intellectualistic", is that of advanced intellectuals, those who believe that they always speak on behalf of the people, whether they are called psychologists, sociologists or otherwise. Often, frustrated criminal lawyers who have lost cases would like to have the cause of such frustration removed. Moreover, the underworld is against capital punishment, which is understandable, because it interferes with its activities. People who indulge in subversive activities and would like to avoid the penalties they advocate, are called revolutionaries nowadays.

Even if there are few of them in Canada, shyjackers would rather have capital punishment abolished, for it would cramp their style if they thought of what was waiting for them in case of failure.

As for anarchists, who are always against any government legislation, they will probably support this one because their main purpose is to defeat the government.

The other argument, which might be called "realistic", is the one supported by the victims, by those who suffer from murders, namely the wives or close relatives of murdered men who have sometimes to live in poverty and fear as a result of these murders.

Among those who share this consensus, there are some who are exposed to this eventuality in the course of their work. They might be considered as potential victims. Those people are certainly in favour of retaining capital punishment.

According to surveys made in several constituencies, from 80 to 90 per cent of the people are asking for retention of capital punishment because they are afraid for their own security if it is abolished.

Also included are all those citizens respecting law and order, those with a clear conscience who are going about their own little business earning their own living, not that of others, and who are sometimes called the silent majority.

There are also police officers who, obviously, have to face criminals and who would like to have more arguments to convince them not to kill.

From another angle, religionwise, I would quote the Bible where it says many times that whomsoever kills a fellow human being be punished likewise.

Mr. Speaker, history has shown that in certain countries there was a rise followed by a fall of civilization. When civilization was on the rise, there was discipline in the schools as well as in other fields. Pride and honour also prevailed. Those are things which tend to disappear today. In ancient times there used to be vigour, a form of virility and devotion to work which made the citizens in their respective fields lead the country toward a higher form of civilization.

History has also witnessed, whether it be in Greece, in Rome, or in France, declines brought about quite often by the thoughtlessness of people.

It was often the great philosophers who misled the people by thrusting their dubious theories on them.

There was also decline after legalization of homosexuality, drugs and sloth. Indeed the latter replaced pride. In addition, the social climate was allowed to deteriorate and anarchy hit society. Certain groups of citizens were allowed to ridicule the laws, policemen and law makers. Finally, murder was allowed to serve as an instrument of power, as was seen in history, power accompanied by violence, fraudulent bankruptcies, exploitation of the worker and the farmer. Pride was also left to be annihilated by overly stringent succession duties and direct taxes which brought about situations like that of Louis XVI which led to the Revolution.

We must set specific objectives. Do we want the country to continue its upward march and protect itself against criminals, or do we want to start going downhill through indifference and lack of concern?

• (1710)

[*English*]

Mr. Terry O'Connor (Halton): Mr. Speaker, many people, including many members of this House, have spoken many words on this most personal of subjects. I rise knowing that few, if any, members are likely to alter their thinking as a result of my remarks or other remarks made during the course of this debate. I also recognize that my views probably do not coincide with a significant number, perhaps even a majority, of the people in my riding.

With respect to the question whether members of this House should vote according to their conscience, according to their own wishes or according to the wishes, the dictates, as expressed—if they are able to be expressed adequately—of the people in their ridings, the argument was perhaps put best by the right hon. member for Prince Albert (Mr. Diefenbaker) when he spoke in this chamber yesterday. If I might be permitted to quote briefly from his remarks, as reported at page 785 of *Hansard* he said:

> How can you take a stand in your heart in favour of something and then vote the other way? On a free vote everyone should let his conscience be his guide.
>
> [Mr. Boisvert.]

A little further on, as reported at page 786 he said:

> Each one of you in this House has the conscientious responsibility of voting according to your conscience and for no other reason.

I cannot make the argument any better than that. However, I should like to assure my constituents, through you, Mr. Speaker, that I have read every letter, telegram, brief and petition they have taken the time to send me. I have replied to each one individually. There was no form letter nor evading of the question. I have unequivocally stated my views to them, whether we have agreed or disagreed.

The matter before us is one of primary importance and interest to every Canadian. The question of taking human life, either by the premeditated, cold-blooded act of one person in the name of revenge, passion or greed, or by the equally premeditated, cold-blooded act of all of us in the name of justice, in my judgment is decidedly wrong in each case. I emphasize that I feel it is wrong to eliminate a human life in either of these circumstances. In fact, there is no justification save self-defence for the taking of a human life under any circumstances.

• (1720)

Although I feel it should be incumbent upon those propounding the use of capital punishment to justify its necessity, the onus all too often falls on the abolitionist to justify his stand. So be it, Mr. Speaker, for I feel that the abolitionist stand can be supported.

In this debate we must ask ourselves whether our desire to either retain or abolish the death penalty is based more on objective, empirical reasons or more on emotional, instinctive reactions. No doubt because the matter is of such an emotional nature in which we are all able to see ourselves as victims, as friends or relatives of victims, or even as murderers, it is difficult to view the matter totally objectively. But as lawmakers it is our duty to act reasonably and rationally as far as possible, eliminating decisions based on feeling or basic human instincts.

One of the questions most frequently put to me during this argument asks me to imagine the brutal slaying of a loved one, usually a daughter, by a rapist-murderer. They try to make it as heinous and as gory as possible. They then ask, "How would you feel then"? Under those circumstances I would probably want to see the monster suffer a slow, agonizing death. During the agony, anguish and anger immediately following the event I might well attempt to carry out that slow, agonizing execution myself. But is this a valid argument for capital punishment? Hardly. We all feel revenge, even hatred at times. But these are debasing human emotions. It is unbecoming of us either individually or collectively to experience them, let alone use them as a basis for supporting the argument in favour of taking a human life.

This basic argument, that of need to avenge a death, is put in many forms. We are told that if a man takes a life he gives up the right to his own life. It is put in the form of the "eye for an eye" cliché from the Old Testament. But do these arguments not really beg a further question? The very large-looming query "Why?" still remains unanswered. Why an eye for an eye, and why a life for a life? Is it because the Bible says so, as some would argue? Surely the God and Christ, whose life is portrayed in the Bible as

one of love, of forgiveness and mercy, is not now demanding a life for a life and an eye for an eye.

Then there is the argument that society must be protected from the totally immoral brute without a conscience who would kill anyone near him for any reason. I admit that this argument comes a little closer to a reasonable approach, as opposed to an emotional one, for the retention of capital punishment.

Certainly in accepting the "protection" argument we as a society are admitting defeat. We are admitting our inability to deal with those among us who fail to maintain accepted standards of social behaviour. Imprisonment in solitary confinement, if necessary, is sufficient protection. Such an approach permits the possibility, admittedly remote in most cases, of the rehabilitation of the murderer.

Of course, under a system of total abolition there must be increasing emphasis on the reform aspects of our penal reform system. No one should be granted his freedom until it can be determined that he is no more likely to commit a further serious crime than the average law abiding citizen. Until psychiatric and social analytical methods become sufficiently sophisticated to make such a determination with absolute surety—that is important—a man should remain behind bars.

In addition, there are indications from recent studies that when hanging is the inevitable outcome of conviction for murder, many juries are reluctant to convict. Thus, if protection is the desired result, we see that the opposite effect is sometimes achieved. Perhaps the most persuasive, and certainly the most often employed argument for retention is that capital punishment acts as a deterrent, dissuading others in society who may be inclined to murder someone.

Statistics are freely bandied about on both sides, more often irresponsibly than objectively. Adherents of both views fall into the fallacy of predetermining their position and then going about gathering statistical support for it, usually ignoring unfavourable information. The reverse, the empirical approach, study leading to conclusion, obviously should be employed. We have heard entire speeches dealing with statistics. I have read and analysed as many studies as most members of this House. The important word in that last sentence is "analysed". It is intellectually dishonest to seek support from cold figures without a close analysis of their true meaning.

For example, the Statistics Canada figures for murder, used liberally by retentionists, show that since the partial ban in 1967, Canada has suffered a significant increase in murders. Ergo, some would conclude, the threat of the death penalty prior to 1967 deterred murderers. This is a lot of nonsense when you examine closely the figures in question. An analysis of these increases, which includes the disposition of the cases in the courts and which takes into account that one man often kills many victims at once—as many as 40 in the boarding house arson case in Quebec—indicates that the rise in premeditated murders, which is the only type that could possibly be deterred by the fear of death, is insignificant. The overwhelming statistical evidence, both in Canada and around the world, concludes that murderers pay little attention to the possibly self-harming consequences of their acts. If there does exist some fear of apprehension, it results only in more elaborate planning in order to avoid detection and capture.

The definitive study in this area which has been quoted on many occasions is that carried out by Professor Fattah of McGill University. His study shows that the incidence of crimes for which the penalty has not been changed has increased approximately the same as the murder rate has increased. In fact, the increase in murders is slightly less than the increase in other crimes of violence for which the penalty has remained unchanged.

If the death penalty were an effective deterrent, murders would have increased relatively more than other crimes during any period of abolition, and particularly in the period of partial abolition over the past five years. In many provinces, such as Nova Scotia in 1968, Ontario from 1968 through 1970, Saskatchewan in 1968 and Alberta in 1968-69, homicide rates actually declined after capital punishment was legally suspended. I suggest these facts speak eloquently against a link between the temporary suspension of and the over-all increase in homicide in Canada. It can be argued that the rise in crime generally is related to the total social situation, to an increase in population and to changing moral attitudes but not to the application or non-application of a particular penalty, as studies have clearly indicated.

• (1730)

I have spoken, Mr. Speaker, of the usual reasons for retention and have, I suggest, effectively rebutted them. There are modifications of each of these three or four basic arguments. I have yet to hear an approach of any persuasive value other than those discussed. I spoke at the outset about the onus being on the proponents of the death penalty for establishing its necessity. It should suffice, then, for abolitionists to rebut the retentionists' case and then rest their defence. However, there are very positive arguments for abolition which can be effectively made.

The taking of a human life for any reason, by anyone, is a debasing, despairing reaction which admits of the inability of the killer, including society, to cope with the behaviour of the killer. In dealing with a social deviate, society should aim to protect itself from him and to rehabilitate him, and not to perpetrate further deviation under the guise of legal murder. Obviously, that second objective, rehabilitation, is entirely out of the question if we employ capital punishment. The surest way to ensure genuine respect for human life among Canadians is for the state to respect it. Even though a murderer may have no respect or reverence for human life, if we in turn kill him we exhibit no more reverence than he does. Taking his life does not help his victim or his victim's friends or relatives; it brutalizes them and reduces them and all society to the level of the murderer.

All of what I have said has been more eloquently put by others in this chamber. Suffice it to say that I am unequivocally opposed to the use of the death penalty. Given this position, we abolitionists face the conundrum posed by the government's motion before the House. By voting either for or against it we vote to retain the death penalty, albeit to differing extents.

What is the answer? The answer is not to abstain from voting. That would be an abdication of our responsibility to our electorate. The answer is to choose the lesser of the evils, to vote for the continuation of the partial ban for a further five years at this stage of the proceedings. In doing so, I urge all hon. members to seriously consider the motion to be put in committee which will totally abolish the death penalty and replace it with a mandatory 25-year jail term. Such a course would surely satisfy those retentionists who base their arguments on the requirement to protect society from the murderer.

I would urge all members before voting to approach the question in a reasonable, analytical fashion divorced from emotional considerations as far as possible. When we allow basic human instincts and emotions to cloud our judgment, we make mistakes. On this issue, Mr. Speaker, we cannot afford to make a mistake.

Some hon. Members: Hear, hear!

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not expect to take very long in this debate. I did not intend to participate in it until recently, but I thought that I should put some of my views on record to at least indicate how I plan to vote on this serious matter. This is one of the most serious questions we will have to deal with in this parliament. I have been trying to grapple with it in my own mind and conscience. All hon. members are faced with this.

A few speakers who preceded me suggested that this is not really a free vote, that positions are set on this side of the House and on the opposite side and we are being told how to vote. That, Mr. Speaker, is not the case. It is certainly not the case on this side of the House. I have been honestly and sincerely grappling with my conscience as to how I want this situation handled. I have tried to read as much of the literature that has been passed to me by the Solicitor General's department as possible. I have also read literature from other sources.

This is a situation where there are statistics to support both sides. There are statistics to show that abolition is best. Some states have had abolition for many years. The murder rate in those areas is very low. On the other hand, France still has the guillotine which is used to kill people. France has one of the highest crime and murder rates in the world. It is necessary to look at the whole picture. Each member must make up his own mind and then decide how he will vote.

My mail is running between 95 per cent and 99 per cent in favour of retaining the death penalty. However, I feel the same way as hon. members such as the hon. member for Sarnia (Mr. Cullen) and the hon. member for Selkirk (Mr. Rowland). Yesterday the hon. member for Selkirk made it very plain that even though his constituents are in favour of retention, he is going to make up his own mind. That is what I am going to do.

The hon. member for Sarnia stated that he was very concerned about people being let out on parole. I share his concern. There have been many serious situations in British Columbia. Recently there was the Head case. This case caused a lot of concern among many people with regard to our whole system of parole. I have expressed this view to the Solicitor General (Mr. Allmand). We have to tighten up in this area. If a man is in prison for a very serious crime such as murder, perhaps there should not be any consideration of parole for 20 or 25 years. We should not go along with granting easy parole where a person convicted of a very serious crime is let out after a few years. I feel very strongly about that, Mr. Speaker.

• (1740)

I hope that when this bill goes to committee for consideration we can come up with a proposal upon which we can all agree to ensure full protection for society. Many people in British Columbia are honestly and very sincerely concerned about the slackness and the latitude allowed with respect to a number of inmates granted parole.

Now I would like to deal with a comment made by my colleague from New Westminster. He referred to the fact that a number of people sentenced to death in the United States tended to be from poverty-stricken categories and said a high proportion of them were Negroes. I tried to look up some statistics on this situation with respect to the native peoples of Canada, but I could not find any. I checked with the Solicitor General's department; apparently it does not keep statistics of that kind. However, from my personal observations over the years and from my own reading I cannot recall that very many native people had to be hanged in Canada. I would like to research this further.

I tend to believe that the proportion of native people who have received the death penalty is low compared with the total population of Canada. However, I am concerned about the number of native people who are in prisons and various other institutions right now. This is something I have discussed with my hon. friend the Solicitor General and I must express my pleasure at the concern he has shown, and the way he has responded to the situation. I hope we can go forward with a much more progressive program so that the number of native people in these institutions will continue to decline.

Over the past ten years the number of native people in detention institutions has gone down, but not far enough. The proportion of native people now in prisons is too high in comparison with that of the rest of the population. We have to do much better. As I say, I am happy with the attitude of the Solicitor General. I know he is working closely with the Department of Indian Affairs and with the various Indian organizations which made representations to him through the Department of Indian Affairs and other agencies of government.

The place to tackle this problem, though, is not in the institutions, although a lot can be done there. The work that has to be done must be done back in the Indian communities, tackling the reasons for and the causes of crime. There has to be much greater emphasis on education and meaningful social programs to help the native people play a much more constructive role in their own communities.

These were a few of the points that I wanted to make in my brief remarks, Mr. Speaker. As I say, I have had a very difficult time grappling with my conscience on this matter. After all the thinking and the reading that I have done, I believe the most sensible course I could follow at

this time, on behalf of my constituents, would be to vote for the bill in its present form, with the hope that we can introduce an amendment to tighten up the parole situation so that we will not have a repetition of the mistakes that have been made in the past few years.

We are all concerned about the protection of society. This is our main aim. Perhaps there is something more we can do to assure Canadians that they are getting the best possible protection, from our laws and penal system, against all types of criminals.

Mr. Ed Nelson (Burnaby-Seymour): Mr. Speaker, when this debate on capital punishment concludes in the House of Commons the decision will be taken by a free vote. As I understand it, a free vote is one in which Members of Parliament vote according to the dictates of their own conscience. They are not necessarily guided by the opinions expressed by party caucus. Indeed, the party caucus should not impose direction on its members in this vote even though the subject may be discussed in caucus. Neither should a member necessarily be guided by the volume of mail he receives on the subject from his constituents, although his decision may be affected by the force of reasoning in a particular brief or representation.

The outcome of this vote should be a result of the individual searching of the conscience of each representative in the House of Commons and a result of his conscientious study of the latest material available. The vote is taken across party lines. There will be, as there have been so far, retentionists and abolitionists in all parties. I have every confidence that most members of the House will vote according to their conscience and I believe that anyone who uses the occasion of this debate to garner a few votes would be beneath contempt.

Certainly, a free debate would appear to be the best approach to the subject because the question of capital punishment, as so many have said, is such an emotional one that large numbers of people may tend to be influenced by those same forces that in the past led to such unjust acts as lynching, witch-burning and the like.

I heard it suggested by one speaker that the subject of capital punishment should be decided by a nationwide referendum. In my opinion this type of referendum is little more than an invitation to mob rule. One need only read the hundreds of letters one receives on this subject to realize that many of them are motivated by emotion and lack of logic, just as a nationwide referendum would be motivated by emotion and lack of logic. Imagine such a vote being taken on the day that a particularly brutal and atrocious crime had been perpetrated. This is not to say that one does not receive carefully thought-out and logical letters, but they tend to be in the minority on the subject of capital punishment.

One can hardly blame a citizen who experiences a feeling of almost ungovernable rage when he reads of the brutal murder and rape of a defenceless child, or of other atrocious crimes. We all share the feeling at the time. It is difficult to pit logic against such feelings of anger, yet we must attempt to approach the subject, if not from a logical point of view at least from a philosophic point of view.

For the benefit of my constituents I should like to mention the latest studies and debates that have been published on the subject of capital punishment. All hon. members are familiar with the two volumes available from the Queen's Printer, one entitled "Capital Punishment, New Material, 1965-1972" and the other "Study of the Deterrent Effect of Capital Punishment with Special Reference to the Canadian Situation," by Professor Fattah of McGill.

Most members of the House, on the basis of this latest material, are able to construct a logical argument to prove their points either for or against capital punishment. Therefore logic is unlikely to prevail. So, away with logic. Therefore I will not spend time discussing the deterrent effect of capital punishment since it is unlikely that I am going to convince anyone by quoting statistics or by taking that tack.

• (1750)

It is a fact, however, that long before the suspension of capital punishment in Canada a potential killer had over a 90 per cent chance of escaping execution in any case. These figures are based only on known incidents of murder, but many murders are not even detected, so that the probability of escaping execution is even higher than the percentage just mentioned. In a sense, then, the whole question of capital punishment or abolition is an academic one since it is unlikely that anyone is going to be executed in future in Canada.

On the face of it, if any province in Canada has the right to insist on the reinstatement of capital punishment it would probably be British Columbia, since the homicide statistics there are higher than those of any other province. These figures, however, are somewhat deceptive because although British Columbia has the highest average annual homicide rate it has the lowest percentage increase of homicide in Canada. The unfortunate fact is that homicide figures in British Columbia tend to be weighted by the number of homicides which occurred in the year 1962. Following the year 1962, in which there were 11 homicides, the rate of homicides decreased noticeably.

The deterrent effect of capital punishment on the whole is discounted on the evidence of enough studies that one can easily accept the thesis that it makes no great difference whether we have abolition or retention so far as the number of homicides is concerned. We must look, then, for another motive for reinstating capital punishment. Certainly, a civilized society should not employ revenge as a motive since nothing is gained for that society from revenge except perhaps here and there a feeling of well-being that one has "got even" in some manner with the criminal.

It is pointless to go into the religious arguments for capital punishment because the retentionists would quote from one point of view and the abolitionists would quote from another point of view so far as the Bible is concerned. Most orthodox churches oppose capital punishment on the ground that the governing Christian spirit should be one of mercy and forbearance.

I do not believe that the people who speak for the retention of capital punishment are motivated by a desire to deter or by a desire for revenge. It seems to me that the governing motive of the people who desire retention of capital punishment is one of frustration in a society which

they feel is too permissive, a society which they feel has no means of handling those people who are unable to function with their fellow members in that society and, as the hon. member for Nickel Belt (Mr. Rodriguez) pointed out, from the economic and social injustices which rankle so deeply in our private enterprise society.

It seems to me, therefore, that we must resort to examining the question from the philosophical point of view. What is it that distinguishes mankind from the rest of the animals? Not necessarily the ability to reason, because some animals have shown that ability in varying amounts. But the one thing that man can do that other animals cannot do is to store experience.

The wild animal in nature teaches his young or her young by instinct and example and one generation after another learns in exactly the same way. But mankind is able to store his experience in history books, in monuments, through artifacts and the like. We must believe that man, through his ability to store experience and to learn from the past, is rising in the scale of human evolution. Despite this ability to store experience, it seems to us that the beast still lurks just below the sophisticated veneer of modern man. This is hardly surprising since man has been on this earth for a relatively short period of time in comparison with the entire scale of life, the continuum of life on this earth.

To paraphrase an example used by Dr. Miller, I ask you to imagine a rope stretching from Toronto and ending at the Speaker's chair in the House of Commons. This rope will represent the natural scale of life—

Mr. Speaker: Order, please. I regret having to interrupt the hon. member, but I have the honour to inform the House that a message has been received from the Senate.

THE ROYAL ASSENT

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, it is the desire of the Right Honourable the Deputy of His Excellency the Governor General that this honourable House attends him immediately in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bill:

Bill C-127, an act to amend the Pilotage Act—Chapter No. 1.

At 6.07 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 1, 1973

The House met at 2 p.m.

RIGHT HON. LOUIS STEPHEN ST. LAURENT

TRIBUTES ON NINETY-FIRST BIRTHDAY

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I hope the House will grant me the indulgence of saying a few words regarding a former Prime Minister of Canada, the Right Hon. Louis St. Laurent, who celebrates his ninety-first birthday today.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I have for him an admiration bordering on affection. He sat in this House for a period of 16 years during which he was Minister of Justice, Secretary of State for External Affairs and Prime Minister. Prior to coming into the House he had a record as a most distinguished lawyer and was President of the Canadian Bar Association. Our relations throughout the years intertwined, one with the other. When he occupied the position of President of the Canadian Bar Association I was one of the vice-presidents, as I remember. When he was Minister of Justice I was the opposition critic. When he became Secretary of State for External Affairs, in the latter days of his tenure I was the opposition critic. He then became the Prime Minister and later I followed him in that position.

In all those years the great proprieties of parliament were upheld by him. He is a man who was always a gentleman, a statesman who gave of his best, and one who had a deep appreciation for the meaning of the monarchy within the parliamentary system. Indeed, it is sometimes forgotten that it was he who suggested to Her Majesty that it would be most helpful to the parliamentary system in Canada if she would open parliament. It was his suggestion that brought this about, although it came into being after I became Prime Minister.

We wait too often until men who have devoted themselves to their country pass on before acknowledging their contributions. This does not have the same meaning as conveying to a living person such as Mr. St. Laurent the feelings of all of us in the House. My suggestion, Sir, is that on this anniversary this House do something which has not been done before. I suggest that we have you, Sir, convey to the Right Hon. Louis St. Laurent, a Privy Councillor of Canada and an Imperial Privy Councillor, of which there are only two now, Mr. St. Laurent and I, the good wishes, the felicitations and the congratulations of all of us, coupled with the hope that he will have many more years with us and that his life will be one of serene realization that in his day and generation he gave of his best.

Some hon. Members: Hear, hear!

• (1410)

[*Translation*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on behalf of my colleagues of the Liberal party, I would like to associate myself fully with the comments expressed by the right hon. member for Prince Albert (Mr. Diefenbaker). I think he is in a better position than anybody else to evaluate the task and the greatness of the man he has praised. He has lived through that period himself. He has seen Mr. St. Laurent at work and I think that those sitting on this side of the House, who have naturally a special esteem for Mr. St. Laurent, are very happy to hear these words from the right hon. member for Prince Albert.

Since I have been Prime Minister, I too, must recognize that I have become more unfluenced by the remarkable talents of this man. I have become aware, through documents, programs and legislation which I must look after, of the path he has laid out and the wisdom which characterized his leadership of Canada in the course of the years he was a minister and Prime Minister of this country.

Furthermore, we endorse the suggestion made by the right hon. member. Mr. Speaker, I would like to add that I hope—

[*English*]

—that the right hon member, when I am 91, will be able to stand in this House and utter—

Mr. Diefenbaker: Hear, hear!

Mr. Trudeau: —perhaps not the many, many deserved compliments that he paid to Mr. St. Laurent, but at least that he will be able to say about me the same words about his admiration bordering on affection.

Some hon. Members: Hear, hear!

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my leader, the hon. member for York South, has graciously suggested that I say a few words on behalf of our party on this occasion. I am extremely happy to do so. However, I wish to make it clear that I am not 91.

Some hon. Members: Explain.

Mr. Knowles (Winnipeg North Centre): I say that because of the next sentence I wish to utter. It does so happen that Mr. St. Laurent and I were first elected to the House of Commons in the same year.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Thus, I had the privilege of being here throughout the time he was a

member of the Liberal cabinet and, finally, Prime Minister. I was also here, of course, during the session when he sat on this side of the House as the Leader of the Official Opposition.

On my own behalf and on behalf of my colleagues I wish to underline what has been said about the unfailing courtesy of Mr. St. Laurent. He was always the gentleman. It was midway through his career as Prime Minister that he became known as "Uncle Louie". Indeed that designation was not something coined in jest but rather in affection because we found him to be just that kind of person.

It must also be said that he made a singular contribution to the development of this country in terms of national unity, and in terms of making progress with respect to the achieving of a constitution that might meet all our needs. I suspect that historians will some day discover and point out that if it had not been for the Korean war, which interrupted certain plans that I know he had, we might well have made further progress than we did in that respect while he was Prime Minister.

We remember him with affection, and we feel that the House is quite appropriately taking a few minutes today to extend to Mr. St. Laurent our warmest greetings and congratulations on this his ninety-first birthday. I join with the Prime Minister in associating this group with the suggestion made by the right hon. member for Prince Albert that you, Sir, extend to Mr. St. Laurent the cordial greetings of this House of Commons and our best wishes to him for many happy returns.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on my own behalf and on behalf of my colleagues of the Social Credit Party of Canada I should like to join in the good wishes extended by the right hon. member for Prince Albert (Mr. Diefenbaker), the right hon. Prime Minister (Mr. Trudeau) and the hon. member for Winnipeg North Centre (Mr. Knowles) to the former Prime Minister, the Right Hon. Louis St. Laurent on the occasion of his 91st birthday.

I did not have the good fortune, as did my two colleagues of the opposition, to see at close range this great statesman at work, but I did work under him. When Mr. St. Laurent was head of the country, I was in a position to see that he gave the best of himself, that he led the country and acted according to what he thought was best. Naturally, like all political men, he did not have unanimous approval from all Canadians in everything, but the fact remains that the Right Hon. Louis St. Laurent played a very important role in the history of Canada. I join all my colleagues in this House to wish him many more years of happiness.

Mr. Speaker: I shall be happy to convey the good wishes and congratulations of this House to the Right Hon. Louis St. Laurent, former Prime Minister of Canada.

[*English*]

* * *

PRIVILEGE

Mr. Speaker: I should bring to the attention of hon. members that the Chair has received notices of a number of questions of privilege, as required by the Standing Orders. Indeed, I think that today we have established a record in the history of parliamentary democracy in the number of such notices received. I would invite the hon. members concerned to be as brief as possible in their presentations for the guidance of the Chair. I will call on the several members who have sent notices in the order in which the notices were received. I first call on the hon. member for Skeena.

MR. HOWARD—WORDS USED BY PRIME MINISTER IN REFERRING TO MEMBER

Mr. Frank Howard (Skeena): Mr. Speaker, the question of privilege I raise relates to a situation that occurred in the House yesterday and is reported in *Hansard* on page 826, following a point of order I had raised. Following that point of order there was a comment by the right hon. Prime Minister (Mr. Trudeau). To put it in its context I think I should read the comment:

It may be the hon. member—

In that instance referring to me, I believe.

—was part of the riff-raff outside the hall when I was talking inside. He perhaps does not know—

Then there were interruptions. My question of privilege is that yesterday, because of the racket and the noise from this rabble that calls itself the Conservative party—

Some hon. Members: Oh, oh!

Some hon. Members: Shame!

Mr. Nielsen: You just destroyed your point of privilege.

Mr. Howard: —I was not able to hear the comments of the Prime Minister. If I had I think I might have raised a legitimate question of privilege at that time, which of course would have been the time to do it. The question of privilege I raise now is that my rights as a member were interfered with by the noise in the chamber. Based upon that, I move the following motion, seconded by my colleague the hon. member for Winnipeg North Centre (Mr. Knowles):

• (1420)

That this House calls upon the Leader of the Official Opposition to attempt to instil in his followers a sense of propriety and responsibility.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

An hon. Member: That is a waste of the time of the House.

Mr. Speaker: Order, please. Hon. members know that the duty of the Chair is simply to decide whether there is a prima facie question of privilege. Obviously, the way the matter has been put before the House would tempt me to suggest to the hon. member that there is a bit of non sequitur. I would not think, in my humble opinion, that there is a relation between the motion that the hon. member proposes and the basis of the alleged question of privilege. In the circumstances I would think there is no

point in suggesting to the House that the motion which he has proposed under the guise of privilege be debated at this time. I do not think there is a *prima facie* question of privilege.

Mr. Stanfield: Mr. Speaker, I do not rise on a question of privilege but I should like to make it very clear that I take no exception at all to the description of my party as a rabble because it is my understanding that rabble means the common people.

Some hon. Members: Hear, hear!

[*Translation*]

MR. FORTIN—PROTESTS RESPECTING RECORDED TELEPHONE MESSAGE

Mr. André Fortin (Lotbinière): Mr. Speaker, the Social Credit Party of Canada has been informed that people who dial a certain phone number in London, Ontario, hear a recorded message against the Negro population of the United States as a group. At the end of the message, the listener is invited to write to the Social Credit Party of Canada at a local address and in Ottawa.

In the name of the Canadian Social Credit Party, I want to put on the record of the House that neither the telephone number nor the address given in the recorded message has the slightest relation with our party. The Social Credit Party of Canada believes in the brotherhood of all human beings and that message has never been authorized by our party which entirely repudiates its content.

Mr. Speaker: Again I very much doubt that the hon. member would expect the Chair to render a ruling concerning his question of privilege. The hon. member has submitted his remarks for the consideration of the House and I believe he should not pursue the matter any further.

[*English*]

MR. REILLY—REPORT IN "LE DROIT" ALLEGING DISCRIMINATION AGAINST CERTAIN MEMBERS OF HOUSE OF COMMONS PROTECTIVE STAFF

Mr. Peter Reilly (Ottawa West): Mr. Speaker, I rise on a question of privilege which I believe affects all members of the House. It is based on a report in yesterday's *Le Droit* in which it is alleged that certain members of the protective staff of the House complain that they are being discriminated against. It says that many ministers of the Crown are aware of the complaints and sympathize with them but that they would rather an ordinary member of the House of Commons raised the issue. I hereby raise it, Mr. Speaker, because this House is a symbol of opportunity and justice for Canadians and I believe that allegations of this kind should be investigated. I therefore move, seconded by the hon. member for Hamilton-Wentworth (Mr. O'Sullivan):

That the subject matter of my question be referred to the Standing Committee on Procedure and Organization.

Mr. Speaker: I have received notice from the hon. member and have given the matter some thought. With respect, I suggest to the hon. member that there is no question of privilege. The hon. member suggests that his rights as a parliamentarian or his rights in the discharge of his function as a Member of Parliament are impeded in some way. The grievance or matter to which he has made reference is one, rather, of administration, and I would think that if there is a complaint it should not be considered in the way the hon. member has proposed, that is, by way of parliamentary privilege.

MR. BALDWIN—STATEMENT BY PRIME MINISTER CONCERNING ABORIGINAL RIGHTS OF INDIANS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I find it difficult to follow that pillar of pure parliamentary propriety, the hon. member for Skeena, on a question of privilege. Nevertheless, I raise an issue which involves a statement made by the Prime Minister yesterday, to be found on the same page of *Hansard* as that already referred to by the hon. member for Skeena. On page 826 the following exchange is recorded:

MR. HOWARD: Would the Prime Minister tell the House today whether his statement in 1969, which then reflected government policy of rejecting aboriginal rights, still stands?

MR. TRUDEAU: The hon. member will recall that spokesmen for his party as, indeed, for the Conservatives approved the government statement which was made in 1969.

MR. BALDWIN: No.

MR. TRUDEAU: If hon. members look up the record of what they said in *Hansard*, they will see that the only comment they had to make about the minister's policy was: "Too little, too late".

MR. BALDWIN: Not on that issue.

I might have been inclined to let the matter go on the basis that it might have been part of the prime ministerial repertoire of red herrings, but it happens that on January 26 the right hon. gentleman, responding to a question from the hon. member for Yukon, answered as follows:

Mr. Speaker, if I might disagree with the premise of the question, there has, of course, been a very clear statement by the government on the question of aboriginal rights. It was made in the House of Commons at the time of the publication of the policy paper on Indian Affairs, and it was wholeheartedly supported by the spokesman for the Conservative party and the speaker on behalf of the NDP at the time.

I do not know whether it was because of lack of knowledge, ignorance or intent on the part of the Prime Minister that the statement was made. I am concerned about this very important issue, I followed the advice of the right hon. gentleman and examined the text of the statements which were made. Although it is true that both I, answering on behalf of my party, and the hon. member for Skeena, answering on behalf of the New Democratic Party, gave some qualified approval to some of the proposals dealing with the issue of Indian problems the right hon. gentleman's assertion is not in accordance with the facts. On page 10583 of *Hansard* for June 25, 1969, appear two sentences, which is all I will read from my remarks of that time. The first reads:

There is bound to be some contention about aspects of the statement.

The second, in the next paragraph, reads:

The statement involves what would seem to be a limited interpretation of existing treaty rights, and a reluctance to deal with specific claims of aboriginal rights.

How the right hon. gentleman can construe those statements now as being wholehearted support of the government's policy on aboriginal rights is beyond me. I had contemplated moving a motion, but if, at any time a motion were to be moved referring to a committee the matter of misrepresentation by the Prime Minister or other members of the government, it would be a very busy committee indeed that would be handling the issues.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I doubt whether there ought to be any debate at all.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

The Chair is required to determine whether there is a prima facie case of privilege. However, it is traditional and according to practice to allow another hon. member whose statements have been brought into the question of privilege to comment briefly on the statement made in order to make it easier for the Chair to rule. The difficulty here, of course, is that there is no motion and, in any event, the eventual ruling would be that there is no question of privilege. At the same time, I suppose the hon. member who has been brought into the discussion will probably rise to claim his own privilege and would have to be recognized for that purpose.

Therefore I think it is good practice to allow the member who has been brought into a question of privilege to reply briefly, and then the Chair will make its ruling.

Right Hon. P. E. Trudeau (Prime Minister): Thank you, Mr. Speaker. I appreciate the authorization you have given me. I will not abuse it but will do the same as the hon. member for Peace River did, read from the debates of June 25, 1969, but quote paragraphs different from those quoted by the hon. member for Peace River. This statement was made by the hon. member on behalf of his party near the beginning of his remarks:

• (1430)

Many of the thoughts which the minister expressed in his statement were good thoughts, repeating the thoughts in the report of the committee.

We welcome the statement by the minister. It amounts to an acceptance of many proposals made by the Indian people through the years, and made by those who have worked on their behalf, in this party and elsewhere.

He goes on at some length, but I will go to the paragraph from which the hon. member just quoted, the one that talks of aboriginal rights. This is followed by the phrase I believe he read.

There are bound to be some very serious problems about who has the right to be consulted and the fullness of the consultation. By and large this must be regarded as a welcome statement and a step forward toward equality for the Indian people of Canada.

I wonder, Mr. Speaker, if the red herring is not one created by the hon. member.

Some hon. Members: Hear, hear!

[Mr. Baldwin.]

Mr. Trudeau: If the hon. member for Skeena (Mr. Howard) wants to argue the point, I also have something on what he has had to say.

Mr. Speaker: Order, please. I would rather not bring the hon. member for Skeena into the discussion. Obviously this is a matter of dispute between two members of the House as to a statement of fact. In any event, it is clear that a dispute as to facts cannot be the basis for a question of privilege. Again I have to refer to the fact there is no motion proposed so that facilitates the task of the Chair.

Mr. Howard: Mr. Speaker, I rise on a question of privilege because my name, position and the statement I made on that date have been brought into the matter. The rules prevent me from reading my own statement of June 25 in its entirety. Unlike the Prime Minister or the hon. member for Peace River, I will not extract pieces to support a particular contention. I simply suggest it be read in its entirety and it will be seen that what the Prime Minister said yesterday with regard to what I said—

Mr. Speaker: Order, please.

[*Translation*]

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House with a view to discussing an issue which cannot be delayed any longer.

Mr. Speaker: Order. Would the hon. member resume his seat? I apologize to the hon. member but I am under the impression that he wants to move a motion under Standing Order 43. Perhaps it would be more suitable if the Chair allowed the hon. member to move this motion later when motions are called.

[*English*]

MR. GLEAVE—ANSWER OF MINISTER RESPONSIBLE FOR WHEAT BOARD CONCERNING AGREEMENT WITH RAILWAYS ON USE OF HOPPER CARS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I rise on a question of privilege with regard to an answer the minister in charge of the Wheat Board gave me on January 15. At that time I asked him whether the two major railroads, the CPR and CNR, had agreed to bear certain charges with regard to depreciation and the cost of operation of certain hopper cars that the government had purchased. His answer was that there was such an agreement and he would provide it. Yesterday I was informed in committee that such an agreement did not yet exist. I think the minister owes an explanation to me and the House and should give more complete information than he gave at that time. I would not charge the minister with a deliberate attempt to mislead the House, but I do think his statement was incomplete. I would, therefore, ask that he correct it at the earliest opportunity.

Mr. Speaker: Order, please. I do not think this would be the time for the minister to make a further statement. Perhaps he could do this on motions or, if the hon. member wishes, he can take the opportunity provided by the question period to ask a further question when we

reach the third row. The hon. member will be given an opportunity to do so at that time.

* * *

BANK OF CANADA

APPOINTMENT OF G. K. BOUEY AS GOVERNOR

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to inform the House that the board of directors of the Bank of Canada has recommended the appointment of G. K. Bouey, senior deputy governor, to become governor of the bank. The Governor in Council today approved that recommendation. Mr. Bouey succeeds Louis Rasminsky who is retiring after being associated for more than 32 years with the Bank of Canada.

I should like to take this opportunity to express deep appreciation to Mr. Rasminsky for the integrity and dedication he has shown in the service of this country throughout his years with the bank and particularly as its governor.

Some hon. Members: Hear, hear!

* * *

CONSUMER AFFAIRS

CONTROL OF RETAIL GASOLINE PRICES—EFFECT OF ACTION BY COMPANIES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I rise to seek the unanimous consent of the House pursuant to Standing Order 43. The urgency and pressing necessity of this matter arises, so I am informed, because of present and combined activity by some, perhaps all, of the major oil companies to change thousands of contracts with retail gasoline outlet dealers. As a result, Mr. Speaker, control of consumer prices for gasoline will shift from the retailer to the supplier. With present concern over the cost of living at the stage where price controls may be necessary, the effect of such private and concentrated control over the price of a product that is a necessity to millions of Canadians requires action by the House.

With unanimous consent, I would therefore move, seconded by the hon. member for Vancouver South (Mr. Fraser):

That the matter hereby raised be referred to the Standing Committee on Justice and Legal Affairs and that it be an instruction to the committee to report back to this House as quickly as possible with its recommendations.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Oxford. Under the terms of Standing Order 43, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The hon. member has noted, as I have, that there is not unanimous consent. The motion cannot be put at this time.

* * *

[*Translation*]

SPORTS

FEDERAL PARTICIPATION IN MONTREAL OLYMPIC GAMES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, pursuant to Standing Order 43, I request the unanimous consent of the House with a view to discussing a question which cannot be delayed owing to the financial and national implications involved, and I mean the 1976 Olympic Games. The federal government contribution is still problematical not only for the people responsible but for all Canadians. Given the importance of this question and because those games will be a reflection of Canada's image throughout the world and in view of their financial implications, I move, seconded by the hon. member for Champlain (Mr. Matte):

That a special debate take place within the shortest delay, after discussion with the House leaders, on the general participation of the federal government to ensure success of the 1976 Montreal Olympic Games.

Mr. Speaker: Under Standing Order 43, the motion moved by the hon. member necessitates the unanimous consent of the House. Does the House agree unanimously?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. Therefore, the hon. member's motion cannot be moved at this time.

[*English*]

* * *

INDIAN AFFAIRS

ABORIGINAL RIGHTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to Standing Order 43, concerning the matter of aboriginal rights of native peoples throughout Canada.

The decision of the Supreme Court of Canada with respect to the claim of the Nishga nation of Indian people has resulted in a deadlock. It is now a matter of urgent and pressing necessity, because of the many projects going on in Canada that affect the native peoples, their lands, their environment and their rights, that action be taken by parliament.

I therefore move, seconded by the hon. member for Churchill (Mr. Taylor):

That the matter of the aboriginal rights of the native peoples be referred to the Standing Committee on Indian Affairs and Northern Development and that that committee be convened forthwith to deal with this matter.

Some hon. Members: Hear, hear!

Mr. Speaker: The motion proposed by the hon. member requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. I regret, therefore, to advise the hon. member that the motion cannot be put at this time.

* * *

• (1440)

RESIDENTIAL MORTGAGE FINANCING BILL

ESTABLISHMENT OF CORPORATION, RECOGNITION OF SPECIALIZED MORTGAGE INVESTMENT COMPANIES UNDER LOAN COMPANIES ACT AND TAX TREATMENT

Hon. Ron Basford (Minister of State for Urban Affairs) moved for leave to introduce Bill C-135, to provide additional financing mechanisms and institutions for the residential mortgage market in Canada.

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

* * *

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—PARTICIPATION BY CANADA IN SUPERVISORY COMMISSION

On the order: Government Notices of Motions:

This House welcomes the conclusion of the agreements on ending the war and restoring peace in Viet Nam and notes the provision for an International Commission of Control and Supervision as part of the cease-fire arrangements, in which Canada has agreed to participate for the initial period of 60 days as provided for in the note, dated January 27, 1973, from the Secretary of State for External Affairs to the four parties to the Viet Nam cease-fire.

Mr. Speaker: Pursuant to section 2 of Standing Order 21 this notice of motion is transferred to and ordered for consideration under government orders later this day.

ORAL QUESTION PERIOD

THE MINISTRY

NATURE OF CONFLICT OF INTEREST RULES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I am pleased to see the Prime Minister back in his seat. I thought for a moment that he had rushed off to establish a line of credit with the new governor of the Bank of Canada. I should like to ask the Prime Minister an important question about any regulations that may be laid down within the government in regard to conflict of interest as far as members of the government are concerned. In particular, are there any rules laid down and in force with regard to the ownership of property by ministers, and are there any regulations or rules regarding disclosure or the imposition of what is ordinarily called a blind trust?

[Miss MacDonald (Kingston and The Islands).]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think I can say that there are no regulations or legally binding rules. I go on to say that I, in conjunction with my colleagues in cabinet, have applied some rules such as those the hon. gentleman has referred to. I would willingly at some point discuss them at greater length if the House so desires. I would merely remind the Leader of the Opposition that the Speech from the Throne indicated a desire to bring this whole matter before parliament, and I would prefer to do this at a time when we might look not only at rules relating to ministers but for members of parliament and, indeed, members of the civil service. It is this total package that I would like to see discussed in parliament. Some of this may entail legislation, particularly changes in the act affecting the Senate and House of Commons. Other facets of the matter would probably be dealt with more in the form of a statement of policy by the government.

Mr. Stanfield: Would the Prime Minister indicate at this time whether these informal practices that are followed require disclosure of property owned by ministers or require the establishment, in the alternative, of some kind of blind trust? Can the Prime Minister indicate to the House very succinctly what the situation is?

Mr. Trudeau: Yes, Mr. Speaker. As succinctly as I can, I would say a blind trust is the vehicle recommended in cases when ministers are in a position where they be involved in market transactions in connection with securities. The disclosure of property has been requested by me of ministers essentially in cases where expropriation by the federal government is involved.

Mr. Stanfield: Are there any actual regulations or informal understandings or requirements regarding senior civil servants or senior officers and directors of Crown corporations?

Mr. Trudeau: Yes, Mr. Speaker, in the sense of general directives conveyed to them by their ministers. But here again I would repeat what I said a moment ago, that it would be my desire to formalize them and make them the object of a policy statement which would be along the lines I have just indicated, and deal with the whole matter. To give an example, in the case of senior civil servants who are brought into the service and who have substantial securities, a blind trust arrangement is requested of them before their appointment is made.

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In view of the Prime Minister's reference to the desirability of covering this matter in a comprehensive way, I wonder whether he would take a look at Bill C-38 in my name and, if it is acceptable, he could take it over and bring it in?

CONFLICT OF INTEREST—REQUEST FOR INFORMATION ON LAND HOLDINGS IN PICKERING AIRPORT AREA

Mr. Edward Broadbent (Oshawa-Whitby): I have a supplementary question, Mr. Speaker. In view of the imminence of the expropriation of land in the Pickering airport area, would the Prime Minister undertake to make known to the House, and therefore to the public, the names of all of his ministers or senior civil servants who may presently have land holdings in the area?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in the case of ministers I believe I could give the answer right now if the House so desires. In the case of senior civil servants it would probably take longer to canvass them all, but I will undertake to attempt that. The answer to the first part of the question is that there is one minister, the Minister of Industry, Trade and Commerce, who has property in the area to be expropriated. He has had it for many years, indeed, before he became a minister and before expropriation was ever thought of or contemplated.

Mr. Speaker: The hon. member for Skeena.

Mr. Trudeau: On a question of privilege, Mr. Speaker, I am told that it is not even in the area to be expropriated. I believe it is in the noise zone, or something like that.

* * *

INDIAN AFFAIRS

SUGGESTION THAT CABINET MEMBER MEET WITH REPRESENTATIVES OF NISHGA NATION CONCERNING LAND CLAIM

Mr. Frank Howard (Skeena): Obviously, Mr. Speaker, the noise must be very close to this chamber. I should like to direct a question to the Prime Minister arising out of the decision yesterday of the Supreme Court with respect to the Nishga nation land claim. Without getting into whether it was a 4-3 or 3-3-1 decision or whatever it was, would the Prime Minister be prepared to meet or to have someone in his cabinet meet with representatives of the Nishga nation or the Nishga tribal council to see whether or not the government of Canada can co-operate with that nation of people to the end that their claim is recognized and dealt with?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will take the suggestion under consideration.

* * *

[*Translation*]

SOCIAL SECURITY

FAMILY ALLOWANCES—PRIORITY IN DISCUSSIONS

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to put a question to the Minister of National Health and Welfare.

Among the numerous measures that the minister is suggesting, and in view of the seriousness of unemployment and the great number of families at the poverty level, would the minister tell us whether family allowances will have priority over other projects submitted for consideration?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have already answered this question in the speech I made in this House last January 11.

[*Later:*]

Mr. Latulippe: Mr. Speaker, could the minister tell us whether the provinces have stressed the importance of a family policy, in order to develop as soon as possible a scheme of increased family allowances.

Mr. Lalonde: Mr. Speaker, this is not only the provincial point of view, but the federal government has clearly stated the importance it attaches to the improvement of a family allowance system.

FAMILY INCOME SECURITY PLAN—INTRODUCTION OF NEW LEGISLATION

Mr. René Matte (Champlain): Mr. Speaker, I should like to put a supplementary question.

Could the minister tell us whether the bill which has been introduced during the last session of the 28th Parliament will be reintroduced during this session?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have already indicated to the House that the legislation concerning the family income, introduced last year in this House, is being reviewed and that we would introduce a new bill to the House during this session.

• (1450)

* * *

[*English*]

TRADE

REPRESENTATIONS TO UNITED STATES CONCERNING BURKE-HARTKE BILL

Hon. Paul Hellyer (Trinity): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. In light of increased support in the United States for the Burke-Hartke trade restriction bill, has the minister made any direct representations to the United States government recently to assure that the Nixon administration will oppose this bill and, if necessary, veto the bill if it is passed by the United States Congress this year?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I am aware of the Burke-Hartke bill and its protectionism, and I am also aware that there are business groups in the United States that oppose it. I am hopeful that the administration will oppose it as well, as did the last administration.

Mr. Hellyer: Mr. Speaker, is the minister aware of speculation that the enactment of this bill, which incidentally insiders in Washington say is virtually a certainty this year, could end up costing Canada as many as 300,000 jobs and, if so, is the government going to take immediate and energetic action to remove this threat to our vital

interests, or is the government simply going to cross its fingers and hope for the best from the efforts of the United States administration?

Mr. Speaker: Order, please. I suggest that the hon. member's postscript puts him out of order.

Mr. Hellyer: A further supplementary, Mr. Speaker—

Mr. Speaker: Order, please. I will recognize the hon. member, but it is somewhat irregular for hon. members to take advantage of the situation by asking a question which is clearly out of order and then seeking to ask a supplementary question.

Some hon. Members: Hear, hear!

Mr. Speaker: I also recognize that the hon. member for Trinity is not the only one who is doing this, so he will, of course, be recognized for his supplementary question.

Mr. Hellyer: Mr. Speaker, I thought the minister might have answered the first part of my question. I direct my supplementary question to the President of the Privy Council. Would he use his good offices to arrange a meeting at the earliest possible date of the Canada-United States parliamentary committee so that members of parliament from all sides of the House can impress upon their U.S. counterparts the stake both countries have in resisting protectionist impulses and working for a greater easing of world trade restrictions?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I would be delighted to use whatever good offices I have, but this is an entirely new jurisdiction that the hon. member has conferred upon me this afternoon.

Mr. Speaker: Order, please. The hon. member for Trinity, who has been associated with the group of questions, knows there is a method he may follow to have the subject included on the agenda. His representations and questions have been noted.

[*Later:*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary to the question put by the hon. member for Trinity to the Minister of Industry, Trade and Commerce. In answer to the question whether or not the government is willing to approach the United States government regarding non-passing of the Burke-Hartke bill, the minister said he hoped it would not pass. Can the government not do any better than hope and pray on an important matter like this? Can they not get the lead out and take some action on this important matter?

Mr. Speaker: Order, please.

[Mr. Hellyer.]

HOUSE OF COMMONS

REDISTRIBUTION OF RIDINGS—SUGGESTED ACTION TO PREVENT REDUCTION OF NUMBER IN CERTAIN PROVINCES PENDING FURTHER STUDY

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, a few days ago I directed questions to the Prime Minister concerning the redistribution of seats and a decrease in the number of constituencies from the present number in Newfoundland, Quebec, Nova Scotia, Saskatchewan and Manitoba.

As provincial commissions are sitting and working on the redistribution to be made, it is necessary to have early action on this matter; otherwise they will have completed their work and any question of amendment of the constitution will be virtually out. I would ask the Prime Minister whether the government has given any consideration to a start in the direction of actually providing, while the whole question is being canvassed at length, that the number of seats in the respective provinces shall not be reduced? Something along that line would enable a full and complete study and would be assured, I believe, of a reasonable degree of support in the House.

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I looked around anxiously to see whether the statement by the right hon. gentleman that such a procedure would get a reasonable amount of support was accurate. I saw our own ranks applauding rather vigorously, but I did not notice too much on the other side.

Some hon. Members: Hear, hear!

Mr. Hees: You certainly have to coach your applause, Pierre. It doesn't come easy, does it?

Mr. Trudeau: As I indicated the other day in dealing with this question, any solution such as that suggested by the right hon. gentleman might have the effect of either changing the principle of representation by population or have the consequence of a much larger number of members in the House. Let me just say that if a consensus could develop among the various parties along the lines of the suggestion that has been made, or along other lines such as perhaps delaying the application of the present redistribution, this party—

Some hon. Members: Hear, hear!

Mr. Trudeau: It would seem, Mr. Speaker, that our suggestion has more support than that of the right hon. gentleman. Both are suggestions that we are prepared to discuss. Let me just ask our House leader to consult the leaders of the other parties to see if such a result can be obtained.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Inertia always has excuses. The right hon. gentleman received applause from those behind him who are generally afraid to support anything that comes from the opposition.

Some hon. Members: Oh, oh!

An hon. Member: It was your side.

Mr. Diefenbaker: I ask the Prime Minister whether he will treat this matter seriously because, after all, while representation by population has its place, regionalism has always been accepted in redistribution of seats from the earliest days.

Mr. Speaker: Order, please. Perhaps we should not engage in a debate. It is perhaps more a matter of statements than questions in which we are getting involved now. I suggest we should limit ourselves to questions and answers at this moment, and for that purpose I will recognize the hon. member for York South.

REDISTRIBUTION OF RIDINGS—REQUEST FOR SPECIAL COMMITTEE TO STUDY ALTERNATIVES TO REDUCTIONS IN CERTAIN PROVINCES

Mr. David Lewis (York South): Mr. Speaker, I should like to ask the Prime Minister a supplementary question. In view of the fact that merely delaying the results of the present redistribution plan will not accomplish anything in respect of representation in this country as far as certain parts of Canada are concerned, and in view of the fact that discussions among the House leaders could not possibly cover all the various suggestions that might be made, will the Prime Minister give serious consideration to setting up a special committee to study various alternatives that he or his advisers might suggest, as well as those suggested by the right hon. gentleman from Prince Albert and others, and perhaps come up with some suggestion that could be acceptable to all parties in the House as a final step, instead of merely delaying the application?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this idea of referring the matter to a committee is one with which we would agree. I merely hoped that a discussion between the House leaders might provide a quicker solution than the one suggested by the hon. gentleman. Certainly I will consider this and, if the member has no objection, I will ask our House leader to consult the other leaders to see whether they prefer the committee route, the route we suggested or the route suggested by the right hon. gentleman from Prince Albert.

* * *

• (1500)

TRADE

POSSIBLE SALE OF MINI-TYPE SUBMARINE TO RUSSIA

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, my question is addressed to the Minister of Industry, Trade and Commerce. It has to do with the arrangements for the sale of the Pisces. I am wondering whether or not his department has withdrawn its objections to the sale of this underwater craft to the Russians?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): If the hon. member is talking about a new order, the department has indicated to the manufacturers that we would be prepared to issue an export permit for the export of this vessel to the U.S.S.R. provided certain conditions are met.

Mr. Forrestall: As this is so very germane to good relations with the United States, I ask the government in all seriousness whether they are satisfied that no compromise of classified information, technological information, for example, is involved, and do we have the approval of the United States for such a sale?

Mr. Basford: Is the hon. member opposed to business for western Canada?

Mr. Forrestall: I am opposed to making a mess of our trading relations with the United States.

Mr. Speaker: Order, please. We are getting involved in debate at this point.

[*Later:*]

Mr. Gillespie: Mr. Speaker, may I take the opportunity of answering the second part of the question asked by the hon. member for Dartmouth-Halifax East? The conditions to which I referred are those respecting the classified materials. We have received verbal undertakings, or verbal statements that there is no problem as far as materials are concerned, or with respect to black boxes and so forth, but we want to be sure of that before we issue the export permit.

* * *

EXPORT DEVELOPMENT CORPORATION

POSSIBLE EXCEEDING OF CEILING SET BY ACT—GOVERNMENT POSITION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. Can the hon. gentleman inform the House whether the $850 million ceiling provided under section 30 of the Export Development Act has been exceeded by the Export Development Corporation as of today and, if so, to what extent?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): It has not been exceeded to my knowledge. We shall have an opportunity of reviewing the outstanding loans and commitments of the Export Development Corporation very shortly, perhaps tomorrow on second reading of Bill C-3.

[*Later:*]

Mr. Stevens: I should like to ask the minister a supplementary. When the financing which has now been authorized by the board of directors of the Export Development Corporation in the form of offers outstanding is added to the outstanding liabilities under section 30 of the act, is the ceiling exceeded and, if so, to what extent?

Mr. Gillespie: That is the purpose of Bill C-3 which I hope the House will deal with expeditiously. The success of the Export Development Corporation has been very substantial, as I believe the hon. member will recognize. He has some knowledge of the banking industry. We have

now reached the point at which we need further authorization from parliament to raise the ceiling—

Mr. Speaker: Order. May we have order, please? There are a number of hon. members seeking to ask supplementaries on this subject. I suggest we return to it later. Clearly, we are again getting into debate. I will recognize the hon. member in a moment, but at this point the Chair will recognize the hon. member for Regina-Lake Centre.

* * *

TRANSPORT

ALLEGED UNFITNESS OF TRACK TO CARRY GRAIN HOPPER CARS—GOVERNMENT ACTION

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to address a question to the Minister of Transport arising out of a matter which was raised in the House last May and June and revived again yesterday in a committee of the House. In view of the statement made yesterday by an official of the Department of Industry, Trade and Commerce to the effect that almost half of the railway track in western Canada is unfit to carry the hopper cars the government purchased for grain movement, can the minister advise what action is being taken by the railways to upgrade this track to standards which will permit wider use of the cars and tell us whether the government is requiring the railway companies to take any action to ensure this upgrading?

Hon. Jean Marchand (Minister of Transport): I will take that question as notice, Mr. Speaker.

GRAIN HOPPER CARS—ALLEGED UNRESOLVED CONDITIONS OF PURCHASE

Mr. Les Benjamin (Regina-Lake Centre): That is the sixth or seventh question the hon. gentleman has taken as notice. I hope he will reply to all of them one of these days. My supplementary is directed to the minister in charge of the Canadian Wheat Board. It concerns the same matter. In view of the fact that a number of conditions were laid down by the government when supplying these hopper cars to the railways for grain movement, and since these have not been resolved, will the minister tell us briefly what these conditions are and which ones are in dispute with the railways?

Hon. Otto E. Lang (Minister of Justice): The premise stated by the hon. member is not accurate. The hopper cars are going into service on those lines where they can be used to greatest advantage. It is true there are many lines that cannot handle them, just as there are many elevators that do not have adequate scales for large-sized modern trucks. Both these questions, and the urgent need to develop better facilities to handle the hopper cars and the trucks, are searching questions to be resolved in the course of discussions at the Canada Grains Council level about the future of the grain handling and transportation system. That is exactly why I attach such importance to those discussions, and to moving ahead with them so that we can bring about improvements on the positive side instead of always being concerned about the negative side of the problems that go with new developments.

Mr. Benjamin: On a point of order, Mr. Speaker, the minister has answered the question I asked the Minister of Transport but he has not answered the question I asked him. What conditions laid down by the government are not resolved with the railroads in connection with the handling of these hopper cars? Would he specify these conditions that have not yet been resolved?

Mr. Lang: There are no conditions laid down that have not been resolved. As I indicated to the hon. member for Saskatoon-Biggar a couple of weeks ago, an agreement was reached between the Canadian Wheat Board and the railways with regard to the initial use of the cars. A further and final agreement is being developed at this stage. The actual use of the cars is a matter which, under that agreement, is basically one for discussion between the Canadian Wheat Board and the railways. Those discussions are proceeding without any hitch whatsoever, and I know of no difference of view between the railways and the Canadian Wheat Board about the best use of those cars.

GRAIN HOPPER CARS—PAYMENT OF COSTS OF OPERATION AND MAINTENANCE

Mr. Lorne Nystrom (Yorkton-Melville): In view of the fact that the railways are making use of the hopper cars on a free basis, can the minister say whether or not the government or the Wheat Board has been required by the railways to pay operating costs, repairs and depreciation costs in respect of these cars?

Hon. Otto E. Lang (Minister of Justice): The interim agreement deals with some of these questions. The initial cost of maintenance is at present being borne by the railways. The question of the final disposition of these costs is one of the matters which is being further discussed in connection with the final agreement. The position, basically, that I have taken throughout is that the objective is to assure that the additional grain moves, and that no additional profit accrues to the railways through the use of the cars. Our basic provision of the cars and the capital involved was made with the objective of ensuring that the additional grain does move.

* * *

• (1510)

[*Translation*]

EXTERNAL AFFAIRS

VIET NAM—SUPERVISORY COMMISSION—STEPS TO PROTECT CANADIAN PERSONNEL AGAINST DRUG TRAFFIC

Mr. Eudore Allard (Rimouski): Mr. Speaker, I should like to put a question to the Secretary of State for External Affairs.

Could the minister assure the House that every step has been taken to protect the Canadian mission in Viet Nam against the use and traffic of drugs?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think I can say yes. The Canadian government and the Department of National Defence in particular, which has most of the personnel there, are very much aware of the problem and are taking all necessary precautions.

An hon. Member: A supplementary—

Mr. Speaker: Order, please. I hesitate to allow supplementaries on this subject. Hon. members will appreciate that there is to be a debate later today on this very subject.

* * *

ADMINISTRATION OF JUSTICE

TEMPORARY RELEASE PROGRAM—REQUEST FOR JUDICIAL INQUIRY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I would like to ask the Solicitor General a question. In light of the fact that a man by the name of Head has been convicted of the murder of Tanya Busch while he was on one of those temporary absences from prison, a man who had been charged on four different occasions with raping girls between the ages of six and seven and who was released without any supervision over him, would the minister agree to have a judicial inquiry into the temporary release system which has sabotaged the good parole system set up by the Diefenbaker government?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, changes were made in the temporary absence system last summer as a result of that and other events. As a matter of fact, dangerous sexual offenders are no longer allowed out on temporary absence under any condition. Also, last summer a task force was set up to study all questions relating to temporary absence and parole, under the chairmanship of Judge Hugessen, and I received its report just before Christmas. That report is under study by officials in my department at present, and a report on it will be made to the House shortly.

Mr. Woolliams: Mr. Speaker, I would like to ask the Prime Minister a supplementary question. In light of the fact that when I first raised this question in the House he asked me on that occasion if I was linking the two together, the release of Head and the murder of the girl, and in light of the fact that the law has now linked them, does he not consider under these circumstances that he should have a judicial inquiry into the temporary release program? I am sure the Prime Minister recalls the Head murder case.

Right Hon. P. E. Trudeau (Prime Minister): Yes, I recall it very well, but at least until the appeal procedures have expired I would not subscribe to the statement made by the hon. member. As to the part of his question about an inquiry into temporary release, I think the Solicitor General answered that very thoroughly.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York-Simcoe who has a supplementary to his earlier question.

* * *

EXPORT DEVELOPMENT CORPORATION

POSSIBLE EXCEEDING OF CEILING IN ACT—TIMING OF LEGISLATION TO CORRECT SITUATION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my supplementary question is directed to the Minister of Industry, Trade and Commerce. In view of his answer to my earlier question that indeed a ceiling increase is needed, and in view of his predecessor's comment that he anticipated that there would be some $500 million worth of financings agreed to by the Export Development Corporation during 1972, does the minister now agree with an official of that corporation when he says that he feels this is an emergency measure that is coming before the House and, if he does, would the minister explain why it was not brought before the House last summer?

Mr. Speaker: Order, please. I take exception to two aspects of the question asked by the hon. member. The question may be important and interesting, but the hon. member is asking the minister whether he agrees with a statement made by an official outside the House. That clearly is not in order. Perhaps later on, if he has a further opportunity, the hon. member might rephrase his question. For the moment the Chair will recognize the hon. member for Esquimalt-Saanich.

* * *

TRADE

REQUEST FOR MEASURES TO INCREASE EXPORTS TO JAPAN—REDUCTION OF RESTRICTIONS

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, my question is supplementary in the area of export credits. In light of a recent study commissioned by the Canada-Japan Trade Council in which Canadian inability and apathy toward taking advantage of tremendous opportunities to increase exports to Japan are linked with what is generally felt to be cumbersome and often inadequate government programs to aid exporters, could the minister tell the House what initiatives he is now planning to remedy this situation?

Mr. Speaker: Order, please. The minister will be allowed to reply briefly, but the hon. member is asking for a statement which normally should be made on motions. The minister might indicate whether he proposes to make a statement; otherwise the question would hardly be in order.

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, I think it important to put on the record that Canadian exports to Japan last year increased by 15 per cent. There has been a major export drive by Canada so far as Japan in concerned. It was started by the former minister, my predecessor, with a

major mission. I think the Japanese have responded in part by the liberalization of their trade regulations but, from our point of view, not nearly enough. We think much more needs to be done and we have made representations to that effect.

Mr. Munro (Esquimalt-Saanich): In light of the minister's latter remark may I ask him, can he now assure the House that Japan is living up to the promises made to his predecessor that there would be substantial reductions of restrictions on Canadian imports, and when can we expect a full report on this subject to be made to the House?

Mr. Gillespie: As I indicated in my first reply, we believe the Japanese government have made a number of important moves. We do not think they have gone far enough yet and we will be urging them to go farther.

[*Later:*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the Minister of Industry, Trade and Commerce with regard to trade with Japan. Is is not a fact that practically all of that increase, and in fact almost all of our trade with Japan is in raw materials, which provides practically no jobs at home, and would he stop being so proud and patting himself on the back?

Mr. Speaker: Order, please. That is not a question; that is debate.

* * *

CONSUMER AFFAIRS

INCREASE IN FIRE INSURANCE PREMIUMS BY ROYAL INSURANCE GROUP—REQUEST FOR INVESTIGATION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs. In view of the fact the Royal Insurance Group has raised premiums on fire insurance for home furnishings by 91 per cent in some cases, while the cost of home furnishings has risen by only 9.8 per cent in the last five years, would he consider investigating whether this raise is justified?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I will be pleased to ask the officials to see whether this is a matter that can be looked into under the provisions of the Combines Investigation Act.

Mrs. MacInnis (Vancouver-Kingsway): Mr. Speaker, I am pleased with the minister's reply. Will he also investigate whether tenants, as a result of these increased premiums, are being asked to offset higher costs of providing fire insurance for homeowners and landlords?

Mr. Gray: I will ask my officials to bear this in mind also.

[Mr. Gillespie.]

FLOODS

SOUTHWESTERN ONTARIO—POSSIBLE FEDERAL AID TO REPAIR DAMAGE

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, my question is directed to the Minister of Agriculture. The minister is aware of the urgency of speedy reconstruction of dikes, seawalls and roads around the lakes in southwestern Ontario because of tremendous storm damage, and is also aware that direct provincial aid has been held up for some weeks pending a federal announcement of financial participation. Can the minister say whether such a decision can be expected in the next day or so?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I talked to my provincial counterpart earlier this week and late last week. I understand that they are making submissions to the Ontario cabinet in Toronto today, and I understand that a submission is going to be made here possibly around the first of next week.

* * *

INCOME TAX

ELECTION BY BENEFICIARIES OF TRUSTS—ISSUANCE OF REGULATIONS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to direct a question to the Minister of National Revenue, or perhaps to the Minister of Finance. Under the terms of the Income Tax Act effective January 1, 1972, beneficiaries of trusts had a period of election ending in February of this year, depending upon regulatory instructions. Since the regulations have not been issued will the minister kindly advise when they are going to be issued, or do they have to await the budget, and is his budget to be presented after March 1 next?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I would be glad to look into that matter and report to the hon. member.

REQUEST FOR EXPLANATION OF SECTION 12 OF 1972 TAX RETURN GUIDE

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, I wish to direct a supplementary question to the Minister of National Revenue. In order to keep the government's attractive 1972 income tax return guide crystal clear, would the minister tell the House whether the Department of National Revenue is going to issue an explanation of the statement in section 12 that "the amount to be reported a 'taxable amount of dividends from taxable Canadian corporations' is the actual amount of dividends received plus one-third of this total."?

• (1520)

Mr. Speaker: Order, please. The hon. member is inviting the minister to make a statement on motions. The hon. member for MacKenzie.

ACCEPTANCE OF VALUATION OF FARMLAND—REQUEST FOR GUIDELINES FOR FARMERS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question for the Minister of National Revenue concerning persons who are running about the country claiming that they can evaluate farmland and assess the farmers. In actual fact, they are conning many farmers out of money. Can the minister indicate to the House and the country whether the valuations that these people place on farmland will be accepted by his department or is there a possibility that they will all be rejected and the farmers' money wasted?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I am not sure to whom the hon. member is referring but I gather they are not employees of the Department of National Revenue. If he will give me the details I will be glad to look into the matter.

Mr. Korchinski: Would the minister also have his department prepare guidelines for the use of farmers so that they can set up these evaluations themselves instead of being fleeced by those so-called experts. Perhaps the Department of Agriculture might assist in this matter.

Mr. Stanbury: Mr. Speaker, my colleague the Minister of Agriculture and I will be glad to get together and see if we can provide anything more than has been already. We want to help farmers, as other taxpayers, get the full value of tax reform.

Mr. Hees: If they can only wade through it.

REVISED TD-1 FORMS PERMITTING $1,000 DEDUCTION TO PERSONS 65 AND OVER—REQUEST FOR TABLING OF INSTRUCTIONS TO OFFICES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, yesterday I asked the Minister of National Revenue if he would produce the instructions that went out with the revised TD-1 forms last August in connection particularly with the position of Canadians who are 65 years of age or over. The minister undertook to look into the question. Can he now report to the House?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I have sought the advice of my officials and hope to be able to answer the hon. gentleman tomorrow.

Mr. Stanfield: Would the minister be able to inform the House at the same time whether any other revised forms have been sent out that would be available on request and are more favourable to the taxpayer than the forms that are actually being circulated?

Mr. Stanbury: Mr. Speaker, I can inquire but I do not think that the hon. gentleman would suggest that people who wanted to take the opportunity to have their deductions on the basis of the proposed higher age exemption should have been prevented from doing so. On the other hand, they should not have been required to do so either because, of course, until the House passes the new law there can be no assurance that this will actually be the exemption allowed.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. We have just about come to the end of the question period and there are still a number of supplementaries on the subject. The Chair is prepared to recognize the hon. member for Assiniboia.

* * *

TRANSPORT

GRAIN HOPPER CARS—POSSIBLE PURCHASE BY RAILWAYS

Mr. Bill Knight (Assiniboia): Mr. Speaker, my question is for the minister in charge of the Wheat Board. In view of the fact it is the responsibility of the railways to supply and maintain sufficient equipment to meet transportation needs, and the government has assumed some of its responsibility by purchasing hopper cars, is consideration being given to having the railroads buy the equipment from the government to carry out their responsibilities or is it the intention of the government to retain ownership?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the specific reason for the involvement of the government in the purchase of this equipment was the difference of view about whether the railways could actually carry all the grain offered in the equipment they had if the elevator companies went to a complete seven-day-week system, as well as the difficulties the elevator companies had in connection with that system. In the area of fixed rates, negotiations were not proving to be very fruitful. As a result, the government entered into the matter with the purchase of hopper cars to make sure that the grain moved. The dispute on the issue obviously is an ongoing one. At the time it may be resolved I think it would be appropriate for the railways to take over the equipment.

Mr. Speaker: Order, please. I recognized the hon. member for Assiniboia because I thought he had a supplementary to the question asked by the Leader of the Opposition. As I have said, we have reached the end of the question period and my intention was to recognize supplementaries on that question. The hon. member for Wellington-Grey-Dufferin-Waterloo.

Mr. Beatty (Wellington-Grey-Dufferin-Waterloo): It is not a supplementary but it is an important question.

Mr. Speaker: The Chair will have to call orders of the day. I apologize to hon. members. The hon. member for Wellington-Grey-Dufferin-Waterloo can be recognized tomorrow. I have to apologize to many hon. members in the fourth and fifth rows who were not called on today. I hope an effort can be made tomorrow by the Chair to give them some priority. Is the hon. member rising on a point of order?

Mr. Crouse: No, Mr. Speaker. I had a supplementary to the question put by the Leader of the Opposition.

Mr. Speaker: I did say there could be one supplementary; perhaps I might allow the hon. member to ask it.

Oral Questions

INCOME TAX

POSSIBLE CLASSIFICATION AS INCOME OF COMPENSATION AWARDED TO SWORDFISHERMEN

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, the question is related to the income tax problem and is directed to the Minister of National Revenue. It is a very serious problem in Atlantic Canada. When compensation was awarded to the swordfishermen in Atlantic Canada it was to cover their capital loss on their fishing gear. Is it the intention of the government to classify this compensation as income and require the fishermen to pay full income tax on it? If so, what steps is the government going to take to pay the fishermen for their capital losses?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, it would not be my intention to charge people income tax on any more than is necessary. I shall look into the question for the hon. member but I cannot answer today.

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

Mr. Speaker: Order, please. The hon. member for Oxford on a point of order.

Mr. Nesbitt: Mr. Speaker, I refer to my motion proposed earlier today under Standing Order 43. When Your Honour asked for unanimous consent I could not help but see a great many members on the government benches exhibiting approval, but one member on the government side has become so accustomed to saying no that he did so automatically without looking at his colleagues. I wonder if Your Honour would consider putting the question again, because I know that the government is interested in keeping consumer prices down.

Mr. Speaker: I suggest that it would not be regular to put the question more than once. We must assume that it has been decided today. As an exception, the hon. member might be allowed to propose the motion again tomorrow and we will put the question a second time.

Mr. Hees: A point of order, Mr. Speaker. As Your Honour has correctly pointed out, each day at the end of the question period, because of the limited time, a number of members are not able to pose questions on behalf of their constituents. Would it, therefore, be possible to have a meeting convened, with Your Honour as chairman, of the House leaders to see if the question period could not be extended to one hour by changing the rules of the House?

Mr. Speaker: Order, please. I suggest to the hon. member that I doubt that this would achieve the purpose he intends. I would have other suggestions to make but I shall not make them now.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, I should like to ask the government House leader about the business of the House from now until the end of next week.

[Mr. Speaker.]

Mr. MacEachen: Mr. Speaker, as hon. members know, today we will debate the Viet Nam resolution. Tomorrow, I propose to call Bill C-3, the Export Development Act, and if my hon. friend the Minister of Industry, Trade and Commerce succeeds in having that bill adopted on second reading we might consider Bill C-132, the Investment Review Act. Following the Export Development Act tomorrow, I am holding a priority place for the reports from the Standing Committees on Labour, Manpower and Immigration and Miscellaneous Estimates. I reserve the opportunity to bring on their reports as early as possible. With the bills I have mentioned and the reports of the committees, certainly the early part of next week will be occupied.

Mr. Baldwin: Mr. Speaker, I should like to ask the Minister of Finance if negotiations on the budget have progressed to a satisfactory state with the junior partner in the coalition so that he can tell us when the budget is likely to be presented?

Mr. Turner (Ottawa-Carleton): There have been no negotiations whatsoever.

Mr. Hees: Is it not necessary?

Mr. Turner (Ottawa-Carleton): I hope that I will be in a position to announce the date early next week.

• (1530)

Mr. Lewis: Tell the hon. member not to be so "smart-alecky."

An hon. Member: Tell him again.

Mr. Lewis: I will tell him again if he does not stop that kind of rubbish.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the government House leader whether the government's legislation respecting old age pensions will be on the order paper and available for consideration next week.

Mr. MacEachen: Mr. Speaker, I am afraid I cannot offer my hon. friend that assurance, but it will be available to the House in an attractive form at an early date.

Mr. Baldwin: That is false packaging.

GOVERNMENT ORDERS

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—PARTICIPATION BY CANADA IN SUPERVISORY COMMISSION

Hon. Mitchell Sharp (Secretary of State for External Affairs) moved:

This House welcomes the conclusion of the Agreements on ending the War and restoring peace in Viet Nam and notes the provision for an International Commission of Control and Supervision as part of the cease-fire arrangements, in which Canada has agreed to participate for the initial period of 60 days as provided for in the Note, dated January 27, 1973, from the Secretary of State for External Affairs to the four Parties to the Viet Nam cease-fire.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I believe there was agreement among the House leaders, the announcement of which has probably been overlooked in all the excitement, respecting the length of speeches in this debate. Perhaps the government House leader could inform the House about this matter.

Mr. MacEachen: Mr. Speaker, I think it would be agreeable to this House if the initial speeches were 40 minutes each in the first round and if all subsequent speeches were limited to 20 minutes. That limitation would provide greater opportunity for participation in this debate.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, this House had already had the opportunity for a preliminary exchange of views between party spokesmen before the departure from Canada of the first group of observers to the new Commission in Viet Nam. Despite the shortness of time, personnel from External Affairs and from our defence forces are already in the field. On behalf of the international community, they will observe and report on the implementation of the agreement on ending the war and restoring the peace in Viet Nam.

When the moment of decision came, the parties to the cease-fire had radically compressed the expected timetable. Consequently, the government was faced with the need to decide in time to have the Canadian delegation take off from Montreal on Saturday of last week if we were to comply with the terms of the agreements. Indeed, the parties asked us to do so on the basis of complex documents, some of which we saw for the first time on Wednesday of last week. Our participation, I think, was perceived by all sides in this House as necessary. Certainly, the speeches that were made by the party spokesmen when I made my first statement supports that position. I believe it was seen by the great majority of Canadians, as necessary. It was so because all Canadians, and indeed people the world over, so ardently desired that the fighting should stop in Viet Nam. As I explained to the House on January 24, the day of the government's decision, Canada had a choice to make that day.

On the face of it, it was a dilemma: we could, on one hand, accept membership in the new commission with whatever reservations we saw fit. This is what the parties to the agreement were asking us to do. But it would have meant committing Canada to an important step to which there are Canadian preconditions; and it would have meant doing so well before we could possibly know whether those preconditions were met or, in view of the complexity of the agreements involved, whether they were even likely to be met. The government would have regarded that as an abdication of responsibility. I am sure all hon. members would have so regarded it. On the other hand, we could have declined to participate in the new commission from the outset and turned it down flatly. By doing so, we could have stood in the way of ending the fighting in Viet Nam. No Canadian would have wished his country to do that.

We, therefore, decided to take part initially, and make available to the new commission the number of Canadian observers required by the agreements to meet the timetable set by the parties—in short, during that initial period, do all that we could to discharge the obligations of membership. But we were not prepared to commit Canada to open-ended membership before we were satisfied that Canada's preconditions for membership had been reasonably met. I should like to add parenthetically that these preconditions on membership had been enunciated by myself on behalf of the government and by the Prime Minister (Mr. Trudeau) on a number of occasions, not only in recent weeks but really over a long period of time when we had been asked to consider the possibility that somewhere in the world we might have to participate in some supervisory operations. Indeed, at the time we debated in this House the question of the bombing of Hanoi and Haiphong, I laid down very clearly the kinds of preconditions we had in mind. I believe it was useful for us to have done so, and I believe that that has had some salutary effect upon the forms of the agreements entered into by the parties and upon the form of the protocol relating to the supervisory commission.

Our participation which will be for the first 60 days, will enable us to evaluate the arrangements made for international observation and reporting and to learn what scope there is for mediation. I must make it clear that Canada's preconditions were not mere gestures of reluctance; they were the product of long and sometimes bitter experience, and they were an effort to point the way toward effective international observation and reporting. Indeed, I think the preconditions that were established will help whatever other supervisory activities may be authorized by anyone anywhere in the world in future. They are the sorts of conditions we have laid down before the United Nations when we have talked about peacekeeping activities and how they might be organized.

We shall see, in the first 60 days, whether the arrangements can be improved. In particular, we shall see whether a continuing political authority is provided. We shall see whether the contracting parties are determined to make the agreements work. We shall see how our associates in the new commission view the responsibilities of our collective role. If we conclude that Canada's conditions are adequately met and that Canada's continued participation would be effective, we may decide to accept full continued membership, with or without reservations. If we conclude that Canada's conditions are inadequately met or that we are likely to be drawn again into an exercise in futility and frustration, as the previous commission had become, we shall decide to withdraw. Whichever decision is made will be conveyed to this House.

To avoid misunderstanding let me add this: we are not going to tackle those first 60 days of the commission's existence in a spirit of diffident and passive caution. We are going to make this commission work, if it can be made to work. Within its properly limited functions, we shall try to make it an active and inquisitive commission and an open, hard working and co-operative one. Frustration, inactivity and ineffectiveness have been forced upon us in Viet Nam in the past. If they are forced upon us again, we are determined that it will be no fault of Canada's.

• (1540)

Members will be aware that the cease-fire machinery includes joint commissions on which the parties to the cease-fire are represented, as well as the international commission on which Canada is serving. Unless these joint commissions function effectively, the international commission cannot function.

There have been great difficulties in setting up these joint commissions. Many of these difficulties seem to be psychological in nature. Given the history of the conflict, this is no surprise. The time of enforced waiting is, however, being put to good use by the International Commission on Control and Supervision. The logistics support and organizational arrangements for the teams and the headquarters are being improved. So far, co-operation between the members of the ICCS has left nothing to be desired. The moment the joint commissions are functioning effectively, the international commission can begin to deploy its teams and get down to work. I was informed today that the first movement of the commissions may begin very soon out to very limited areas. The situation in Viet Nam is still serious. I do not want to minimize the real risks that exist. These can only increase if the cease-fire itself, and the supervisory parties, continue to be ineffective.

In trying to make the commission work, we shall bear in mind that there are things which neither we nor the commission as a whole are expected to do. In particular, it must be clearly understood that neither the Canadian delegation nor the commission as a whole are a force to keep the peace. I regret very much that the shorthand term peacekeeping force is used so frequently because it seems to cause misunderstanding on the part of the general public. We are not sending a regiment to keep the peace in Viet Nam. We are sending a group of civilians and members of the armed forces to undertake a civilian task, which is to supervise a peace which we hope will come. It is the parties to the agreement who bear the responsibility for keeping the peace. We may be able to play a good offices role from time to time if the parties wish to avail themselves of the services of the commission or of the Canadian delegation for that purpose.

To accomplish the tasks which do form part of the responsibilities of the commission, we have provided, and are continuing to assemble, a body of men and women of the first quality. The delegation is headed by a foreign service officer of distinction and experience, including experience in Indo-China, Ambassador Michel Gauvin. It is composed of personnel of the Department of National Defence and of the Department of External Affairs who have been specially selected for the task. Many of them have previous experience of Indo-China and of international observation roles elsewhere. They can be counted upon to do all that anyone could, and the government will give them maximum support in their task. The government is mindful of the fact that Canada has been asked by all four parties to participate; Canada and the Canadian delegation are not the nominees, representatives or spokesmen of any one party or of one side in the Viet Nam struggle. The delegation will conduct itself accordingly.

As I told the House on January 24, the texts embodying the international observer arrangements are complex. I am sure those members of the House who have had an opportunity of studying the documents will agree with me that they are not only complex, but I think I can add without casting any reflection on them, they are a bit ambiguous also and, perhaps, deliberately so. We are continuing our careful study and analysis of them, but their full meaning and implication will only become clear in the light of our experience in seeking to apply them. Our publicly-stated conditions seem to have influenced those who wrote the agreements, but serious inadequacies remain.

It is important that the House be aware of what we consider to be the principal inadequacies of the international observer arrangements. One is that the agreements by themselves do not provide for a continuing political authority. It may be, of course, that the international conference envisaged in the agreements will repair that deficiency. I do not make this as a point of criticism particularly, I merely point out that it would have been perhaps impossible for the parties to the agreement to end the war in Viet Nam to have established an adequate international authority to which the supervisory commission should report without having the sort of international conference that is contemplated a few weeks hence. The government would have preferred the agreement and its supervision to come under the aegis of the United Nations. It is happy to note, however, that the Secretary-General of the United Nations will be invited to attend the international conference. This was one of the suggestions that we made very early, that it would help greatly if the Secretary-General could be there. If I may add a word, it would also suit us if he were the continuing political authority to which the supervisory commission might report.

Another deficiency is the obligation of unanimity in the commission's decisions and reports. It seems significant that the parties, wanting an effective commission, should none the less have provided that it must be subject to a rule of unanimity; in other words, to a veto. The effects of that rule are alleviated, as I pointed out before and as hon. members will have noted, by a qualified provision for reporting by individual members of the commission if unanimity cannot be achieved; but such reports would have no status as commission reports.

A further deficiency is that the new commission and each of its teams must act as a single body comprising representatives of all four members. This makes action by one, two or three national delegations impossible. This could turn out to be virtually an invitation to paralysis. We shall also be testing by experience the qualified provisions for the commission's freedom of movement.

Another deficiency is that the parties have provided that each of the four commission countries should pay not only the salaries and allowances of their personnel, but a fixed percentage of the general budget of the commission as well. This percentage turns out to be small, 2 per cent. The government is not inclined to make an issue of paying it. But however small, Canada has on several occasions expressed opposition in principle to paying any share of the general budget of the commission at all.

We believe that the provision for the sort of infrastructure and the payment for the ordinary expenses of the commission could have been met elsewhere. I understand the argument that is used in order to justify a token contribution from each of the members of the supervisory commission is that each of us under the circumstances would support economy in the expenses of the commission. This was the argument that was put to me. I said it was not one I could defend very well to the taxpayers of canada who would in any event be paying the salaries and allowances of the personnel. I thought there were surely more effective ways of ensuring economy. However, as I say, the 2 per cent is very small and I would not for that reason consider that Canada should withdraw.

Then, too, we have been concerned that the task of the international observers be realistic and realizable. Yet the agreement provides that the commission shall supervise and control the entry into South Viet Nam of military personnel and all military equipment. This seems to specify a task which is clearly beyond the means of an international commission of this size or, indeed, of any likely size.

Finally, although passing reference is made in the agreement to Cambodia and Laos, no precise arrangements are envisaged for broadening the cease-fire and settlement to these two countries. There seems to be no intention of having them participate in the international conference. We can only hope that, in the weeks ahead, the effects of a cessation of hostilities in Viet Nam will be extended to these two countries, so that the fighting will stop throughout Indo-China. Indeed, it is disappointing that Asian involvement in the arrangements as a whole is so slight. The omission of Japan and the ASEAN group of countries, except for Indonesia, is particularly conspicuous.

• (1550)

Some of these shortcomings in the arrangement are now built in. Others could be altered at the International Conference. Still others could be corrected or alleviated in their effects if the parties and our associates in the commission show enough good will and enough determination to make the commission work and be effective. We shall be watching and working for that. As I said at the outset, we are not taking a passive or a reluctant attitude; we want to make the commission work.

The comments I have made are not intended as the sort of facile criticism that those who were not involved in hammering out the agreement can always level at those who were. Obviously, this was an extremely difficult negotiation. It is a wonder there was any agreement at all. I am not suggesting that the circumstances could have permitted a better arrangement. What I am trying to do is establish, from the point of view of a conscientious member of the International Commission of Control and Supervision, the magnitude of the task given to us and the apparent poverty of the arrangements available to carry it out. This is not an effort to establish some sort of fancied position of moral superiority. It is an attempt to explain why we cannot undertake an open-ended commitment at this time: to lay before the House and the Canadian people the sorts of problems that can be foreseen and that led us to warn we might have to withdraw.

We will do what we can to alleviate the effect of these shortcomings by our own efforts, by the manner in which we approach the commission's operations and our participation in them. I have referred, for example, to the provision for unanimity. We are determined not to be frustrated by it. One way we will do this is by making the commission and its activities and proceedings as open and public as possible. We shall consider ourselves free to communicate our views, and the difference between our views and those of other delegations, to whatever person or organization we think fit, or to the public and the press. This applies to the rule of unanimity or any other provision of the cease-fire that might reduce us to inactivity or ineffectiveness.

For sixty days we are going to put everything to the test: the viability and effectiveness of the international supervisory arrangements themselves, the will and determination of the parties and of our commission colleagues to make the agreements and the commission work, indeed ourselves and our own ability to make the commission work and work effectively. By the end of the 60 days, Canada will form its own judgment of that experience and of prospects for the future. On the basis of that judgment, Canada will reach its own decision on continued participation for a further period.

I want to say candidly now that in some important respects, the international observer arrangements are unpromising. I will not prejudge the government's decision either way, but no one should assume as a matter of course that continued Canadian participation will be forthcoming.

Before concluding these remarks, Mr. Speaker, I wish to take this opportunity to pay tribute to the hundreds of Canadian men and women, civilian and military, who have served in commissions in the past. I say this because, although I have said on a number of occasions that the International Control Commission was reduced to a farce, it was not because of lack of effort on the part of the Canadians who served on that commission. It was just in the nature of the arrangements that had been made and that we are trying to correct on this occasion.

I should like to pay tribute to the men and women who are now in Viet Nam to begin work in the new commission, and to those who are preparing to go there. They went there and they are now going, not because their country has national interests of its own to pursue there, but because Canada recognizes it has a responsibility to contribute to peace in the world if it can do so effectively. I know of no better way of contributing to Canada's national interest than to end the war in Viet Nam, or to help end the war in Viet Nam.

Some hon. Members: Hear, hear!

Viet Nam

Mr. Sharp: The task is difficult: it can also be dangerous. Some Canadians have lost their lives trying to accomplish it. Others may yet do so. We bear a heavy responsibility to them: it is to ensure that their dedication and courage serve to contribute effectively to the maintenance of peace. We must do all we can to ensure their role is effective, and we must withdraw them if, despite their best efforts, their role seems doomed to ineffectiveness.

That is the purpose of the government's policy and of its recent decision. I know it is also the purpose of all Canadians and of this House which represents them.

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, earlier while listening to the Secretary of State for External Affairs (Mr. Sharp), I almost reached the point of asking myself this: Why are we holding this debate? To ratify a decision already taken unilaterally? To discuss a situation that is already settled? After all, we know that the government, strong in its omniscience, did not feel the need to consult parliament.

Mr. Speaker, it seems to me the present government has a rather strange concept of the role of this House. Still, at close range, one no longer wonders about the need for a debate, especially after having heard the Secretary of State for External Affairs, after touching upon the main aspects of the situation, tell us off-handedly: Some time later, after the 60 days, we will make a decision and advise the House. In fact, here is what he was saying:

[*English*]

Whichever decision is made the House will be informed.

[*Translation*]

We may wonder, Mr. Speaker, if we shall be advised of this important decision by a press release or by a cabinet statement. In the government's opinion this does not appear to be any more serious than that. This is why it is important to have such a debate. It is precisely this strange behaviour on the government's part which justifies holding a debate in the hope that there will not be any more repetition of this. The government will learn in the next few hours, and in no uncertain terms, that parliamentary sovereignty should not be scoffed at in such a way.

[*English*]

There are, Mr. Speaker, certain principles that we in this party feel should and must be affirmed with regard to our participation in the truce supervisory role in Viet Nam. It is our view that parliament and the people of Canada should have a clear understanding of the dangers and difficulties arising out of our country's present situation and, even more important, of what we can do in the days ahead to rectify many of these problems.

• (1600)

It is sad, but true, that our present situation in Viet Nam is precarious, and in many respects a direct contradiction of the conditions that our own minister established for any possible involvement on our part. It is interesting to trace our minister's approach to the conditions of our potential participation in any truce operation in Viet Nam. On December 18 the minister intimated:

We would consider participating in the Viet Nam truce, when, in our opinion, based on the lessons of the past and the circumstances of the request, an operation held the promise of success.

The lesson of the past, Mr. Speaker, was simple and fairly clear. There can be no success when a truce force is unclear as to its procedures, dependent for its supplies and logistics, and based more on an effort of representing opposing interests than any true international presence. It is precisely that type of situation the minister has committed us to, and despite his own conditions.

Our eagerness to participate when the basic conditions were simply unacceptable is even more surprising in view of the previous experience we have already had as members of the ICC in Viet Nam. The documented cases of absolute irrelevance and impotence on the part of the previous ICC should dictate to any sane government to never let this sort of thing happen again.

Some hon. Members: Hear, hear!

Mr. Wagner: Indeed, the old ICC had, in many respects, a task far easier and more clearly defined. Although it never had logistical support to do the job or, for that matter, legal freedom to undertake its responsibilities effectively, it at least had a geographical and political frame of reference. The 17th parallel served as a demarkation line. The old ICC had at least a frontier to patrol. But the present group does not even have that much.

At the time of the cease-fire, troops from the north were scattered in hundreds of enclaves in South Viet Nam, and estimates run as high as 145,000 troops. I ask you, Mr. Speaker, how does one patrol this type of cease-fire if, indeed, the firing ever stops? Does one report the movement of a soldier from one enclave to another? Indeed, this proposition is sad, yet despite the difficulties with the task and the indirect nature of our function, Canadians are there.

We had expressed the hope in this Chamber sometime ago that if we were to do a job in Viet Nam this government would ensure that we were given the tools to do that job. This has not happened. Not even the 60-day caveat established by the government has any true meaning. If after the period of 60 days the government is thinking of withdrawing our forces, and if there is not a similar approach on the part of the other members of the truce commission, what then will be Canada's posture? Once we are sure we have in some respects made a commitment, while that commitment was hastier than it had to be and completely out of tune with our sorry experience in Viet Nam, it is a commitment that we in this House must consider positively. While any threat to the safety of our troops should in our estimation be met with a swift contingency operation to withdraw our forces, it is now the role of this parliament to consider carefully the positive steps we can take to rectify the unfortunate circumstances in which our forces now must find themselves.

You will note that I have said "this parliament". I believe, as do my colleagues, that the initiative must be wrested from the Cabinet and from the Department of External Affairs in this matter. Canadian troops as well as civilians have been sent overseas by this government on a poorly contrived and planned mission fraught with uncertainty and political difficulty. The Cabinet preroga-

tive has been exercised, but what of the prerogative of parliament, Mr. Speaker? It is the prerogative and the sovereignty of parliament that we seek to establish clearly and without any question of a doubt. We intend to give parliament a concrete opportunity to express its volition with regard to our future posture in Viet Nam.

[*Translation*]

Mr. Speaker, we are obviously confronted with a *fait accompli*. We are willing to grant the government the benefit of the doubt in this respect. They may well claim to have received valuable information from their good advisers. As a last resort, in the last few hectic days of official war in Viet Nam, the urgent need for some action may have motivated the government. But still we are confronted with a *fait accompli*. What respect has been shown for parliament? What respect has been shown for democracy? Barely a few moments ago, the Secretary of State for External Affairs told us: "In due course, when we have made a decision, we shall report. We shall have the condescension, the magnanimity and generosity of informing you, through a press release or otherwise".

Mr. Speaker, the questions we asked the government were precise. I refer in particular to the questions I asked on January 24 to echo the concern of Canadians, which we represent here. These questions should have been discussed in the House or in the Standing Committee on External Affairs and National Defence when there was still time to do so. It could have been done before January 27, before a first Canadian contingent was sent to Viet Nam.

Mr. Speaker, I would say that our role of representatives of the people and the Canadian image through the world demanded that Parliament hold a debate earlier than today. We had to make sure of the reaction of all parties concerned in Viet Nam to the essential conditions imposed by the government and which we had endorsed.

[*English*]

Mr. Speaker, I referred a moment ago to the positive measures we can now take. I think it is important for this parliament to give several options a very clear examination. In his statement of January 5 the minister referred to the terms of our participation and said:

> The extent to which they were met would also constitute elements in our assessment of the viability of the operation as a whole.

I believe that Canada, as a participant in the international conference, should go a step further. I believe we must view the inadequacy of the present conditions as elements of the cease-fire agreement that could work towards its final undoing. Indeed, there are two cease-fires in Viet Nam. One is a bilateral arrangement between the United States and North Viet Nam relative to the exchange of prisoners and the cessation of bombing and future hostilities. That needs neither policing nor supervision aside from that furnished by the Red Cross. The second agreement, and the more crucial one for the peace of Indo-China, is the four power arrangement implicating all the belligerents in Viet Nam. That is the arrangement which requires policing but which, under the present circumstances, simply cannot be policed. Our position at the international conference must be that of ensuring a viable machinery, both political and supervisory, to police and secure that four-power arrangement.

Viet Nam

• (1610)

You know, Mr. Speaker, there are many who have referred to our presence in Viet Nam as international. They are, unfortunately, being imprecise in their use of the term. The international forces of which we have been part in the Congo, in Cyprus, in the mid-East, have had measures of success worthy of note. Our previous effort in Viet Nam did not. Clearly, it was because our effort in Viet Nam has not been, and is not now, international. We were cast, in 1954 as the representatives of the western interest on the commission. There is little to illustrate that anything less has transpired the second time around. The value of our contribution will always be minimal, as long as we are not part of an international force.

Canada must, therefore, move first and foremost to establish the readiness of the upcoming international conference to have a truly international force in Viet Nam under the aegis of the UN.

[*Translation*]

Fortunately, Mr. Speaker, it is still time for us to inquire in particular about the condition of political prisoners and also about that of other prisoners, among whom there may be a few Canadians. I was greatly moved at hearing, a few moments ago, in the news report of 3:45, that a 30-year-old Canadian named Lloyd Oppel appears on the list of prisoners held by North Viet Nam.

Mr. Speaker, at the same time, I therefore ask the hon. Secretary of State for External Affairs to bring a particular attention to the fate of many Christians in South Viet Nam who are only accused of publishing and commenting, before the cease-fire agreement, resolutions on justice in the world passed by the synod of bishops gathered in Rome in 1971.

Canada could have made many representations and had stronger guarantees had the present government condescended to better inform this House and really resort to Parliament.

Incidentally, Mr. Speaker, we find it difficult to understand why the government has waited so long before informing the House. We find it difficult to understand that the hon. Secretary of State for External Affairs was somewhat taken aback by all this matter. We find all this very difficult to understand as we know that Canada has in the Department of External Affairs a service of experts who are rightly known to be among the most loyal and the most competent in the world.

If the government does not mind gradually losing its credibility, it is free to do so, but we do not accept that it causes Parliament to lose one more inch of its credibility before Canadians, in particular before the members of the armed forces and their relatives. Nor will we let it lessen Canada's credibility across the world because of a lack of foresight and a lack of timely firmness.

That is why, Mr. Speaker, to accept the *fait accompli* referred to in the resolution we must have the assurance that the amendment I am about to move will be approved by hon. members of the House.

As the right hon. Prime Minister (Mr. Trudeau) said in other circumstances, verbal guarantees are not enough, we need written guarantees.

Viet Nam

Mr. Speaker, the stand in the House must clearly indicate that any decision on the part of Canada regarding its participation as well as the terms of its participation in the international commission in Viet Nam beyond the initial period of 60 days should not take effect unless it is ratified by a resolution passed in this House.

Mr. Speaker, our long-term image at the world level depends on our vigilance and solidarity and not on precipitated and unilateral decisions.

It is in that spirit of wisdom and solidarity, solidarity within Parliament, solidarity within the Canadian population that we should eventually reconsider our co-operation to the social and economic rebuilding of Viet Nam so that this peace we are all hoping for will be lasting and healing.

[*English*]

There must be reconstruction. There must be an international effort to rebuild that which has been destroyed and replant those areas which have been defoliated. Canada's commitment to accept a field supervisory role in Viet Nam must, at the very least, be matched by a commitment to aid in resolving the social and economic problems which all Viet Nam now faces. There is a tradition in Canada with regard to peace. It is a proud tradition. Surely, in the name of that tradition, we have the right to expect our government to be competent in carrying out the tasks of peace.

• (1620)

In 1954, after difficulties under the United Nations Supervisory Commission for Korea, and upon our embarking on our role in Viet Nam, the Department of External Affairs in a July 28 release said:

> The International Supervisory Commission should be able to function more effectively than the United Nations Supervisory Commission in Korea which, because of equal communist and non-communist representation, very often had effective action blocked.

We knew in 1954 what the mistakes in Korea had been and yet we allowed ourselves to commit them once more. Sir, we know today what the mistakes of 1954 were. While it may be the intention of the minister and the government to continue making those same mistakes, that is not what parliament or the people have the right to expect.

Mr. Sharp: Hear, hear!

Mr. Wagner: Mr. Speaker, there is little that our troops are doing in Viet Nam today, little that any war correspondent could not do.

Mr. Sharp: Downgrade them; that's the way!

Mr. Wagner: It is because of the situation of our troops, and the need for positive steps on the part of the government in the interest of a meaningful peace, that the decision as to what transpires before the end of the 60 day period and beyond must not be made by the government alone. It must and should be made by the parliament and the people of Canada.

Some hon. Members: Hear, hear!

[Mr. Wagner.]

Mr. Wagner: I therefore invite all my colleagues in this House to join with me in affirming parliament's right to determine the nature and the quality of our activities in Viet Nam. I invite my colleagues to establish clearly the precise role we can and must play in future negotiations and activities with reference to Viet Nam.

I am aware, Mr. Speaker, that in matters external to our normal domestic scene there is often a tendency, out of confusion or a desire not to muddy the waters, to put trust in the government and not challenge its basic assumptions or positions. Sir, parliament is more than a forum for domestic problems. It is the assembly through which Canadians can express their views as citizens of the world.

Parliament has clear and direct rights which must be respected. Mr. Speaker, I urge my colleagues in all parties not to abdicate those rights to any government or to any minister. Therefore, Mr. Speaker, I have the honour of moving, seconded by the hon. member for Scarborough East (Mr. Stackhouse):

> That the motion be amended by adding thereto, next after the words "Viet-Nam cease-fire", the following:
>
> "and stipulates that a decision by Government of Canada concerning continuing participation and the conditions for such participation in the said International Commission beyond the initial period of 60 days shall not be effected unless and until it is affirmed by a Resolution of this House."

Mr. David Lewis (York South): Mr. Speaker, may I say immediately that I have asked my colleagues behind me to look at the amendment. It seems to me that this is a basic proposition which we had urged earlier about parliament having to make the decisions. I will say a word or two in a moment about the initial decision made by the government without coming to parliament, which may not have been avoidable, but I do not think there is any reason why, beyond the 60 days, that decision has to be taken by government without consulting parliament.

Some hon. Members: Hear, hear!

Mr. Lewis: I want to emphasize, and I say it kindly to the hon. member for Saint-Hyacinthe (Mr. Wagner), that in these situations it is easy to carp, and to say what might have been in the agreements. But Canada did not write the agreements, and I do not think any member of this House, whether in the government or outside it, can be held to blame for that.

There may have been some argument on the part of the Department of External Affairs that, in order to meet the requirements of the Paris Agreements, personnel had to be in Viet Nam last Saturday. However, I agree fully with the statement made by the hon. member for Saint-Hyacinthe that that first step, having been taken by the government under circumstances which it believed forced it to take that step, from now on the government ought to consult parliament on any further step it may take with regard to this role.

What I specifically asked my colleagues behind me, since I was rising to my feet immediately after the amendment was moved—I hope I will have the answer before my remarks are finished—was whether the hon. member's amendment might not be improved by adding "or withdrawal" to it.

Mr. Sharp: Why just "continuing"?

Mr. Lewis: Parliament ought to be the body to decide what happens after the 60 days—not merely the decision to participate, but also the decision to withdraw. If such a decision is made, it ought to be made by parliament.

Mr. Fraser: One is included in the other.

Mr. Lewis: I don't think it is included in the other but, if it is, why not spell it out and then we can all agree? I appeal to the Secretary of State for External Affairs (Mr. Sharp) to yield to the appeal made by the hon. member for Saint-Hyacinthe and have this acceptance of the responsibility of government to come before this parliament, in order to get parliamentary approval for either continuing participation or withdrawal, before it takes either of those steps. I appeal to the minister to accept the supremacy of parliament in this instance and to make the change unanimous on the part of all members of this House.

• (1630)

Some hon. Members: Hear, hear!

Mr. Lewis: Before I sit down, Mr. Speaker, I shall suggest the subamendment which occurred to me as the hon. member for Saint-Hyacinthe read his amendment.

Like every member of this House, Mr. Speaker, and every Canadian, my colleagues and I are uneasy about the role which Canada now plays. I have read and reread the agreements establishing the alleged cease-fire and the protocols attached to it. No one who has studied the documents can fail to have any other feeling than that the situation is dangerous and precarious. I share with the hon. member for Saint-Hyacinthe the feeling that it is dangerous; indeed, the minister kept emphasizing that he appreciated it was dangerous. I do not think any purpose can be served in blaming any part of the Canadian people, whether in government or outside, for the situation in Viet Nam.

Some of us believed that the agreement would never be signed and wondered whether it could be signed under the circumstances; but when it was signed, the world breathed a sigh of relief that the war in Viet Nam might now come to an end. Mr. Speaker, unlike members of the Conservative party in this House, unlike members of the Liberal party in this House and unlike members of the Social Credit party in this House, we in the New Democratic Party always condemned the war in Viet Nam and condemned the Americans for their barbaric involvement in it. On most occasions we have stood alone in our condemnation of that morally indefensible war. Because of that, we feel that the very signing of the agreement is of value to the world, of value not only for the people in Viet Nam but for the people of the world.

During the question period yesterday I was surprised to hear the right hon. gentleman from Prince Albert (Mr. Diefenbaker) interject. I am trying to find his exact words in *Hansard*, but if I paraphrase him I am sure he will correct me if I am wrong. I heard him ask if the minister will now find out that the agreement in Viet Nam is the Munich of 1973. I was sad to hear that comment by the right hon. gentleman because I am certain that he is as pleased as anyone in Canada that the war in Viet Nam is over. Because of his position in this House, and as a former prime minister of this country, he cannot be unhappy that there is at least a chance that it is over.

Mr. Diefenbaker: So there was a chance in 1938. I point out to the hon. gentleman that in his last few words he has indicated that he, too, is doubtful whether the agreement entered into will be effective.

Mr. Lewis: We are all doubtful, Mr. Speaker. I now have the words used by the right hon. gentleman yesterday. They appear on page 825 of *Hansard* at the bottom of the left hand column:

> Mr. Speaker, is the minister coming to the point of concluding that the agreement made will, indeed, be the Munich of 1973?

What was wrong with Munich in 1938, Mr. Speaker, was not merely that the agreement did not work but that the world was sold to the most abominable dictator in the history of mankind. That was what was wrong in 1938.

Mr. Diefenbaker: Today it is Communism, and that you do not very often attack.

Mr. Lewis: If the right hon. gentleman is suggesting that the United States government should not have made the agreement with Communist North Viet Nam and should have continued the war and continued bombing South and North Viet Nam, which is what had happened, all I can say is that I am sad that the right hon. gentleman should take that kind of reactionary and antihuman stand at this time. I have no more use for Communism that he has, but the important thing in Viet Nam was to bring this war to an end. The first step was to have the American forces and other foreign forces withdrawn from Viet Nam, both north and south, and then leave it to Viet Nam, to decide its fate. I hope, with every other member of this House and every Canadian, that they will decide their future peacefully, that they will find ways of having genuinely free elections. Whatever they decide, and with all my heart I hope it will be in the peaceful way, I say that the first thing that this agreement about Viet Nam should accomplish is to give the people of Viet Nam the opportunity to decide their own future.

Some hon. Members: Hear, hear!

Mr. Lewis: That would be the first step toward peace in Indo-China. I hope they decide for democracy; I hope they decide for independence from any bloc, but it is time that they had the right to make their own decision. Because this is the major and desirable result of the peace treaties, I welcome them.

It is assumed by some, Mr. Speaker, that all the violations that are now taking place and that may take place will be the actions of the North Vietnamese or the Viet Cong in South Viet Nam. Frankly, I am not convinced that this is necessarily the case. I have no reason to believe that the totalitarian regime of President Thieu is any kinder to the people of South Viet Nam than the totalitarian regime of Ho Chi Minh is in North Viet Nam. History has shown that the so-called elections carried on by President Thieu in South Viet Nam were no more free

than the elections of other totalitarian states of whatever colour. One of the tragedies of the American presence in Viet Nam in recent years has been the American support of government leaders who are obviously out of tune with the genuine needs of the people in South Viet Nam.

I say that we should enter this job in the International Commission for Control and Supervision with absolute neutrality. I want to say to the Secretary of State for External Affairs (Mr. Sharp) that from reading about it one must conclude that Canada's role in the old ICC was one of which we cannot be proud. This is not to attack any individual on the ICC, but back in 1967 Canadian journalists, such as Gerry Clark, Tim Ralfe and others, were reporting that Canadian members of the ICC were acting in a completely biased, one-sided way in contacts with the United States authorities. Indeed, there was some suggestion that they were deliberately making themselves conduits for the American authorities in Viet Nam. That was not the role we should have played in the old ICC. I want to make it clear that my colleagues and I say that under no circumstances should the Canadian delegation in the present International Commission act in any way other than as a completely neutral group serving the interests of peace and the interests of all parties to the agreement on Viet Nam. It will be a betrayal of our role if our present delegation, or any member of it, senior or junior, acts in the way in which Canadian members of the old ICC are alleged to have acted. That is my first point.

• (1640)

I have a great deal of scepticism about the agreement, as I have already said. It is extremely ambiguous on points that one hoped would not be ambiguous. I took out of my files and examined again very fleetingly a copy of the Geneva Accord of 1954 that led to the establishment of the ICC. It provides for free elections, and the present agreement contains provision for free elections. I must say my blood ran a little cold when I saw precisely the same sort of ambiguity, precisely the same lack of precision as to how and when the elections will take place. There is precisely the same lack of precision as to who will conduct the elections, under what circumstances and by what instrument; there is precisely the same failure in the present agreement to set out the conditions of peace in clear terms as there was in the accord of 1954. One is afraid that this time it may fail, as it did the last time. The fears are there, Mr. Speaker. The ambiguity about the future of Viet Nam is very disturbing. There is terrible ambiguity and lack of precision in the agreement. Also, there is a certain lack of honest intention in the agreements and protocols with respect to civilian political prisoners, a subject with which my colleague, the hon. member for Greenwood (Mr. Brewin) will deal in more detail. I will therefore not take the time of the House in discussing this point.

Some parts of the agreement, however, are fairly clear. There is a clear undertaking that there shall be a cease-fire, that the warlike activities are to end, or should have ended last Saturday.

Mr. Sharp: All the parties agree.

[Mr. Lewis.]

Mr. Lewis: All the parties have agreed to that. The agreements are clear on that point. There is to be no more fighting. The agreements also provide clearly that the parties in Viet Nam are not to receive weapons additional to those they now have and that any new weapons or armaments are to be substituted on a one-for-one basis. One of the duties of the commission in which we are interested is to see that that is done.

I and my colleagues therefore turn our attention to this very simple point, to this basic point: will the cease-fire agreement be kept? Will the fighting end everywhere in North and in South Viet Nam? If the fighting ends in a day or two, I think there will be a role for the International Commission to play. If the fighting does not end for some time, and I am not putting any time limit on my remarks, it will become clear that the International Commission cannot function. That is why we greeted with pleasure the government's announcement; it had sense enough to put a 60 day limit on our participation in this force.

I think it is important for hon. members of the House to know that the 60 days provided for Canada's participation in the commission coincides with the 60 days during which all foreign troops are to be withdrawn, and the 60 days during which military and other prisoners are to be exchanged. If things go as they ought to, by the end of the first 60 days of Canada's involvement in this commission, the American and other forces in Viet Nam should be gone. By then the prisoners ought to be exchanged and the Vietnamese people could then begin to keep the peace among themselves. As I said earlier, that, to me, would be the immense accomplishment of the agreements which established the International Commission. Once the Vietnamese people are left alone to decide their own destiny the help of the international community will become possible on a basis on which it was not possible so long as the war was, essentially, a war between the United States and parts of the Vietnamese people.

Our concern must be a twofold one. First, there is the safety of Canadians who are there; second, there is the avoidance of Canadian involvement in anything other than the specific tasks for which this commission has been established. I deliberately did not say "force" as the hon. member for Saint-Hyacinthe (Mr. Wagner) did. I am sure he does not disagree with me. I do not regard this as a force. No one in his senses thinks that 1,160 men, some military, some civilian and some support, from four countries, could possibly constitute a peacekeeping force. Half a million men probably could not do the job; certainly, 1,160 men cannot do it.

I think it is important to point out to the people of Canada that what we are participating in is not a peacekeeping force. If that were the suggestion, certainly, we would not support it in view of the conditions that now obtain in Viet Nam. We are merely participating in an observer force and it will try whatever moral suasion can accomplish, as I see it. We hope that the presence of observers from four countries, two of them generally sympathetic to the north and two generally sympathetic to the democratic group—and I do not say with the South Vietnamese government because I am not for President Thieu—may have some kind of moral influence on the

combattants on the spot so that the cease-fire may be observed by them. As I see it, we are trying, under the agreements for setting up this commission, to ask a group of people representing four independent, neutral countries to tell the world what violations are taking place, in the hope that the international community will be able to influence the various parties in the situation to cease those violations.

I am emphasizing that we support what is taking place and that is not to provide a peacekeeping force. We would not support Canadian participation in a peacekeeping force under these circumstances, and I underline "under these circumstances". We think it is Canada's duty to take part in the observer force. When the four combatants, North Viet Nam, the provisional revolutionary government of South Viet Nam, President Thieu's government and the government of the United States wanted Canada to be a member of that International Commission, we had two alternatives. We could have said, "Go to the devil; we have been critical of the war and critical of the bombing and, when this supervisory task arises, we are not even going to look at it." We could have said that. Judging by the remarks of the hon. member for Saint-Hyacinthe, he might have wanted to say that. I see he shakes his head. I am glad to note that he would not have wanted that. Or, we could have said, as we did, I think quite rightly, "We will participate in the commission for 60 days and our decision as to whether we will continue beyond that will depend on what happens during those 60 days." If the peace is kept, if the cease-fire is valid and if we can perform a function, we will remain. If the cease-fire is not kept, if it is continuously violated and if the commission cannot perform a useful function, we will withdraw.

• (1650)

Some hon. Members: Hear, hear!

Mr. Lewis: That is what I understood the Secretary of State for External Affairs to say. I want to tell him that is precisely what my colleagues and I in caucus, after careful consideration, wanted those of us who are speaking in this debate to say to the minister. As he is the person in charge, I am pleased that he has said this himself.

We believe that the international authority to which this commission should report must be an absolute condition for continuing participation in the international commission. To have to report to the joint military commission of the four-nation combattants is obviously a frustrating thing. As long as the international conference cannot establish a genuine international authority to which the commission reports, the commission's work will be frustrated and useless.

I join the hon. member for Saint-Hyacinthe in urging on the government that when the international conference is held, the government be not merely a passive member, but that it take the initiative in a number of directions, particularly in the direction of insisting that as a condition of the international commission there must be an international authority to which the commission reports. In our view, that international authority is there and ought to be used, namely, the security council of the United Nations.

Some hon. Members: Hear, hear!

Mr. Lewis: If the international conference cannot be persuaded to make the security council the international authority, then I say that Canada should not agree to any international authority of which at least the Secretary-General of the United Nations is not a member. Even if the security council is not directly the supervisory body, the Secretary General of the United Nations would be and, of course, would make representations to the security council, the United Nations Assembly and to the world. I want to emphasize that it seems to us to be an absolutely indispensable condition for the situation.

I support the general amendment moved by the hon. member for Saint-Hyacinthe. In a moment, I will move a subamendment to it which, I hope, is now being prepared.

Some hon. Members: Oh, oh!

Mr. Lewis: If it is not, Mr. Speaker, without appearing to be presumptuous, I will move it from the floor. Before doing that, I wish to take two or three minutes to indicate a hopeful note. Many of us have been sceptical, and rightly so; doubtful, and rightly so; disturbed, and rightly so. However, I want to point out that there are also two indications of positive results from the Paris agreement. The first is a statement by Mr. Brezhnev, leader of the Soviet Union, just a day or two ago, that he regarded the Paris agreement as an important step toward improving relations between the Soviet Union and the United States and that this could be a possible guide for the settlement of problems in the Middle East. Mr. Brezhnev's words clearly indicate that the removal of Americans from the terrible, barbaric and immoral war in Viet Nam has opened another door to the possibility of the improvement of world relations.

Second, I must say that I greet with pleasure the announcement that Mr. Kissinger is due to go to Hanoi next week. Publicly we are told, and I hope this is the truth—forgive me for having some scepticism—to make a diplomatic announcement. I hope it is true that Mr. Kissinger is going there to discuss economic aid to North Viet Nam.

I have no hesitation in saying that while Canada and every other member of the world community ought to give every assistance possible to help in the rebuilding of North and South Viet Nam, the prime responsibility lies on the country that is responsible for the destruction in Viet Nam. That country is the United States of America.

Some hon. Members: Hear, hear!

Mr. Lewis: They have the primary responsibility for rebuilding that which they destroyed.

The invitation to Canada by all four signatories is an expression of confidence. I hope we will act in a way which will show we deserve that confidence.

I have already said that we support the amendment moved by the hon. member for Saint-Hyacinthe. I hope with all my heart that the minister and the government will accept it so it can be an unamimous expression of this House. However, I want to move a slight subamendment. I move, seconded by the hon. member for Greenwood (Mr. Brewin):

Viet Nam

That the amendment be further amended by adding to the amendment after the words "continuing participation" the following words "or withdrawal".

The amendment would now read:

"and stipulates that a decision by government of Canada concerning continuing participation or withdrawal and the conditions for such participation in the said international commission beyond the initial period of 60 days shall not be effected unless and until it is affirmed by a resolution of this House."

Mr. Speaker: Order, please. I have to bring to the attention of hon. members that it is five o'clock. Normally we would proceed with private members' business unless arrangements have been made otherwise.

Mr. MacEachen: Mr. Speaker, I believe it is agreed to dispense with the private members' hour today in order to give more time for this particular debate.

Some hon. Members: Hear, hear!

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

[*Translation*]

Before recognizing the hon. member for Champlain (Mr. Matte) I must inform the House of the questions to be raised tonight.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Burnaby-Richmond-Delta (Mr. Reynolds)—Airports—Vancouver International—Proposed runway—Date of completion of expropriation hearings; the hon. member for Nickel Belt (Mr. Rodriguez)—Manpower—Local initiatives program—Request for additional funds; the hon. member for Champlain (Mr. Matte)—Social security—Old age security pension—Possibility of lowering eligibility age to 60.

[Mr. Lewis.]

• (1700)

GOVERNMENT ORDERS

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—PARTICIPATION BY CANADA IN SUPERVISORY COMMISSION

The House resumed consideration of the motion of Mr. Sharp:

This House welcomes the conclusion of the agreements on ending the war and restoring peace in Viet Nam and notes the provision for an International Commission of Control and Supervision as part of the cease-fire arrangements, in which Canada has agreed to participate for the initial period of 60 days as provided for in the note, dated January 27, 1973, from the Secretary of State for External Affairs to the four parties to the Viet Nam cease-fire.

Mr. René Matte (Champlain): Mr. Speaker, it is rather difficult to examine all side-issues of the matter now under consideration, when we can only note that we are asked our opinion after the decisions have been taken.

I feel that such a procedure should never be followed. Moreover, there is a precedent in this connection which only goes back to 1964 when the House decided to send a Canadian expeditionary force to Cyprus. We are now wondering why for our active participation to a Viet Nam cease-fire such a procedure was not followed.

It could be objected that there was some urgency and very quick action was necessary, but I will answer that there can be nothing more urgent than the upholding of democracy. Consequently, an example of active and speedy participatory democracy could well have been given if just the same parliament had been asked to vote on the matter. Even now, as a result of current events in Viet Nam, we must ask ourselves to what extent that decision was wise.

Mr. Speaker, we understand that no effort must be spared to bring peace to that part of the world. We are all concerned about the painful situation that has existed in Viet Nam for years, as it is, of course, the duty of our country to be concerned about peace in that area of the world. But this must not make us overlook the fact that some actions are more or less indicated.

A while ago I heard the leader of the New Democratic Party (Mr. Lewis) say that his party is the only one that has clamored for years against the war in Viet Nam.

Mr. Speaker, I must set the facts straight. If any party can brag about having opposed the war, any war, ours can. The leader of the Social Credit party of Canada (Mr. Caouette) has often been chided for too often making comparisons with the war of 1939-45 with regard to issuing credits.

Not only is our party against war, it also tries to make the leaders of our country, and those throughout the world, understand that there exists one excellent means of avoiding them: accepting for peaceful ends the credits that are accepted to wage war. I could give the example of the billions of dollars that the United States spent to make war. If the same amounts were spent on peace and if people decided once and for all to adopt a positive rather than a negative attitude and if all economic and material

advances were channelled toward permanent restoration of peace it would be possible to reach that objective.

In the same line of thought, Mr. Speaker, until we find pacific means of settling world problems we will always be faced with international disagreements. And when financiers and leaders of all countries, particularly ours, will understand that all the money now being spent on war, defensive or otherwise, could be allocated to the establishment of permanent peace, then we will be able to say that our aspirations for peace have been reached. In fact, there is no doubt that what is happening in Viet Nam is not peace but rather a ceasefire and the developments that followed this famous ceasefire prove that peace is very far.

To sump up the present situation I should like to read an editorial heard on radio station CJTR in Three Rivers and entitled "A step in the right direction but no peace yet".

People had been talking sporadically about it for a few years and in more concrete terms since last fall, and it finally came through Tuesday when Messrs. Kissinger and Le Duc Tho finally signed the document ending the American and North Vietnamese intervention in South Viet Nam.

It is actually a cease-fire agreement and not a peace treaty. We should not delude ourselves. War will continue in Viet Nam between the North and the South. It will certainly be less extensive and less lethal, due to the absence of the American military might, including the famous B-52's, but it will remain cruel because death and misery will continue their work of devastation for some time, i.e. until either one of the two governments, probably North Viet Nam, succeeds in controlling the whole territory which was arbitrarily divided in 1954.

It is truly unfortunate that this should be so, but it cannot be otherwise. Those people have been fighting too long to stop when they are so near their goal. They fought against the Japanese during the World War, then against the French who, as colonizers, did a great deal for Indo-China, but the Asians wanted their independence and for eight years they harassed the territorial army until the fall of Dien Bien Phu in 1954.

Then, after a few relatively quiet years, the Americans, fearful of communism 6,000 miles from their coast, decide to intervene, at first discreetly, and then, caught in the mesh of circumstances, it turned out to be a real genocide with the greatest war machine in history sweeping over a tiny country.

During almost ten years, an atrocious and barbarous war cost the lives of 1,000,000 Asians and 50,000 Americans, many of whom never knew why they were killed. To that must be added a hundred thousand physically and morally wounded and mutilated men who, for years to come, will remind their fellow citizens of that war to which, for reasons of honour, the leaders could not manage to put an end.

• (1710)

For us as well as for millions of human beings in all countries of the world, and particularly the most developed, it is to be hoped that the withdrawal of the United States from Viet Nam will mean more than the disappearance from our papers and television of horror pictures and the live reporting of massacres involving men, women and children, that could be seen every day like any other sports news.

Mr. Speaker, I endorse that editorial, because it summarizes a cruel state of affairs and because Canada's participation in the cease-fire agreement will only be useful if the parties involved show good will.

Now, that is precisely what was being questioned in the editorial I have just read and this is the very reason why we have to ask ourselves seriously whether the Canadian mission now in Viet Nam will prove useful. Of course, the minister asserts that it is only a supervisory role, but we never knew exactly what that meant. We were told that as a member of the International Control and Supervisory Commission Canada accepted the rights as well as the duties. What are exactly those duties? I believe that the minister perhaps has not thrown enough light on the subject.

And no doubt the hasty decision to participate without first informing the House was due to the fact that a *de facto* situation was meant to be established. That is why apparently the famous 60-day initial period was accepted, subject to subsequent review.

Mr. Speaker, perhaps for a minority government such as ours, it was a way to avoid imbroglios, but I think that democracy is getting the short end of it.

Mr. Speaker, I must point out that there is only one French-speaking member in the Progressive Conservative party, namely the hon. member for Saint-Hyacinthe (Mr. Wagner). I was somewhat surprised a moment ago when I was given his amendment in English only. I think that if the Progressive Conservative party wants to show that it is a little more Canadian, the only French-speaking member of this party should have the decency to introduce his amendments in both official languages.

Mr. Claude Wagner (Saint-Hyacinthe): I rise on a point of order, Mr. Speaker.

Mr. Matte: Now then, Mr. Speaker—

The Acting Speaker (Mr. Laniel): Order. The hon. member for Saint-Hyacinthe is rising on a point of order.

Mr. Wagner: Mr. Speaker, I would like to make it known also that I hastened to translate that amendment and send the text to the hon. member who is speaking now.

Mr. Matte: Mr. Speaker, I must point out that it is upon my request that the hon. member has done so.

In any case, Mr. Speaker, I think that notwithstanding the language in which it was drafted the amendment itself deserves our attention. In my opinion, with such an amendment Parliament could recover the authority it should never lose in any kind of situation and especially such as this one.

I should point out at this stage that all countries form an opinion when they realize that Canada is a member of any committee. In such cases they say this is the position of the Canadian people as a whole. So, if this decision is not made directly by Parliament, it may well be considered throughout the world as not reflecting public opinion. This is why we should always ensure that decisions are made by Parliament itself. After these 60 days—nothing can be changed now—the government should act only after consulting this House.

Mr. Speaker, this war that has been going on for years has been discussed extensively and some grievances could be expressed against Canada. For instance, I wonder to what extent the North Vietnamese are interested in the Canadian participation, as we are aware that in many instances Canada, by accepting American sub-contracts, was materially participating in this war. It would be appropriate to ask whether it is logical to establish differ-

ences between the humanitarian feelings now being shown for the sake of peace whereas, at the same time, for vulgar economic purposes, we are participating in a war in a certain way by supplying weapons and accepting all kinds of sub-contracts from firms which only profit from the war.

Mr. Speaker, there should be no two ways in such circumstances. It is always unfortunate to realize that millions of human lives are being sacrificed so that industry might continue its production. If economic matters have precedence over true humanitarian problems, I wonder whether the North Vietnamese, because of our closeness to the United States, are a little fearful of us. It must be a well known fact in that part of the world, as everywhere else, that Canada and the United States are often considered as one entity, especially in economic matters. Consequently, I wonder to what extent Canadian participation could be considered as being truly neutral. Nevertheless, I believe we could be playing a peaceful role in Viet Nam, but not necessarily in the manner we are doing it now.

On the other hand, I would say on concluding my remarks that the best way for Canada to succeed in establishing peace in the world is still by leading the way. Our country can show the entire world that it is possible to establish genuine peace by insuring its own citizens true freedom and respect for human beings. If by implementing adequate legislation we prove that we can guarantee everyone a vital minimum income, we shall prove that these conditions are essential to peace. There will be wars as long as there will be misery and poverty next to wealth.

It would be highly desirable if the ceasefire in Viet Nam were to become a real treaty of peace. However, eveyone doubts it for one rather expects that the war will go on, but I think that in the long run we should take advantage of this opportunity to think seriously and wonder whether our country could not do more to prove to the whole world that peace can exist, but only if one respects the freedom of everyone else. Now, the way to respect such freedom is to consider each human being as it must be considered, that is to assure everyone that he will live without any problems and that he will be able to develop himself in healthy freedom. Canada will then perform peaceful work.

Mr. Speaker, before we achieve all these things, I sincerely hope that our involvement in this peace effort in Viet Nam will be successful.

As a conclusion, I would like to stress that if our involvement happens to have no result, the government will have to decide then and there to withdraw its force from Viet Nam so that Canada will not have to pay the piper.

• (1720)

[*English*]

Hon. James A. Richardson (Minister of National Defence): Mr. Speaker, last Friday night I went to the barracks at Long Point, Montreal, to meet with our Canadian Forces personnel on the eve of their departure for Viet Nam. It seems to me it might be appropriate to begin my participation in the debate on the resolution before us if I were to repeat some of the thoughts I expressed on that occasion in an informal way to our troops.

I said, first, that I was honoured to be meeting with them as their Minister of Defence on the eve of their departure on a mission which I considered to be important to Canada and to the world. None of us know yet whether this mission will be successful, but one thing I do know is that it is important for all of us that we, as Canadians, should at least try to play a useful and effective role in maintaining peace in Southeast Asia.

When I was speaking to our men on the eve of their departure I said in my view it was characteristic of the Canadian way of life that they, as fighting men, as part of a military organization, should be leaving Canada, not to fight but, rather, in order to help prevent fighting. Some may consider it a paradox of our time that fighting men should not be leaving our country to fight. But there are many in this House and across this nation—and I am one of them—who believe it is a triumph of our times that Canadians in military formation should leave Canada not to fight but to prevent fighting.

Some hon. Members: Hear, hear!

Mr. Richardson: I went on to say on Friday evening that it was the military capability, the military training and the military discipline which would enable our personnel to be effective as an observer force. In today's world it is not enough just to be idealistically opposed to war; it is essential to be trained and disciplined and equipped if we intend to aid the cause of peace.

I told our men I was personally confident that before they returned to Canada they would have added lustre to Canada's reputation as a country committed to peace. Under the leadership of the late Lester Pearson and under the leadership of the present Prime Minister (Mr. Trudeau) there is no country in the world which has enjoyed a better international reputation for the work it has done to ease tensions and bring understanding to the so-called "trouble spots" of the world—no country other than Canada.

Some hon. Members: Hear, hear!

Mr. Richardson: In this respect we have probably not done nearly as well as we should, but we have managed so far to do better than anyone else. I also said last Friday evening that although our men were not being sent from Canada to fight, none of us underestimated the difficulties, and even the dangers, that they would face in Viet Nam: there will be difficulties of language, difficulties in connection with living conditions in a war-torn land. I believe no Canadian should underestimate the sacrifices that Canadian personnel have willingly accepted in this sense.

Finally, Mr. Speaker, as I spoke on a person to person basis with our Canadian contingent as they departed for Viet Nam, I told them about the government's concern, and my personal concern, for their safety in the event that hostilities might be resumed, or continued indefinitely. I told them, as I told the House on an earlier occasion, that we had made contingency plans to evacuate them from Viet Nam if such a course should become necessary. One

of our plans in this respect became apparent last Monday when our destroyer, the *Terra Nova*, sailed from Vancouver for the west Pacific. I should like to make it absolutely clear to the House and to the world that the *Terra Nova* is not part of Canada's contribution to the International Commission of Control and Supervision. The *Terra Nova*, which carries supplies for 60 days and which can be resupplied at Pacific ports, has a double purpose. One purpose, a normal part of our naval operations, is to carry out extensive training exercises. The other is to provide us with a sealift capability in the event we should wish to evacuate Canadian personnel by this means. It has been made clear to all concerned that the *Terra Nova* will not enter the territorial waters of either South or North Viet Nam. In fact, most of the time she will be several hundred miles from Viet Nam. We are also keeping at least one Hercules aircraft either in Saigon or within three hours flying distance at Bangkok. At present we have two of our Hercules aircraft in Southeast Asia, one at each of these airports.

My most pleasant duty in Montreal last Friday was to introduce the Prime Minister (Mr. Trudeau) to our Canadian contingent. Following the tradition of the late Lester Pearson, no Canadian has done more than our Prime Minister to enhance Canada's international reputation. His visit to our Canadian forces on the eve of their departure was symbolic of the importance which he attaches, and which the government attaches, to their mission.

At one o'clock on Saturday, January 27, a Canadian Forces Boeing 707 left Montreal for Viet Nam carrying Canadian personnel who were leaving to take part in the 12th peacekeeping and truce-supervisory mission upon which Canada has been engaged since the second world war. On board that first aircraft were 130 military personnel, 15 men and women from External Affairs and eight Canadian newsmen. The same day a Canadian Hercules aircraft from Trenton took off for Viet Nam carrying initial supplies and support cargo to Saigon.

• (1730)

Before the departure I said to our Canadian forces that I hoped to be able to visit them personally in Viet Nam before the completion of their tour of duty. I had to say, because of the exigencies of government, that this was being expressed as a personal wish rather than as a plan that had been formulated. But I do hope that, accompanied by others who may wish to go, we can visit our Canadian personnel before the end of their tour.

I believe all hon. members know that our personnel and supplies have reached Saigon safely and in good order. On each day since their arrival I have been in direct contact with Major General McAlpine and his senior officers. This morning I spoke personally on the telephone from National Defence headquarters to General McAlpine in Saigon, and I am therefore able to report directly to the House that our commander in Saigon advises that the Canadian contingent is in excellent shape and all personnel are actively engaged in preparing to take up their new duties.

I have brought with me to the House this afternoon a transcript of my conversation with General McAlpine. I believe that the House will be particularly interested in some aspects of it because it provides the most immediate and direct information available about our Canadian personnel in Viet Nam.

General McAlpine told me, and this is a direct quote:

> Our arrival operations went well. We arrived in Saigon on schedule. We opened our headquarters at 800 hours on January 29th in accordance with the requirements set by the agreements and protocol.

General McAlpine went on to say that Commissioner Michel Gauvin is currently making arrangements for the International Commission to conduct their first reconnaissance of the regional headquarters' sites. He advised that three reconnaissance missions were being planned for tomorrow into the regions of Hue, Danang and Pleiku. I asked how many Canadians would be involved in these reconnaissance missions and he confirmed that there would be a total of six, four military and two personnel from External Affairs.

Later in the conversation I told General McAlpine that we were continuing with plans to send a second aircraft carrying additional Canadian personnel on February 10 and that we would keep to this plan subject to the possibility of conditions deteriorating. I asked him specifically if there was any reason that he could see why we should not proceed with our plans to send a second aircraft. His direct and clear reply was:

> I can see no reason why the second aircraft should not come out.

In another part of our conversation General McAlpine said:

> The troops are getting along extremely well with their colleagues from the other three countries on the International Commission and I think they should work well when we get together in the future on the key sites.

He said:

> To sum up, things are progressing very well. We are making up our operating procedures now and our support arrangements are becoming firm, and I can assure you we can meet all the obligations in the agreement and protocol.

This is a final direct quote from my conversation with General McAlpine this morning:

> I certainly do not intend to hazard my troops until their safety can be assured by all parties to the agreement.

Some hon. Members: Hear, hear!

Mr. Richardson: My reply, understandably, was that that is the kind of assurance we wish to have. Although none of our Canadian forces have yet proceeded to their stations in the Vietnamese countryside I am certain that hon. members will be interested in the proposed deployment of the International Commission in South Viet Nam. The headquarters of the commission is to be in Saigon and there are to be seven regional divisions throughout South Viet Nam, with regional headquarters established in each region. Each of the four national members of the commission will provide five personnel to each of the regional headquarters.

In addition to the seven regional sites there will be 55 team sites throughout the regions. Depending on the nature and function of the individual sites, each of the four participating nations will contribute either two or three observers to the individual site. As well as the

observers at the various sites there is a requirement for 116 support personnel to provide the necessary service for the functioning of the contingent.

When these figures are broken down it means that we will have 62 military and External Affairs Canadian personnel functioning on headquarters' staff, 112 carrying out direct supervisory and observation duties and 116 providing operational support. This totals 290 personnel, which is the Canadian commitment to the International Commission of Control and Supervision.

As I have advised the House on earlier occasions, a requirement of the protocol is that our total contingent of 290 personnel should be in Saigon between 15 and 30 days after the cease-fire. We are now planning as I have indicated, but subject to review of circumstances, as the Secretary of State for External Affairs (Mr. Sharp) has also stated, to send the remainder of the Canadian contingent from Montreal on February 10, which means that they will be arriving in Viet Nam on the sixteenth day following the cease-fire.

There has been, understandably, some expression of concern about the cost to Canada of participating in the International Commission. There have been questions in the House, some of which have been answered by my parliamentary secretary. Understandably, some members have wondered whether our expenditures in Viet Nam would bring about reduced activity on some of our bases in Canada. It must be evident that many of our expenditures are ones which we would be incurring in any event and are already within our budget. For example, the *Terra Nova* would have been on a training mission, the Hercules aircraft would have been flying supplies, and certainly all of the personnel would have been receiving their regular pay and allowances whether they were in Viet Nam or in Canada. However, we will be paying personnel in Viet Nam a foreign service allowance of $150 per month for single personnel and up to $180 per month for married personnel. The total cost of these foreign service allowances will amount to under $50,000 per month.

I can assure hon. members that our participation in the International Commission will not have a significant effect upon other operations in Canada. More important to me than any dollar cost that might be involved is the opportunity for Canadians to play some part in the role in which we as a nation have become recognized as world leaders.

My conversations with Canadian personnel leaving for Viet Nam revealed that they were proud to be representing Canada as members of the International Commission. I believe that most Canadians share that pride and welcome this opportunity for Canada to serve the cause of peace. In saying that, Mr. Speaker, I am not unaware of the difficulties, I might almost say the apparently insurmountable difficulties that face us as part of the International Commission.

I have said before on other occasions that some decisions that we make are decisions of the mind, they are logical and reasoned decisions, and there are other decisions which are decisions of the heart. It would be easy for us to find logical and sensible reasons to stay away from Viet Nam but it would be, I believe, inconsistent with

the prospects which Canada holds for the world for Canadians to refuse to at least try to help the cause of peace in this or in any other part of the world.

• (1740)

I might say, in conclusion, that my conviction about our decision—and it was a serious decision—to send our Canadian forces to Viet Nam as part of the new International Commission is well expressed in the words from a play which some of you may remember; it was a musical called "The King and I". The words which the king applied to himself might also be applied to a country, particularly to our country, in the present circumstances. His words were:

This is a man who thinks with his heart
A man who is not always wise,
This is a man who stumbles and falls,

But this is a man who tries.

Only time can tell if our mission will be successful, but I am certain, as I stated at the beginning of these remarks, that it is characteristic of the Canadian people that our military forces should leave Canada, not to fight but to help prevent fighting. When we are asked to try to help maintain peace, I am certain there are very few Canadians who would say that we should not, at least, try.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Laniel): The hon. member for Fundy-Royal (Mr. Fairweather).

Mr. Sharp: I rise on a point of order, Mr. Speaker. I am sure the hon. gentleman would grant me a moment, because of the urgency of the matter and its interest to all members of the House, to say that the name of Mr. Lloyd Oppel whose whereabouts we had been concerned about is now on the prisoners' list provided by North Viet Nam, and we are trying to secure his early release.

Some hon. Members: Hear, hear!

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, first of all may I endorse the tributes paid by the Secretary of State for External Affairs (Mr. Sharp) and the Minister of National Defence (Mr. Richardson) to the armed forces and to the officers of the Department of External Affairs who are engaged in what we have all come to know as a difficult operation. I think that all hon. members appreciate the fact that it is because we share the gratification expressed by the two ministers that we want to make as certain as debate and discussion can that this special Canadian mission in Viet Nam is a productive and useful one.

Canada will have an opportunity to validate our involvement in Viet Nam at the time of the convening of the international conference under the provisions of article 19 of the agreement. The conference is to be held before the end of February. It has many more chances of success than did the one in Geneva in 1954. I suggest three reasons for optimism in this regard. Firstly, the Secretary General of the United Nations is to be a participant and this means that for the first time the United Nations will have a role in the tragedy which is Viet Nam. This is of

fundamental importance. Secondly, the People's Republic of China has been invited to participate. This invitation acknowledges, albeit very late, that China has a stake in the future of Indo-China. Thirdly, Canada and the other three countries of the International Commission of Control and Supervision will be at the conference. Thus we have an opportunity to participate in decisions relative to the reconciliation and healing of a country which is exhausted by almost 30 years of fighting.

One of the most perceptive comments I have seen about the matter of our role was made by John Holmes, writing in the Toronto *Star* on January 24 last. Mr. Holmes was an official of the Department of External Affairs and has experience in Indo-China. He wrote:

> After almost 19 years, the parties are back to an agreement which looks a lot like that reached in Geneva in 1954.
>
> The hope is that everyone concerned, the great powers and the Indo-Chinese peoples, have digested a basic lesson about the validity of war and violence as instruments of policy. We have had a confrontation of two concepts of the just war: on the one hand the war of national liberation and on the other the principle of collective defence against aggression.
>
> Both concepts have their place but not when they are applied fanatically, simple-mindedly, and without discrimination. One side set out to overthrow the armistice and achieve its ends by guerrilla terror. The other responded with gross overconfidence in its ability to apply disciplined military force to defend a country whose internal conflicts it could not understand.

Mr. Speaker, anybody who wants to know the tragic story of this should read a book, which is perhaps the best one written on Viet Nam, called "Fire in the Lake" by Frances Fitzgerald. The author writes not only of the terrible destruction of a country but of 1,000 or 2,000 years of its civilization. The article by Mr. Holmes continues:

> The concepts seemed all very well in their respective textbooks, but the theories were mechanical not human. War fed on war. The sense of purpose was lost in insensate escalation.
>
> That the lesson may have been learned in Washington, Moscow, Peking, Hanoi and Saigon is our ground for hope. This armistice presumably has a better chance of holding than that of 1954 because the chastened powers may be more grimly determined to maintain it. Unless they do, there is no role for an international supervisory commission.
>
> The major lesson of the war is that foreigners, either with guns or with white armbands, cannot lead or drive the Vietnamese people to live with each other.

Mr. Speaker, this is a theme on which I want to make a few remarks about what I should like to call the internationalization of a war that has had tragically little internationalization up until now. No purpose would be served if I were to list the grim statistics of Viet Nam. Death and devastation no longer seem to shock a world which has body count totals tatooed into its very soul. Philosophers and poets can jog the conscience of men about what horror war has wrought in a cause which has been long since drained of meaning to all except the beleaguered Vietnamese.

I seek for Canada no ideological stance. We lost our virginity on the old International Control Commission when, perhaps unwittingly, we allowed ourselves to become identified with one side in the struggle. We cannot regain what we have lost, but we do have an opportunity to underpin the ongoing and continuing authority of the United Nations as a legitimate peacekeeper. There must be no slip up this time, Mr. Speaker.

This is what the debate is all about. Observing and reporting are not enough. After all, that role—this is in no way meant to disparage the Canadians who are on the spot—can be filled by the wire services and broadcast networks. If we were just observing the next withdrawal and the return of prisoners, one could say that such activities have been carried out for 20 years by the wire services and various broadcasting agencies. There is a terrible litany of observations; they have had decades of experience at observing.

• (1750)

What we must do is seize the chance offered by the conference to initiate certain objectives. The real question, after all, is not the interpretation of what to my simple mind is an Alice in Wonderland protocol and agreement. The real question is: Will there be peace in Indo-China at last?

During the next 60 days the United States will withdraw her troops from Viet Nam and, in return, American prisoners of war will be released. This is a bilateral bargain; this is peace with honour. One need not be very perceptive to predict that America will be extremely reluctant to renew her entanglement in Viet Nam. Now that the Secretary General of the United Nations will be a member of the conference, the Security Council can be the continuing political authority to which the ICCS can report. All the powers who want or have a vested interest in peace are on the Security Council. It is to the United Nations and its specialized agencies that we must look for leadership in the massive job of rehabilitation in Indo-China. I submit we must substitute statistics of tons of seed and fertilizer for tons of bombs.

Some hon. Members: Hear, hear!

Mr. Fairweather: We must transform body counts into lists of men—

Some hon. Members: Hear, hear!

Mr. Fairweather: May I say this, Mr. Speaker; if man ever again is foolish enough to be engaged in war, I hope the scandalous term "body count" will be exorcised from our language. We must transform body counts into lists of men, women and children supplied with prosthetic limbs and rebuilt faces. We must reunite families and provide homes for refugees. We must do all these things, and more, through the agencies in the world already established to deal with these things. And thank God they are ready. I am referring to the World Health Organization, the Food and Agriculture Organization, the Commission on Refugees, the United Nations Development Program, and even to the World Bank. Elections, I submit, must be supervised by a polyglot spectrum of the earth's peoples. Africans and Asians and others have a role to play here. Colour should mean more than ideology in choosing countries for various roles for ensuring political stability and peace.

Thousands of South Vietnamese civilians, Mr. Speaker, whose offence is that of being opposed to the government have been imprisoned for as long as American prisoners of war. The Americans are now to be released under the agreement signed also by Saigon. We have been reminded

by the recently established international committee to free South Vietnamese political prisoners from detention, torture and death. This committee includes officials of many groups in Canada. The Canadian Council of Churches, the Anglican Church of Canada, the United Church, the Voice of Women, and Amnesty International are concerned, as I am sure we all are, about the fate of political prisoners held by the Saigon government.

Chester Ronning, about a generation ahead of his time and a distinguished retired public servant, writes that he "fully supports the initiative which the international committee is taking to draw the attention of Canada to the plight of these South Vietnamese people who continue to be punished for the crime of wanting peace in wartorn Viet Nam." Canada can do something about these political prisoners at the February conference.

Dr. Kissinger, at his press conference of January 24, said:

> Chapter III deals with the return of captured military personnel and foreign civilians, as well as with the question of civilian detainees within South Viet Nam.
>
> This, as you know, throughout the negotiations, presented enormous difficulties for us. We insisted throughout that the question of American prisoners of war and of American civilians captured throughout Indo-China should be separate from the issue of Vietnamese civilian personnel detained, partly because of the enormous difficulty of classifying the Vietnamese civilian personnel by categories of who was detained for reasons of the civil war and who was detained for criminal activities.
>
> And secondly, because it was foreseeable that negotiations about the release of civilian detainees would be complex and difficult and because we did not want to have the issue of American personnel mixed up with the issues of civilian personnel in South Viet Nam.

Canada has no such inhibitions. Canada will have the opportunity at the end of next month, along with other countries, to make very certain that the release of these prisoners takes place. Dr. Kissinger went on to say:

> This turned out to be one of the thorniest issues that was settled at some point and kept reappearing throughout the negotiations. It was one of the difficulties we had during the December negotiations.

Then he says the issue of Vietnamese civilian personnel will be negotiated between the two Vietnamese parties over a period of three months. Canada will be there and I submit that Canada has an urgent role to play. If Saigon and Hanoi cannot agree, Canada should insist that the human rights aspect of the political prisoners question must be protected by the International Committee of the Red Cross as part of the quid pro quo of our membership on the ICCS.

Some hon. Members: Hear, hear!

Mr. Fairweather: We have the awful example of the failure of the old ICC to obtain the release of internees and prisoners of war and to exercise control over the movement of refugees. I do not want to be misunderstood; I make no charge against the old ICC. We have learned from it. We ought not to repeat the mistakes of the Geneva accord; the 1954 failure cannot be allowed to be repeated in 1973.

I seek, as one response of my party to the resolution we are debating, what I might call the internationalization of the rebuilding of peace. The Security Council can create the basic infrastructure upon which peace can be built. Viet Nam, both North and South, must solve the juridical problem; no outsider's writ can run here. After all, like it or not, civil war is the privilege of a people. The Americans have experience of this. Imagine what would have happened in the American Civil War if one of the great European powers had attempted to interfere. History is indeed a paradoxical part of man's story. I seek a latter-day UNRRA—

The Acting Speaker (Mr. Laniel): Order, please.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, we are prepared to let the hon. member finish.

Mr. Fairweather: I will take only a minute or two more.

The Acting Speaker (Mr. Laniel): Is it agreed?

Some hon. Members: Agreed.

The Acting Speaker (Mr. Laniel): I think the hon. member for Gamelin (Mr. Portelance) also would like to seek the unanimous consent of the House to revert to an earlier item of business for the purpose of presenting the first report of the Standing Committee on Labour, Manpower and Immigration. I ask if there is consent that this be done.

Some hon. Members: Agreed.

Mr. Fairweather: Mr. Speaker, I thank you and my colleagues. The interruption would have cut off my peroration. I am not sure how good a peroration it is, but none are good when they are interrupted.

I seek a latter-day UNRRA operating in Indo-China. First, there must be relief in the form of food and medicines for the hungry and the wounded; second, rehabilitation in the form of seeds and fertilizers to replant the lands poisoned and defoliated; third, reconstruction and development in the form of a Mekong Valley authority on the model of the Tennessee Valley authority in the United States so that Indo-China can use the water for energy and irrigation.

The people of Viet Nam never were the enemies of our country, Mr. Speaker. We are embarked upon another of man's quests for peace. The Canadian armed forces have again demonstrated their readiness to take on a tough and difficult mission. May I say, too, that the government and the country have been exceptionally well served by the officials of the Department of External Affairs throughout a difficult period. They have warned us of the pitfalls and frustrations. They have sought conditions and safeguards, not to frustrate a mission but to make it viable. We have an obligation to them to make sure that the February conference is the catalyst for a useful and productive United Nations and not one of a long series of exercises in futility.

The cold war, thank God, is in the last stages of being wound down. Even today nations of east and west Europe are meeting in Vienna to discuss mutual force reductions. In 1972 a United States president went to Peking and to Moscow, trips which came later than an American visit to the moon.

• (1800)

I sense in the young, if it is not too presumptuous of me to interpret their aspirations, a frustration with empty rhetoric and sloganeering. The UN has within its grasp an opportunity, now that it approaches the universalism so long sought, to transform a land which is the home of an ancient civilization. The mechanisms are in place and qualified people are ready in WHO, FAO and UNDP. Let us use them and the agencies that they represent.

This is what Canada must do as she takes her place at the conference at the end of this month, a conference that has as its purpose the guarantee of the end to the war and the maintenance of peace. I submit that to do less would be unacceptable.

[*Translation*]

The Acting Speaker (Mr. Laniel): Would the House agree to revert to motions to allow the hon. member for Gamelin (Mr. Portelance) to table a report?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

LABOUR, MANPOWER AND IMMIGRATION

First report of Standing Committee on Labour, Manpower and Immigration—(Mr. Portelance).

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

The Acting Speaker (Mr. Laniel): It being six o'clock, I do now leave the chair until eight o'clock tonight.

At six o'clock, the House took recess.

[*English*]

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

EXTERNAL AFFAIRS

VIET NAM—CEASE-FIRE AGREEMENT—PARTICIPATION BY CANADA IN SUPERVISORY COMMISSION

The House resumed consideration of the motion of Mr. Sharp:

This House welcomes the conclusion of the agreements on ending the war and restoring peace in Viet Nam and notes the provision for an International Commission of Control and Supervision as part of the cease-fire arrangements, in which Canada has agreed to participate for the initial period of 60 days as provided for in the note, dated January 27, 1973, from the Secretary of State for External Affairs to the four parties to the Viet Nam cease-fire.

[*Translation*]

Mr. Pierre De Bané (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, after listening to two speeches by the official opposition this afternoon, I should like to express a wish: that if and when the official opposition forms the government their Secretary of State for External Affairs be the hon. member for Fundy-Royal (Mr. Fairweather) rather than the hon. member for Saint-Hyacinthe (Mr. Wagner), which would be unfortunate. Seldom have I heard two such contrasting speeches. The first was as positive, as marked with humanism, open-mindedness and international solidarity as the second was marked with pessimism, inconsistencies, naivety and, I dare not venture to add, inaccuracies which, in certain cases, seemed deliberate to me.

To start off with, Mr. Speaker, I shall give just one illustration of the inconsistencies in the hon. member for Saint-Hyacinthe's speech. He told us this afternoon, and I quote:

[*English*]

The international forces that we have been part of in the Congo, in Cyprus, in the mid-East have had measures of success worthy of note.

[*Translation*]

He said that this afternoon. I would like to recall, Mr. Speaker, what he was saying barely a few days ago, namely on January 24, and I quote from page 597 of *Hansard*:

[*English*]

We do not want Canada to go once more through what it has experienced on the International Control Commission since 1954 or what it has experienced in Cyprus.

[*Translation*]

Mr. Speaker, I do not know whether the same researchers prepare the remarks of the hon. member for Saint-Hyacinthe, but such a glaring contradiction in less than one week on our peacekeeping participation in Cyprus is absolute proof that not only the argument of the hon. member for Saint-Hyacinthe is weak but that it crumbles under its own contradictions.

Let me review one by one the various remarks he made this afternoon and I think I am not distorting his thoughts when I say that basically his speech reflected the following point of view: We are not satisfied with the agreement signed by the four parties, particularly between North Viet Nam and the United States. We are not satisfied with the agreement signed between Mr. Le Duc Tho and mR. Kissinger. We would like the fighting to resume and when the powers that be will have signed a new agreement satisfactory to us, then we will be able to say we are satisfied. This I think is the essence of the remarks made by the hon. member for Saint-Hyacinthe this afternoon.

Mr. Claude Wagner (Saint-Hyacinthe): This is distorting my point of view.

Mr. De Bané: At the beginning of his speech he went as far as to say that the government had not informed the House. Let me remind him that since January 1969, the

right hon. Prime Minister of Canada (Mr. Trudeau) and the Secretary of State for External Affairs (Mr. Sharp) have repeatedly explained the Canadian position vis-à-vis this conflict which has upset the world's conscience. And last October when Canada was approached and requested to be a member of the control commission, the Secretary of State for External Affairs repeatedly stated publicly and through diplomatic channels Canada's conditions for participating in the commission. As someone said this afternoon, Canada is the most experienced country in the field of peace operations. This is the reason our services were requested once the agreement was concluded.

Furthermore, when Parliament met on January 4, the Secretary of State for External Affairs explained once more to the House the conditions under which we were ready to proceed to Viet Nam.

As I recall, Mr. Speaker, on January 5, as the Secretary of State for External Affairs was explaining our position with regard to Viet Nam, the hon. member for Saint-Hyacinthe said, and I quote:

[*English*]

I must say, Mr. Speaker, that I should have much preferred, and I know my colleagues would have much preferred, that our first business in this House should deal immediately with urgent problems.

[*Translation*]

—he then enumerated domestic problems. This afternoon, he said the government acted on the sly, yet we had this debate almost in spite of him. I say, Mr. Speaker, this is too much contradicting in a new career.

What hurts me most, Mr. Speaker, is this excerpt which I quote from the speech made this afternoon by the hon. member for Saint-Hyacinthe:

• (2010)

[*English*]

There can be no success—

[*Translation*]

I ask him why he is negative and why he shows so much despair:

[*English*]

There can be no success—

[*Translation*]

Of course, Mr. Speaker, we cannot guarantee that we are going to succeed. When he stated our position, the Secretary of State for External Affairs said, and I quote:

[*English*]

It is no secret to anyone that we have serious doubts about what we are being asked to undertake.

[*Translation*]

He repeated it this afternoon and the Minister of National Defence (Mr. Richardson) said it also. But why tell us, like an evil wisher:

[*English*]

There can be no success—

[*Translation*]

Mr. Speaker, for the great misfortune of the hon. member for Saint-Hyacinthe, I am going to tell him some

thing. And since one hon. member of the opposition does not even bother to pick up earphone to listen to the French interpretationt—

[*English*]

I will say it in English. It is clear from the report of our ambassador to the ICCS in Saigon that three days is perhaps too short a time to form an opinion about the prospects of this commission; however, three days of intense activity is worth a month of experience under less pressing and demanding circumstances. At the first meeting of the commission the Canadian delegation proposed that the first task or goal should be to establish contact with our opposite numbers, the joint military commission in Saigon. At that meeting the Canadian representative, Ambassador Gauvin, opened the meeting by suggesting that while the joint military commission was apparently not yet in a position to establish contact with the ICCS, we are attempting to contact the two parties, the government of the Republic of Viet Nam and the U.S., who are themselves directly involved in providing logistics support for employment of the seven regional teams.

[*Translation*]

I could of course report other details to show that if indeed we are not sure of succeeding, there are still some encouraging signs which tell us not to despair.

The hon. member for Saint-Hyacinthe was telling us, and this in my view is what is most surprising, and I quote:

[*English*]

Yet, despite the difficulties with the task and the indirect nature of our function, Canadians are there.

[*Translation*]

But for heaven's sake, let us realize that with all the difficulties which arise from this, Canada has no interest in sending a surveillance team to Viet Nam. We do so only because, being as the rest of the world witness to the division which has been afflicting that country for some twenty years, we thought: It is our duty to do everything possible in order to try and restore peace as soon as possible.

Now, I would like to quote a sentence that I will not qualify—I leave that to everyone of you—in order to show to what extent one can play a double game.

[*English*]

While that commitment was hastier than it had to be and completely out of tune with our sorry experience in Viet Nam, it is a commitment that we in this House must consider positively.

• (2020)

[*Translation*]

He had just said, Mr. Speaker—

[*English*]

There can be no success—

[*Translation*]

He had just said that there could be no success. Now he tells us, to please I know not whom, that we in this House must consider it positively. I could quote you other examples of similar statements. For instance, today he told us that the agreement between North Viet Nam and the United States is one in which the Canadian government

has no role to play and that, frankly, it is not up to us to supervise what goes on with regard to the implementation of the agreement.

I would merely like to remind him that if once again he is not happy with the agreement entered into by the two parties, Canada was not a party to it; he should direct his reproaches to Messrs. Le Duc Tho and Kissinger. Indeed, it is not our fault if they asked us to supervise the enforcement of the agreement.

This sentence struck me most in the speech of the hon. member for Saint-Hyacinthe (Mr. Wagner:

[*English*]

Our position at the international conference must be that of ensuring a viable machinery, both political and supervisory, to police and secure that four-power arrangement.

Let me say, Mr. Speaker, that the Secretary of State for External Affairs (Mr. Sharp) put it very clearly. We are not in Viet Nam to police any of these four powers. We are there only to observe and to report if one of those powers is violating the agreement they signed in Paris. We are not there to secure anything or to police anybody, particularly when the United States, with half a million soldiers, did not succeed in policing that country.

Mr. Forrestall: The United States declared peace in Viet Nam.

[*Translation*]

Mr. De Bané: May I be allowed to complete my remarks, Mr. Speaker.

I think that it is a total failure to recognize the role assigned to the four parties involved and responsible for enforcing the cease-fire and, in my opinion, it is such a glaring mistake that since more than a week the Secretary of State for External Affairs provided each Opposition party with copies of the agreements which were concluded.

As for asking us to perform a military task, I will say to the hon. member that the Secretary of State for External Affairs has fully explained that our role over there is not to keep the peace, but to observe and report if one of the parties does not live up to its commitments.

The hon. member took the liberty to add in order to downgrade the role of Canada:

[*English*]

We were cast, in 1954, as the representatives of the western interest on the commission.

Mr. Forrestall: Oh, get on and tell us something positive.

[*Translation*]

Mr. De Bané: Then I should like him to explain how it is that the hon. member for Greenwood (Mr. Brewin) when he was in Hanoi a few days ago could state that Canada was very highly regarded by Hanoi? Why, Mr. Speaker, try to downgrade our country, a country which succeeded in the field of its foreign policy in carrying out peacekeeping missions, about 15 of them since 1945? Why try to depreciate what is one of the finest aspects of our foreign policy?

He repeated a little later in his speech, and I quote:

—we find it difficult to understand why the government has waited so long before informing the House—

Waited? I remind him that we did it 48 hours after this Parliament reconvened and at that time he taunted the government with having stated once again as late as January 5 and in detail, the terms of our participation. Why is he charging us with having "waited before informing the House", he who taunted us with doing so 48 hours after the Houses had reconvened?

Mr. Speaker, I could go on setting forth all the thoughts which come up in my mind following the speech of the hon. member for Saint-Hyacinthe which differs greatly in its reach from that of the hon. member for Fundy-Royal.

I was surprised also by his indulging into reading and reminding us of the various questions he asked in the House a few days ago. I am surprised that he dared recall them today even though the Secretary of State for External Affairs has answered each of them. And with the indulgence of the House and its permission, I will gladly recall his answers when my time has elapsed.

Mr. Speaker, why did the hon. member for Saint-Hyacinthe take the liberty of saying: "There can be no success"?

As far as we are concerned, we cannot guarantee the success of our mission but, as we are jointly responsible for the fate of the whole world—and God knows how the hon. member for Saint-Hyacinthe reminded us of our joint responsibility—we said to ourselves, as the Secretary of State for External Affairs explained on January 24, that our duty was to go to Viet Nam not taking for granted that we would succeed but saying we would try for 60 days. Will that trial succeed or not? One point is certain, and it is that we the members of this government have decided not to be prophesiers of evil.

[*English*]

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I am happy to be able to take part in this debate on external affairs. It is certainly not the first in which I have engaged in my 15 years in this House. I would note at the beginning that the hon. member who has just resumed his seat has added perhaps more asperity to a debate on external affairs than I have been used to in this decade and a half.

Mr. De Bané: I was just quoting.

Mr. Macquarrie: If the hon. member wants to rebut it, he can change the rules. But it is my time to speak, now. I have always believed that while partisanship of itself is not the summum bonum of our existence here, especially in external affairs I have always tried to eschew partisanship. I should like to say, too, that I am proud of the statement made by the spokesman for our party, the hon. member for Saint-Hyacinthe (Mr. Wagner) who since he came to this parliament has revealed eloquence, wisdom and consideration which makes me extremely proud and happy to be a colleague of his. I hope we shall long remain together side by side and for a long time on the other side of this chamber.

I know my time is limited to 20 minutes. I want to use a good deal less than 20 minutes. I want to hear from the

distinguished and learned hon. member for Scarborough East (Mr. Stackhouse); I want to hear from my hon. friend from Dartmouth-Halifax East (Mr. Forrestall), from my hon. friend from Esquimalt-Saanich (Mr. Munro) and from other hon. members. So I will telescope my comments, not because of lack of interest, not became of lack of comments but because I want to hear from them.

I want to say at the outset that I join with those who applaud and salute the quality of the military forces of this country. I have always felt that way. I was honoured last spring to be on the committee which toured bases in the west, in the north and in the central part of this country and I have an even higher regard for those fine men who constitute the military of this country. If I were a nasty politican I might say that I would be surprised that the Secretary of State for External Affairs (Mr. Sharp) would ever settle for anything which had the expression "60 days" in it, because I remember those famous 60 days of decision and what they did to a certain party. I remember that Mr. Pearson once said, "Perhaps the '60 days' elected us; I don't know. But it damned near defeated us; that I am sure of."

Some hon. Members: Oh, oh!

Mr. Macquarrie: But this is a much more serious matter. This is an issue which concerns us all and troubles us all. God knows, there is not one member of this House who does not welcome the end of the war in Viet Nam. I don't want to sound like a genonton, Mr. Speaker, and with my youthful looks that would be a presumption on the acting profession, but in my first speech on foreign affairs I mentioned Indo-China, way back in July of 1958. As the minister said the other day, this is a war that had gone on for a whole generation. It has been a dirty war and, naturally, it is going to be a dirty peace.

We are not disturbed if things do not fit dutifully into the moulds which the idealists expect; we are not disturbed about that situation at all. But I do take exception to those who believe that this country of ours, faced with the challenge, with the question, had only one answer. I am not here to cavil. I am not here to belittle. I am not here to make difficulties. But I do not think we had only one answer. I think it would have been just as honourable, just as realistic, just as sensitive to have said that perhaps, in the circumstances, this was not the time for Canada to involve itself. I would not have been ashamed of any government which said, "In the circumstances, why not look to some of the other 125 independent countries in the world?"

I do not agree with those who say we had no choice. But the choice having been made by the government, precipitously perhaps, we must make the best of it. But I am surprised that anyone in government dealing with an issue as sensitive, an issue which divides the Canadian people so painfully, would not rejoice in the opportunity to share this challenge, to discuss the issue with the Parliament of Canada rather than keeping to itself the executive prerogative of making a decision and, after the fact, notifying the people's representatives.

Here, Mr. Speaker, is where my hon. friend from Saint-Hyacinthe was not only at his most eloquent but at his most precise in terms of parliamentary values, parliamentary rights, parliamentary rules and constitutional propriety. In the bitter days when Great Britain was almost overborne by the iniquitous and evil power of a terrible enemy, Winston Churchill, harrassed and burdened as no man probably ever was, told them, "It is a comfort to have the House of Commons in session so that the conscience of the nation can be expressed on the vital issues which assail us". And even Mr. Mackenzie King said during the war, and it is quite a move from Churchill to King, that it was a help, rather than an embarrassment, to have parliament involved.

So I say that the minister would have been far wiser, faced with an issue so delicate, where the dangers were so great, where the country was so uncertain, had he asked the House for its advice. He would have found every member in this chamber prepared to set aside partisan differences and deal realistically, honestly and decently with the question as to what Canada should do. There are dangers ahead and the government would have found itself strengthened had it confirmed its mandate by consulting with the people's representatives. We cannot go back on the decision which was taken, but my hon. friend from Saint-Hyacinthe has provided an opportunity for the government to assert the Canadian point of view, to strengthen the decision taken, to bring a greater degree of involvement, integration and understanding on the part of this country of what, let us face it, will be a protracted and, I am afraid, extremely difficult undertaking for many, many months ahead.

• (2030)

Not for one moment do I accept the idea that this country, and this country's representatives in Indo-China, can at some time hence, 60 days hence, casually say, "Well, the period has expired. We will go home." How, in the name of heaven, could we present ourselves to the international community under those circumstances? All these things should have been considered much more carefully.

I do not want to be critical of the Minister of National Defence (Mr. Richardson). He is probably one of the most thoughtful, pleasant members of the cabinet and is trying to do his best. But I was not impressed when he was asked the question, "What should our boys do if confrontation came up?" and he replied, "Duck." This is hardly a thoughtful observation in a very serious situation.

I have said that we have taken the course. Now we have to make the best of it. I am not sure that eternally it is the course of wisdom for the Canadian government to say to every country and on every occasion, in Dickens' words, "Barkis is willing'!" or, as the Old Testament used to say, "Here am I, Lord. Send me." Perhaps a little more thoughtful observation might have been entered into, and considering what happened in the ICC, someone might have pondered whether or not on this particular occasion we were exercising the finest of wisdom on our own behalf and on behalf of world peace to say immediately, "We will go. Just call us."

I would like to say, Mr. Speaker, that one of the advantages of being a veteran—although I represent the cradle of confederation, I am not a father of confederation albeit some people think I look like one—is that I was here in

1964 when we were faced with the grievous challenge and the threat of Cyprus, a fellow member of the Commonwealth, a place from which the crackle of war could be heard thousands of miles away.

At that time the government was able to ascertain the views of parliament and to rest its case upon the people's representatives. And the people's representatives moved. This afternoon I was reading the eloquent speech given on that occasion by my former leader, the right hon. member for Prince Albert (Mr. Diefenbaker), who stated clearly that our party and, as he rightly said, the people of Canada would do their part to have Canada assist.

I would commend the amendment of my colleague the hon. member for Saint-Hyacinthe (Mr. Wagner). It clearly indicates that this is the way things should be done. I would implore the Secretary of State for External Affairs, who with all his faults is not a bad man, who wishes well for Canada and does his best for Canada, to take, adopt and accept the amendment so eloquently put forward by my colleague so that the people of Canada will know that the Canadian people's representatives have expressed themselves thoughtfully, with due consideration, on this important path which is hazardous, uncertain and divisive. And I appeal to my colleagues in a great gesture of Canadian unanimity to support what my colleague so eloquently and so thoughtfully has put before us all.

[*Translation*]

Mr. Georges-C. Lachance (Lafontaine): Mr. Speaker, in the 1970 review of its foreign policy, the government stated the following as recorded on page 20 of the English version of the booklet on Canada's Pacific involvement and I quote:

> When peace comes to Indochina, Canada, without diminishing its existing aid programme in the area, will wish to play its full part in special programmes of rehabilitation aid necessitated by the prolonged hostilities. The Government will be ready to move to meet immediate relief requirements and to make a contribution to longer-term reconstruction efforts.

As stated in this House last week by the Secretary of State for External Affairs (Mr. Sharp), Canada is also anxious to participate in the immense task of assisting and rebuilding Viet Nam and although the government is still in the dark as to what it will be requested to do and as to how any extended Canadian program could be related to the efforts of other countries and of international organizations, I think we shall be willing and ready to contribute to this task through all of Indochina.

Therefore, if I am not mistaken, the government, from the remarks made by the Secretary of State for Foreign Affairs is considering helping the Vietnamese people restore their economy destroyed by war, and also helping to cope with the individual and social needs of thousands of people who have been torn away from their home, who have been displaced and who are now actually refugees often in their own country.

It seems that the government's intention is to contribute to the assistance and rehabilitation operations in Viet Nam after the war is over. They have repeatedly proclaimed this intention over the last few years.

I think the words I just quoted from the review of our foreign policy are, in my opinion, an official statement. Canada should be willing to extend any assistance we are in a position to supply to the Vietnamese people and to Indochina generally. However, in view of the uncertainty surrounding the general situation in that part of the world, it is premature, I believe, to stipulate the exact amount in dollars of the assistance we shall be supplying or shall be able to supply to the countries forming Indochina during the post-war period.

I understand that Canada plans to supply some types of assistance and to continue its current programs in that region of the world. But it goes without saying that the extent of Canadian assistance must, as much as possible, be in keeping with needs which it is not yet possible at the present time to identify or determine accurately.

Following remarks made yesterday by the hon. member for Fundy-Royal (Mr. Fairweather), I should also like to point out that since 1955 Canadian development assistance to South Viet Nam has amounted to very little, for many reasons, namely some $14 or $15 million. This assistance was mainly of a humanitarian and social nature and was particularly geared to the areas of paramedical rehabilitation, of training and of assistance by way of food and shelter.

During the current fiscal year, Canada is supplying $3,100,000 worth of assistance to the Republic of Viet Nam, Laos and other neighbouring countries. In this regard, we must clearly consider that the implementation of the Canadian program was facilitated by our linguistic resources.

[*English*]

As I mentioned earlier, the level of the present requirement for outside support for the reconstruction effort in Indo-China is unknown. One dominant consideration in determining Canadian aid levels is the amount of assistance which can be expected from other donors. In addition, the government will wish to consider that because of its participation in international observer arrangements in Viet Nam, even for the initial 60 days only, it will be spending a substantial amount of money which might have a bearing on the aid funds we could provide. Therefore at this time, with so many imponderables, it would seem preferable and in fact more realistic for Canada simply to reaffirm its intention to provide assistance for relief and reconstruction, rather than to set any specific sum or target.

• (2040)

In any case, we must bear in mind that a number of factors which are intrinsic to the current situation in Indo-China will place limits upon the capacity of the recipients in the area to absorb dramatic infusions of aid. Recent events have demonstrated that those countries may in the short run be preoccupied with a variety of problems other than reconstruction and long-term development programs. We must also take into account the institutional capabilities and capacities of the governments concerned to identify and carry out the tasks of reconstruction and development.

From the point of view of the donors, there remain basic unanswered questions. One question which will have to be resolved is the need for co-ordination of effort. This is vital, as was recently shown in Bangladesh. But in the case of Indo-China no fully effective co-ordinating

organization is yet in place. This also raises a unique consideration for Indo-China, namely, the willingness of North Viet Nam to accept the possible involvement of international development agencies operating on its territory to administer multilateral aid. The same consideration may also apply in any bilateral context.

[*Translation*]

It should be noted that in view of the financial limitations of the governments in that part of the world, that is Indo-China, the donor countries may have to set up extended programs to finance local expenditures if they want to achieve an efficient reconstruction program.

Indeed, and this is readily understood, there is no administrative mechanism at this time in that part of the world that could really launch a vast program. In addition, as I have already mentioned, the requests for assistance from Canada will have to be weighed against its present role as observer and those it may have to assume eventually in Laos and even in Cambodia.

Neither the extent, nor the duration of these needs, Mr. Speaker, have been identified yet. All these factors involve difficulties which are easy to understand, and perhaps even restraints on the Canadian program of assistance for the reconstruction of this part of the world which is commonly called Indo-China. However, the need does exist and one cannot deny it. Perhaps we shall have to wait quite a long time, unhappily, before long run projects are developed. To be realistic, we must now be satisfied with short-term projects, and I guess that the government will concentrate its efforts in areas where Canada has already proved that is has experts, resources, etc. These areas could be the following ones: supplies, including drugs and auxiliary medical services,—that is what has been done in the past in that country—shelters, emergency food for displaced people, medical equipment and aid to the organization of medical services, which will surely be necessary—as well as cheap basic building materials. After this war, it will surely be necessary to erect new buildings, as and when priority needs are identified. We will have to give our support to strengthen administrative, social and educational institutions.

Finally, we could concentrate our efforts on reconstruction and long rung economic development projects, as soon as they are identified, and that Canada decides that circumstances make it possible to carry them out and provide us with an efficient role to play. In view of the dislocation of the economic system, problems caused by this war and the unemployment one may expect especially in South Viet Nam, as a result of all these tragic events, labour intensive programs and projects will certainly have a particular importance and should be granted first priority.

[*English*]

Mr. Speaker, I have tried in these few minutes to emphasize that for Canada, as for other countries, mounting an effective and distinctive contribution for reconstruction and rehabilitation in the countries of Indo-China will be neither simple nor easy. It will present serious problems from the point of view of the recipients as well as the donors. The need is there. But simply pouring in resources will clearly not suffice. A considerable amount of planning and co-ordination is necessary. For the long term, some of the basic elements required for effective planning and implementation are still uncertain and difficult to determine. Therefore, initially I believe we should concentrate on reinforcing the present ongoing Canadian program while actively exploring the possibilities for future assistance.

[*Translation*]

Mr. Speaker, Canada recognizes that Indo-China is in dire need of assistance. After all that was said today, I would add that we have at all times accepted our international duties and responsibilities in the past. I am hopeful that the people of Canada still want the government to co-operate with the Indochinese people towards the edification of a brighter future.

Because of its experience in peace-keeping, Canada must show leadership, Mr. Speaker, and that is what the world expects from us.

I can hardly share the opinion of the hon. member for Saint-Hyacinthe (Mr. Wagner) when he suggests—if I understood him correctly—that Canada has started on this venture without taking the necessary measures of carefulness, security, and without the usual necessary safeguards.

The hon. member for Saint-Hyacinthe is concerned about Canada's credibility. He should keep a count of the praise Canada has received on several occasions from the major foreign powers and international organizations, such as the United Nations, as well as from all the Secretary Generals of the United Nations and, even recently, in the report of the Secretary General on the Cyprus operations, at the General Assembly, on December 1, 1972.

I complete my remarks, Mr. Speaker, by suggesting that the government should refer to the report of the Standing Committee on External Affairs and National Defence tabled in the House in June 1971 following an extensive examination of international development assistance in the white paper on foreign policy for Canadians, examined by a sub-committee that I had the honour to chair.

I hope that the government will draw its inspiration from the recommendations of the above-mentioned report which was unanimously accepted by all members of the committee in which were represented all the political parties of the House.

I hope that the government will take inspiration from these recommendations to provide all possible assistance to that area of the world, Viet Nam, Laos, Cambodia, in order that Indo-China get over that unhuman and terrible conflict and proceed with restoration and development.

• (2050)

[*English*]

Mr. Reg Stackhouse (Scarborough East): Mr. Speaker, I think it is important that the House recognize the way in which the present debate has a context larger than the involvement of a peace supervisory mission in Viet Nam for a limited period of 60 days. Indeed, that context must include Canada's potential long-term commitment in Southeast Asia. It is true that we have a small contingent there for a very limited time. But who is to say with absolute assurance that the numbers will not multiply and the days lengthen? For example, we have been in Cyprus

for many years. The cost of our contingent there, over and above pay allowances, has been $6.5 million. We may reckon that is a small dollar cost in relation to the achievement, but the experience is still instructive as to the magnitude an involvement may take on when we enter on an overseas mission.

In 1964, for example, when this House was debating the sending of a peacekeeping force to Cyprus, the then secretary of state for external affairs was asked if the Canadian force would be in Cyprus any longer than a matter of months. He replied that the resolution provided for a limitation of three months. He went on to say that he suspected, of course, that in the light of events this would be open to review but that a limited period of three months was provided in the resolution. That was in 1964, and in 1973 we are still there. Of course, we should be there. However, I point to that experience to indicate the way in which we may enter into an overseas commitment believing it will be small in size and short in duration, but then be surprised by the way in which circumstances lead us on. That is one of the reasons why parliament, being the elected representative body of the nation as a whole, must have a voice—indeed a deciding voice—whenever there is proposed a long-term commitment of Canadian personnel overseas.

We recognize that the government had to act swiftly in this instance and it had to be free to act largely on its own in order to send a peace supervisory mission to Viet Nam. However, before the 60-day period, which is part of the government's arrangement, expires there will be adequate time for the government to come before parliament, to report to this House on what has happened in Viet Nam and to consult with parliament on the implications of a long-term commitment, if such is deemed necessary. I recognize that the government must have some kind of primacy in external affairs, a primacy which may not be granted in all areas. However, primacy does not mean monopoly. Parliament does have a role. That role must include consultation before any government undertakes a long-term commitment of our armed forces overseas.

Some hon. Members: Hear, hear!

Mr. Stackhouse: Indeed, the principle behind that which we are debating tonight goes back a long way in parliamentary history. The tension between the executive and the legislature over authority in foreign policy goes back at least to the Stuart kings of the seventeenth century. I suggest there might be some parallels between those kings and the present government. However, we believe, in the twentieth century, that it should be accepted as a commonly acknowledged principle that none of our armed forces will be committed for long term service overseas without the authority of parliament.

As support for that principle I could cite that eminent leader of Canadian public life of almost half a century ago, Arthur Meighen. May I, instead, repeat the words of another great prime minister, W. L. Mackenzie King who speaking in this House in 1938 said we may take the position that parliament will decide upon our course when and if an emergency arises, in the light of all the circumstances of the time. His critics may suggest that Prime Minister King used the doctrine of parliamentary supremacy in external affairs only when that suited his purposes. I think we must allow that any prime minister must adjust to circumstances. Of course, we have seen how a prime minister in the last three months can make a great many adjustments.

We recognize generally that there was something profound in the kind of policy Mr. King tried to enunciate, namely, his effort to assert the supremecy of parliament as a countervailing balance to what he feared would be the domination of the British cabinet, the League of Nations, or some other power outside Canada. That kind of hazard has largely passed. Unfortunately, we are still in danger of being dominated unnecessarily, against the interest of the people of this country, by our own cabinet.

An hon. Member: Right on.

Mr. Stackhouse: We must fear the danger of the cabinet thinking that it has an absolute monopoly in external affairs. In the interests of the people of this country we must assert the role of parliament in external affairs.

Some hon. Members: Hear, hear!

Mr. Stackhouse: After all, not only do the people pay with money; they may pay with blood when we enter into commitments beyond our shores.

In the United States, for example, the president having assumed an absolute control over foreign policy and military policy, a control so great that the checks and balances asserted historically by the United States Senate have now all but been eclipsed, the United States government has been able to send over half a million troops to Viet Nam to wage brutal war, without needing to obtain any congressional declaration of war, without seeking any greater support than the Gulf of Tonkin resolution, and without needing to acknowledge even that there was a war in Viet Nam until peace was signed.

We would not in any way suggest that the government of Canada is anything but circumspect as it assumes this new role in Viet Nam. However, we suggest that the government of Canada would show a great deal of prudence if it were prepared to come to parliament and submit the results of the venture which it has undertaken in the name of Canada. When the 60-day period is over, or even before it is over, I hope it will seek authorization from parliament for what it would wish to undertake in the future.

We think, as challenges arise in this troubled part of the world and as they may develop in other troubled parts of the world, that parliament, as Prime Minister Mackenzie King said a generation ago, ought to decide our course. Twice in the last quarter of a century it has been Canada's role to send peace supervisory missions overseas and this has been done by order in council.

Mr. Sharp: But not the ICC.

Mr. Stackhouse: In both instances there was debate in this House following such order. We submit, Mr. Speaker, that that kind of debate, that kind of thorough discussion is fundamental to the right conduct of Canada's role in the world at large.

Viet Nam

• (2100)

In 1964, in the Cyprus debate, the then leader of the opposition, the right hon. member for Prince Albert (Mr. Diefenbaker) said: "This action tonight is but one more step in the constitutional development and final establishment of the principle that we in this nation will not send our troops abroad without a decision by parliament." What we are asking is that this principle enunciated and upheld by distinguished leaders of more than one party and from both sides of this House should be recognized again. We invite members of all parties, including the government, to adhere to this principle once more and to say that again in this instance it will be parliament that will decide our course.

Some hon. Members: Hear, hear!

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I welcome the conclusion of the agreement on ending the war and restoring peace in Viet Nam. One really does not have to spend a long time recalling the horror, devastation, brutality and futility of the long drawn-out war to be wholeheartedly in favour of steps to restore peace in Viet Nam. No doubt the agreement contains a lot of vague undertakings and ambiguous phrases. Nevertheless, it is an instrument by which it is possible to restore peace. I therefore support any Canadian initiative or any reasonable step designed to make the agreement work. For this reason I support Canada's participation in the International Commission of Control and Supervision.

It is not difficult to be sceptical. The agreement has been described as a fragile document, and so it is. It has been frequently said, and indeed it is obvious, that the good faith of the immediate parties to it is fundamental to its success. But given that good faith, I believe we should not be without hope that the agreement can be an instrument of establishing the general peace in Southeast Asia. I think it is essential that the four conditions laid down by the Secretary of State for External Affairs (Mr. Sharp) be strictly adhered to and, as has been indicated by my leader in this debate, we in the New Democratic Party believe that certain other conditions should also be included.

There are two reasons for insisting on conditions. One is that the safety of Canadian personnel committed to the international commission is our responsibility, and conditions must be established to give reasonable security for their safety. Second, it is important that the commission be able to do the task assigned to it. We cannot afford to repeat the classical history of the International Control Commission which remained in being long after the parties had torn up and totally disregarded the agreement which they were supposed to be supervising. Indeed, it is that history that is responsible, in my judgment, for so much of the reluctance and doubt of the Canadian people about taking part in the present observer team operation.

However, I propose to concentrate my remarks on what I think is a vital condition required to demonstrate the good faith of at least one of the parties to the agreement, and essential if Canada is to continue to participate in the operation. I refer to the plight of the 200,000 or so civilian political prisoners detained in pitiful conditions in South Viet Nam. The subject has already been mentioned by the hon. member for Fundy-Royal (Mr. Fairweather) and I wish to develop it.

Reliable sources, including representatives of the World Council of Churches, Amnesty International of England, and the Friends Service Committee have painted the picture in sombre colours. I take my account from the report of one David Tecwin made to Amnesty International of England on December 8, 1972, which says that underfed, overcrowded and often held in pitiful conditions, the civilians detained in South Viet Nam probably number well over 100,000. In addition, there are 40,000 prisoners of war held in Phy Quoc, an island off the south coast of Cambodia.

Many of the civilians are communists or communist sympathizers not eligible for prisoner of war status under the terms of the 1949 Geneva convention. Many are neutralists, members of that large section of the political community that does not wish to be governed by the National Liberation Front, the Viet Cong, nor by the current régime of President Nguyen Van Thieu. But a large number of those behind bars are simply the unlucky ones, men, women and children detained without trial because they were found in areas overrun by the communists and retaken by government forces. They are not interested in politics. Caught up in the mess of war, they happened to be in the wrong place at the wrong time.

Their plight is illuminated in a series of letters smuggled out of the largest and most notorious of South Viet Nam's civilian prisons, the huge camp complex on the island of Con Son off the southeast coast. Con Son prison made headlines two years ago when two American congressmen stumbled across the human "tiger cages". These are pits in the ground and are still in use. "Difficult" cases are, reportedly, still shackled inside and disciplined by having powdered lime poured down on them.

The smuggled letters describe with little evident emotion the chaos and confusion that reigned in Con Son in recent months as the fighting dragged on. In many prisons and interrogation centres spread throughout the country, torture and physical ill-treatment are common. Detailed reports have been received of the beatings, electric shock treatment and other more sophisticated methods used in the interrogation and detention centres in the country.

When I was in Hanoi I had the opportunity to talk to persons who had escaped from these detention centres and who gave their accounts of systematic torture. The agreement on ending the war contains certain references which establish, I believe, the responsibility of the government of South Viet Nam to release these civilian prisoners. It also establishes some responsibility on the part of the International Commission of Control and Supervision.

The agreement, of course, provides—and we rejoice in this—for the release of United States military personnel within 60 days, and this process is already under way. Article 8 of the agreement also provides for the return of Vietnamese civilian personnel captured and detained in South Viet Nam. It provides that this question will be resolved by the two South Vietnamese parties on the basis of the principles of article 21(b) of the agreement on the cessation of hostilities in Viet Nam of July 20, 1954. It goes on to say the two South Vietnamese parties will do so; in

other words, deal with the question in a spirit of national reconciliation and concord, with a view to ending hatred and enmity, in order to ease suffering and to reunite families. The two South Vietnamese parties will do their utmost to resolve this question within 90 days after the cease-fire comes into effect.

• (2110)

Article 11 provides that immediately after the cease-fire, the two South Vietnamese parties will: (a) achieve national reconciliation and concord, end hatred and enmity, prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other; (b) ensure the democratic liberties of the people: personal freedom, freedom of speech, freedom of the press, freedom of meeting, freedom of organization, freedom of political activities, freedom of belief, freedom of movement, freedom of residence, freedom of work, right to property ownership and right to free enterprise.

It may surprise members of the House to know that such sweeping provisions were in the agreement that was signed. It must be admitted that these provisions sound somewhat utopian, but nevertheless they are part of the solemn agreement of the parties and it is obvious that the detaining of political prisoners and of those victims of the war who are not even political prisoners and have committed no offences is quite inconsistent with the spirit of the agreement.

Article 12 of the agreement provides for the setting up of a National Council of National Reconciliation and Concord of "three equal segments". The agreement does not define what the three segments are, but presumably they include the representatives of the National Liberation Front, the representatives of the Thieu regime in Saigon and the Third Force, largely consisting of buddhists and other religious elements. Obviously, if the Third Force is to be free to function as part of the National Council of National Reconciliation and Concord the detention of many of its members cannot be continued if the agreement is to be applied in good faith.

There is a protocol to the agreement concerning the return of captured military personnel and foreign civilians and captured and detained Vietnamese civilian personnel. The articles of this protocol which refer to Vietnamese civilian personnel are articles 7, 8 and 9. Article 7 reproduces from the terms of the main agreement the proviso that the question of the return of Vietnamese civilian personnel captured and detained in South Viet Nam will be resolved by the two South Vietnamese parties on the basis of the principles of article 21(b) of the agreement of July 20, 1954, which reads as follows:

> The term "civilian internees" is understood to mean all persons who, having in any way contributed to the political and armed struggle between the two parties, have been arrested for that reason and have been kept in detention by either party during the period of hostilities.

Subsection (c) of article 7 of the protocol provides that within 15 days after the cease-fire comes into effect the two South Vietnamese parties shall exchange lists of the Vietnamese civilian personnel captured and detained by each party and lists of the places at which they are held.

Article 8 deals with the treatment of captured persons during detention and provides:

> All captured . . . foreign civilians of the parties shall be treated humanely at all times, and in accordance with international practice.

They are to be protected against all violence to life and person, in particular against murder in any form, mutilation, torture and cruel treatment, and outrages upon personal dignity. They are to be given adequate food, clothing, shelter and the medical attention required for their health. They are to be allowed to exchange postcards and letters with their families and receive parcels.

The same provisions apply to all Vietnamese civilian personnel captured and detained in South Vietnam.

By article 9 it is provided as follows:

> (b) To contribute to improving the living conditions of the captured and detained Vietnamese civilian personnel, the two South Vietnamese parties shall, within fifteen days after the cease-fire comes into effect, agree upon the designation of two or more national Red Cross societies to visit all places where the captured and detained Vietnamese civilian personnel are held.

Under article 18 of the agreement the International Commission of Control and Supervision is also given certain responsibilities in this regard. Under article 18(c) it is provided that until the international conference makes definitive arrangements the International Commission of Control and Supervision will report to the two South Vietnamese parties on matters concerning the control and supervision of the implementation of the following provisions of this agreement. Included in these provisions is article 8(c) regarding the question of the return of Vietnamese civilian personnel captured and detained in South Viet Nam. It seems to me that these provisions impose a responsibility on the international community as well as on the parties to ensure that the provision in the agreement respecting civilian prisoners is carried out.

Article 19 of the agreement calls for the convening of an international conference within 30 days after the signing of the agreement to guarantee the ending of the war, the maintenance of peace in Viet Nam and respect for the Vietnamese people's fundamental national rights. Canada is one of the parties to participate in this conference. I would urge upon the Secretary of State for External Affairs (Mr. Sharp) that the question of the plight of civilian refugees be brought before the conference and included in the agenda. The present intolerable conditions to which I referred earlier in my speech continue, notwithstanding the agreement. The moral authority of the whole peacemaking effort will be undermined if this situation is allowed to continue.

These provisions in the agreement, accepted by all parties, must be lived up to and Canada's participation in the supervision and control commission gives Canada a special responsibility on behalf of the suffering and innocent persons who have been detained. No doubt there will be difficult questions. It may be that it will be claimed that some of the people detained are detained for civilian offences and are not covered by the agreement at all. But this must not be allowed to rest on mere assertion. Adequate machinery should be set up to look at the actual facts and to obtain the release of those who are in fact not criminals but political prisoners or victims of the war. It

would be nice if problems like this just disappeared and we could close our eyes to them, but these humanitarian problems will not disappear unless action is taken to solve them. We are committed to our part in seeing that this is done.

As the hon. member for Fundy-Royal (Mr. Fairweather) mentioned, a section of the Canadian people have already shown their concern. An international committee to free South Vietnamese prisoners has been formed which includes officers from the Canadian Friends Service Committee, the Canadian Council of Churches, the Anglican Church of Canada, the United Church of Canada, the Voice of Women and, I have no doubt, many others. They will be making their representations to the government and no doubt they will be heard as speaking for the conscience of the Canadian people.

I want to add one other observation. May I say a word about the amendment of the hon. member for Saint-Hyacinthe (Mr. Wagner). I wholeheartedly support that amendment. It seems to me that an important decision on Canada's intervention in international affairs should be made by parliament, not by the executive alone. I think there is a basic question of principle involved here, and for this reason I would support the amendment.

Mr. Leonard Hopkins (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, first of all I think it would be very appropriate if I extended my congratulations to the hon. member for Fundy-Royal (Mr. Fairweather) for the high level of the speech he made in this House prior to the dinner hour. Obviously he has a great deal of background information and knowledge of this subject.

I should like to commence my remarks with a quotation that I think is very apropos. It is entitled "Peace":

> The quest for peace is as old as mankind. For countless centuries man struggled to secure first his home, then his village, then his city. It is the unique heritage of our century that men must strive for a secure world.

• (2120)

Like many other hon. members of this House, it is with a great deal of satisfaction, a great deal of thankfulness and a very deep interest that I rise to participate in this debate on the ending of the war in Viet Nam and Canada's role in observation of that area in particular; it is also with a very deep sense of pride and tremendous respect for the individuals who have represented Canada abroad over the years of Canadian history when we have participated so actively in international affairs both at the diplomatic and the military level—and in most instances both have been intertwined. Those are only a few reasons why all of us should have an intensive appreciation for the role and the capabilities that Canadians have displayed in the past and which are still being displayed today.

As I started out to draft my speech for this debate I could not help but realize what a proud and satisfying moment this would have been for that great Canadian diplomat, soldier and statesman whom we lost just a short time ago in the person of the late Right Hon. Lester B. Pearson. We can look back over the years of our history at his many great accomplishments in bringing warring peoples together, bringing them to the conference table to discuss the issues face to face, always in the best interests of humanity. We can recall many instances of somewhat the same nature as the present situation and the past situation in Viet Nam where his hand played a leading role in bringing disturbances in particular areas of the world to the same stage, hoping for the continued peace that we have in Viet Nam today.

It behooves all of us on both sides of this House, and it is the responsibility and should be the dedication of every Canadian, not only to retain the great image this nation of ours has had in world affairs in the past as a middle power and as a leading nation in the field of diplomacy, but to approach even greater respect, decor and success in the bringing about of peace. The major role of peacekeeping and truce supervision by our armed forces deserves much worthy and sometimes unsung respect. As parliamentarians, this is our challenge and our duty. Let us not take our eyes away from the subject of the world for a single moment.

All of us have heard comments from time to time, when issues of peacekeeping duties and international negotiation become the topic of the day, that these are too costly for us to undertake, that at times we spread ourselves too thinly and that we should not be participating to such a great extent in the problems of other peoples of the world at a time when we have problems of a more domestic nature. Domestic problems will be with us for decade after decade no matter what government or which men sit in the seats of power in this House. The scriptures tell us there will be wars and rumours of wars. This has in fact been so over the past years of world history and there is no particular reason for any of us to be so naive as to think it will suddenly stop.

Therefore, we as a responsible government and as a responsible parliament must consider each troubled spot in the world on its merits and decide what we can do to ease the situation and to prevent more suffering. To those who complain about the cost of our peacekeeping duties and other major responsibilities at the international levels of the world, I can only ask whether they prefer to pay for an attempted peace, whether they are prepared to pay for the retention of peace, whether they are prepared to pay for the future peacefulness of other nations of the world, or whether we on the other hand are going to go to our various churches each week, call ourselves dedicated Christians, dedicated members of the Hebrew faith, or dedicated members of any faith, and talk piously about peace and about being our brother's keeper and then go out during the week and take a "couldn't care less" attitude toward the major responsibilities of other peoples throughout the world.

Many of us in this House can remember the days when missionary societies used to come around from door to door to collect money to buy clothing and food for poor children in what were then the distant continents of Africa, Asia, South America, etc. Surely today, as we participate as an observer group and as people who are attempting to promote peace in an area of the world that has known nothing but war and devastation for years, we are to a great degree displaying an attitude of man's human feeling and sympathy for his fellow man and for a

policy that we, as a peace loving nation, must continue to promote at all times and be prepared to contribute toward to the greatest possible degree in order to prevent minor struggles or greater than minor struggles from romping home into a theatre of full-scale world war and devastation.

The human suffering that the expertise of our Canadian military observers and peacekeeping corps have prevented on many occasions throughout the world can never be, and will never be measured in accurate terms, or in terms of measurable success. But our services in Kashmir, Korea, Palestine, Viet Nam and Laos, Egypt, Lebanon, the Congo, Cyprus, New Guinea, Yemen and Gaza can certainly be fully and favourably assessed by any sympathetic, understanding individual.

This is why I say that such achievements cannot and must not be measured in terms of dollars and cents. Surely the dedication of our diplomats and, indeed, the people in this House over the years, and in particular the members of our Canadian armed forces, is of extreme importance to the Canadian nation in international affairs at this time and we will continue to uphold the major roles we have played in those areas of the world which I have mentioned.

Perhaps I should state at this time that I had discussion with some of the members of the armed forces I knew personally before they went over to Viet Nam. They said this has brought about a feeling of importance to them as they feel they are doing something useful and are glad to be called upon to act on Canada's behalf and to keep up our image abroad.

I do not intend to deal with the dollars and cents aspect of the Canadian contribution to the ICCS. This matter has already been covered in the House and during this debate. It must be realized that the members of the armed forces, the aircraft and the ships are for the purpose of maintaining peace. They are being used for this precise purpose now. The Boeing 707s the Hercules of air transport command and the ships of the maritime command are today performing the basic function for which they were acquired some time ago.

We are always glad to call upon our forces in times of crisis, but there are some who have a tendency to forget their importance in between these crisis roles. The fact that our forces have performed many peacekeeping duties and observational duties means they are not only serving their country well and representing the people of Canada abroad, but they are in fact playing a role that undoubtedly saves thousands of lives in maintaining peace and preventing destruction.

• (2130)

Dollars spent on keeping up our Canadian armed forces could never begin to match the cost of destruction which might have occurred if it were not for the expertise of our armed forces and their ability to do jobs abroad on the international scene. At all times we must be mindful of the extensive training our armed forces go through to prepare themselves for the duties they are performing in Viet Nam today.

The armed forces train in many different climatic areas of the world to adapt themselves, adapt their equipment, and gain first-hand information on how to handle themselves if at any time during the course of a year they are called upon to go to similar climatic areas to perform observation or peacekeeping duties. Many people know that our forces have trained in Norway, in the Arctic, in Jamaica and in Australia. We have had observers and advisers in a military capacity throughout the world feeding information to the Department of National Defence. This information has been invaluable to the forces wherever they go.

This is what we talk about when we talk about expertise. Expertise to the armed forces does not mean just slinging a gun over your shoulder, wearing a pistol or being able to handle a particular piece of equipment. It also means that the forces are being called upon to be diplomats, to analyse exactly what is going on in an area of disturbance and to report accurately. They are there to observe and report on the implementation of the cease-fire agreement. They are not there for the purpose of becoming involved in a war.

Earlier in my speech I mentioned some of the areas in the world in which we have participated in efforts on behalf of peace. These missions have varied from membership of United Nations teams to tours as military observers, to peacekeeping in general. They include, of course, our participation in the international commission for supervision and control. Many of our men on the scene are experts in their own right and are quite capable of training those who are with them. In Viet Nam at the present time, out of the first group of 130 men, 20 officers and 22 men have had previous peacekeeping supervisory experience. Thus, 32 per cent of the first group already have peacekeeping experience. The others have been carefully selected.

In the second group of approximately 140, 21 officers and 4 men have all had previous United Nations peacekeeping experience. Experience counts, Mr. Speaker. As I say, 25 per cent of our military component in Viet Nam have had previous experience in the very duties they are being called upon to perform. Our Canadian forces received congratulatory messages from U Thant of the United Nations on the occasion of their leaving Egypt after ten and a half years service in that area.

At this point I should like to quote John W. Dafoe, who came from Winnipeg where he wrote for many years. In a speech to the Canadian Club there on April 8, 1919, he said:

> The making of peace is in fact more difficult than has been the winning of the war.

The making of peace in Viet Nam will be a real challenge to us as Canadians and to the other nations which are trying to bring it about. The following is a quotation from "The Eagle's Nest" by Ruskin:

> People are always expecting to get peace in Heaven but, you know, whatever peace they get there will be ready-made. Whatever making of peace they can be blessed for must be on the earth, here.

Let us hope that our armed forces are among those who are blessed on this occasion. We do not measure achievement by the size of the problem we are handling. In this particular case we shall measure achievement by the amount of progress we have made 60 days hence. In

closing, I should like to quote another great statesman, Sir Winston Churchill.

Mr. Stanfield: Who was the first?

Mr. Hopkins: He had this to say in the British House of Commons on July 13, 1934:

I have been trying to seek out for myself what would be the best way of preventing war, and it has seemed to me that the League of Nations should be the great instrument upon which all those resolves to maintain peace should centre, and that we should all make our contribution to the League of Nations.

We know that over the years since then we have time and time again attempted to maintain peace in the world. Our debate on Viet Nam today is just another example of this. What really should be emphasized in this debate should be emphasized in every debate on peacekeeping duty and on settling conflicts in the world. First of all, the prevention of the destruction of life and the destruction of property. Second, the fact that even though men far greater than we are have failed in the past, as the minister stated this afternoon, is no reason why we should ever stop trying.

I am sure we all extend our very best wishes for success to our Canadian contingent in Viet Nam. We hope they will be successful in bringing all parties together in an amicable manner. As a member who has a large military establishment in his constituency, I should like to extend my personal thanks to the Governor General, to the Prime Minister (Mr. Trudeau), to the Minister of National Defence (Mr. Richardson) and to the Chief of the Defence Staff for visiting Montreal on the weekend and giving our troops a good boost in morale before they left for Viet Nam.

I might add that the rumours we hear that this move by us has caused bad morale in the armed forces are rumours I cannot buy, because I have talked to members of the forces first-hand. If anything, it has increased morale in the armed forces; they feel proud to be called upon for duty and they feel they are performing a very useful role not only for Canada but for the world.

Some hon. Members: Hear, hear!

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I must remind the parliamentary secretary before he finishes collecting his notes that if the members of the Canadian armed forces who have gone to Viet Nam do have a reason to feel good, it is because of the contribution they are making. No other group of Canadians has been so neglected in the history of this country than these people by this government. They have been deprived of the resources for adequate training, operating under a frozen budget for the last four or five years. It is no wonder they feel good about having something to do. What is regrettable, as my distinguished colleague for Saint-Hyacinthe (Mr. Wagner) pointed out, is the haste with which and the confusion under which they have gone into what is in fact, a theatre of war.

• (2140)

Mr. Hopkins: There is no confusion with them. They are well organized.

Mr. Sharp: It is you who are confused.

[Mr. Hopkins.]

Mr. Forrestall: It is regrettable. I would like to remind the Secretary of State for External Affairs (Mr. Sharp) that the government has made a deliberate decision not to let this matter come to a vote tonight.I would remind him that never before have Canadians been sent into a theatre of war without an opportunity given for an expression of opinion by the representatives of the people in this chamber.

Mr. Sharp: You are having your chance. Go ahead and express yourself.

Mr. Baldwin: We want a vote.

Mr. Forrestall: They are there to supervise a cease-fire, and I repeat that it is regrettable that the members of this House are not able to express an opinion. I do not mean express an opinion about the decision that has been taken. It is not in dispute. The government acted. It had to act. A basic decision was taken. What we are seeking is an opportunity for an expression of opinion by the people of the country on what happens in 60 days' time. I intend to sit down five minutes before ten o'clock to see whether anyone on the other side of the House rises to talk out this motion. If that happens it will be a matter of regret and shame, not only for the government benches but for the entire House. I would remind the cackling hens over there that this House is the voice of our country, not the 28 or 30 men who happen to sit on the executive benches. They took their decision. As I say, I do not dispute the necessity and urgency of their decision, nor do I question the confusion and uncertainty in which that decision was taken. I do not think anybody in the world does. As other hon. members have said, we welcome at least a semblance of determination to try and bring about a cease-fire in Viet Nam.

No one in this House or in the country has a greater love or deeper respect for the members of the Canadian armed forces than I do. But that is not what we are talking about now. We are talking about something else. I reiterate that it is now very apparent that members of the government do not want this matter to come to a vote, and I wonder why. We could go back to the war debates in 1914 and read the speeches of Sir Wilfrid Laurier, one of the great and distinguished Liberals. As a matter of fact, we should all re-read the speeches made in that extraordinary session of parliament. We should also read the speeches of our late and loved Prime Minister Pearson, speeches made so few years ago.

All of these men, throughout all the opportunities and challenges that Canada had to go out into the world and assist in the maintenance of peace, brought the matter to this chamber and sought its direction, its counsel, its support and guidance. It is a matter of regret that this parliament has not had that opportunity.

I wanted to rise tonight and say a few words about several aspects of Canada's participation in Viet Nam. I wanted to regret, as forcefully as I could, the government's decision that it was necessary to send a provocative instrument of war, fully armed and carrying, if you will, missiles into waters contiguous to Vietnamese waters. I just wonder what else it carries. I regret that that had to be done.

But I do not deplore the fact that contingency plans have been made to remove our troops in the event that hostilities are not to come to an end. There is no doubt that if hostilities do erupt beyond the point of control, beyond the point where the safety of Canadians and of other members of the supervisory commission can no longer be guaranteed by those who have undertaken to assure their safety, they should be removed.

Nobody would argue against the commitment of planes, ships and any other means necessary to get our troops out of Viet Nam in the event that that is required. What is regretted is the displacement to that side of the Pacific of an armed warship for the purpose, to use the words of the Minister of National Defence (Mr. Richardson), of an extended training cruise. Why could we not have sent a couple of 707s over there, or a couple of Hercules, to be located at strategic points? I will never know the reasons for sending that ship.

Like most Canadians, I remain deeply concerned about peace. There is not a member of this party that is not concerned about peace. But our concern runs a little bit deeper than apparently the concern of the government. This afternoon we heard words that were sincerely uttered, that were considered words. I quote from the remarks of our lead-off speaker in this debate, the distinguished member for Saint-Hyacinthe, that it is sad but true that our present situation in Viet Nam is precarious, and that in contradiction of his own statements laying out the ground rules for Canadian involvement, the Secretary of State for External Affairs made the one decision he obviously did not want to make.

There are two different points at issue here. The lessons we learned in our history of peacekeeping operations around the world have not been made any clearer than they were during our involvement in the ICC. There it was made abundantly clear that you cannot operate without clear direction as to what you are doing, the purpose for which you are there and the body to whom you should report. Even now we have not arrived at a satisfactory authority to which we can report. I hope that in 30 days' time we will be able to sort out this final problem.

Again I trust that the government will give the House an opportunity to speak tonight, to enlarge upon the things that we would like to see Canada's representatives discuss at meetings of the commission, things such as the plight of the refugees, the plight of the children, the restoration of North Viet Nam. All of these things we must participate in, and forcefully. We are in Viet Nam to oversee the truce.

• (2150)

It is clear now to the world, I suppose, that North Viet Nam and South Viet Nam are indeed one country and that the demarcation line was a temporary instrument. If this is true, we are not in Viet Nam only to observe cease-fire arrangements but to help reunite a nation, to help re-establish its people, to show that we are concerned, are willing and indeed want to help, and that if we do not help it will be on our conscience.

The interjections this evening from the Secretary of State for External Affairs were highly partisan and not called for in the context of this debate. There is not one man or woman in this House or in this country who does not share the ideals of those who would help to restore, and want to restore, a lasting peace to Viet Nam, who does not want to participate in the restoration of that country and the rehabilitation of its children, its institutions and its systems of democratic government or whatever type of government they choose.

We are not there as observers of the cease-fire alone: this must be kept in mind no matter what we do. Every act and every thought that is voiced by Canadians in that country will be watched and listened to. As has been said, they bear a great burden not only to observe the truce, the cease-fire, but as well in the role of men of good will working toward a lasting peace in that country. That is why the government, in the next four or five minutes, should permit this matter to come to a vote.

Some hon. Members: Hear, hear!

Mr. Forrestall: Let the people of this nation lend their strength and support to the government in this matter; let them express their will. We are asking only that the matter come back to the House prior to the expiration of the 60-day notice so that it may be debated. The government's failure to do that can only be construed as contempt for the voice of the people of this country who in their hearts all welcome the attempts at peace in Viet Nam and the role of the Canadian forces in helping to bring that about. Given the guidance and strength of this House, I think the troops that we have in Viet Nam will be the stronger.

Some hon. Members: Question.

[*Translation*]

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I find it extremely unfortunate, as I wanted to exercise my privilege, which is equal to that of any other member, that I cannot say at great length how happy I am to see the end of that terrible conflict in Viet Nam. I would have liked to give some background of Canada's participation in the International Control Commission. I would have also liked to inform the House about the various steps that some Liberal members, with the support of colleagues from other parties, have taken.

As for myself, I have brought my indirect contribution by helping young draft dodgers who believed that this war was immoral take advantage of this haven that Canada could appear to be at this time. I am referring to American draft dodgers whom we have welcomed to this country.

Mr. Speaker, I would have liked to elaborate on this and explain that I, a pro-American, have contacted the United States ambassador, for instance, last week to ask him to inform the White House of the happiness that I felt at seeing President Nixon take a historic step by ending the war in Viet Nam, and ask him also to consider the possibility, from now till the end of his term of office, of showing generosity and allowing these young Americans to return home.

Viet Nam

[*English*]

Is it the attitude of this member of the official opposition that it will be unfair for us to talk tonight? He said, in effect, "I will speak until five minutes to ten, and then you all shut up and we will vote". This coming from a member who sits in a party that always accuses us of arrogance, Mr. Speaker! I wonder what kind of arrogance these people display.

Some hon. Members: Hear, hear!

Mr. Prud'homme: It is my feeling that your party feels that they know best. Hon. members from the NDP, our friends, introduced a subamendment. Because there is an amendment, obviously they must introduce a subamendment. Their amendment says "or withdraw". Can you imagine, Mr. Speaker, our troops being under fire in Viet Nam and saying, "We must not withdraw". The cabinet, the government, the minister cannot withdraw because there is a resolution of the House that says, "If you want to withdraw you must have a debate in the House".

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Prud'homme: Mr. Speaker, I think it is unfortunate that the public might perhaps get the impression that we wanted to kill the debate. Members of the opposition would like to lay down the rules of debate in this House and decide until what time they can speak and whether we can speak or not. Mr. Speaker, I strongly object to that, because I believe that we have a right to speak as often as we want to if we think we must participate in this debate on such a horrible war, and we should also be grateful that our troops are the best ambassadors of charity, good faith and love. Mr. Speaker, I would wish—

[*English*]

Mr. Speaker: Order, please.

Mr. Baldwin: Mr. Speaker—

Mr. Speaker: Is the hon. member rising on a point of order?

Mr. Baldwin: Yes, Mr. Speaker. I would simply like to ask the minister if he is prepared to bring this debate back tomorrow, so that it can be concluded. Is this unfortunate motion doomed to wither on the vine as a result of spineless government action, or is he prepared to bring it back so that we can vote on it?

Mr. Sharp: Mr. Speaker, I think we have had a very useful debate today by all hon. members who have participated. It will of course, be for the House leaders to agree when it might be brought back again.

Mr. Prud'Homme: I rise on a question of privilege, Mr. Speaker.

Mr. Speaker: Order, please. It is after ten o'clock. The hon. member is rising on a question of privilege, but the Chair has no authority to entertain questions of privilege or points of order after ten o'clock. My duty at this time would be to leave the chair and go home, and invite hon. members to take up their points of order and questions of privilege at eleven o'clock tomorrow morning. If the hon. member has a question of privilege it will be entertained tomorrow at eleven o'clock, as will all points of order. At the moment we have very important business to attend to, the adjournment proceedings.

• (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

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

AIRPORTS—VANCOUVER INTERNATIONAL—PROPOSED RUNWAY—DATE OF COMPLETION OF EXPROPRIATION HEARINGS

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, I am pleased to see the Minister of Transport (Mr. Marchand) in the chamber tonight. I appreciate his presence. We have a problem in the area I represent. It is not his fault; he just having assumed the portfolio of Minister of Transport. The people of British Columbia believe that we need more and larger airports, and they are necessary. What the government must remember is that the people elect the government of this country. We are here to represent the people, and the views they express must be listened to.

I should like to review for the minister some of the problems that the people of Sea Island have encountered. They date back to October 11, 1967, when the member representing Burnaby-Richmond-Delta, Bob Prittie, received a letter from the then minister of transport which said, among other things:

> I can also assure you that at the proper time we will advise all property owners concerned of our intention, our land acquisition program and approximately how long they can remain in possession. The program will be arranged to ensure all property owners will have ample time in which to relocate and we will do everything possible to ensure disturbance is kept to a minimum.

That was in 1967. I now move on to August, 1972. The minister of transport of that time wrote the following in a letter to the people:

> Treasury Board has approved the expenditure of funds for the acquisition of the land and I am sure you will agree that in view of the timing for runway construction, expropriation is the most expedient and beneficial way of proceeding for all concerned.

I now come to a letter from the Prime Minister (Mr. Trudeau) to the people of Sea Island, dated September 23, 1972. He also used the word "expedient" and said:

> I am confident that the difficulties your Association has encountered will now be overcome and that expropriation can go forward in a fair and expedient manner.

It took only five years for the government to decide that it would become expedient. I now go back to May, 1972, and will read the report of what the hon. member representing the riding at that time said to the meeting of the residents of Sea Island:

"... the Cora Brown area will be taken in the next month," he said.

"... residents will be allowed to remain by renting their houses as long as they wish or until the DOT needs the land, which is not likely for another five years."

At that time he gave the citizens 12 hours to make up their minds. I leave that area and go to the bridge which is also involved in the expropriations in that area. I have mentioned the problems that we had with tolls. It took letters from the Chamber of Commerce in Richmond and over 40,000 letters from the city of Vancouver to convince the government we did not want tolls on that bridge. There are still piles of sand sitting there, as anybody who goes to Vancouver international airport will see. They were there for the purpose of the tolls and they must be removed. The government has let contracts for removing those piles of sand. The pillars are still sitting in the water; they have been sitting there for some time. A headline in a newspaper of the area reads, "How not to go about building a bridge".

The people were not listened to. The government has made all kinds of promises but there has been very little action. It let contracts for the bridge but we only have the superstructure at the south end. It is true that the hearings have not been completed yet on the south end, but as any engineer knows you cannot build a superstructure without knowing what you will end up with. People sold their homes in the Lancaster area and they were supposed to be removed. The men who bought them rented the homes to the people in the area and only after pressure were those people made to leave.

The greater Vancouver regional board today asked the minister, Bob Strachan, in Vancouver to approach the government and ask that construction of the bridge be stopped so that they could look at it. In conclusion, I want to talk about the environmental impact of what is happening. On January 16 the minister's parliamentary secretary said, as reported at page 388 of *Hansard*:

We do not plan to make any report to the expropriation hearing, but if questions are raised on these matters, answers will be given.

The questions were raised but the answers were not given. How can we decide whether we ought to build an airport there if we do not know what its environmental impact will be? Why take the houses of people before you really know? The hearings were mysteriously stopped today and adjourned until Monday. I plead with the minister to take some time out of his busy schedule and be in Vancouver on Monday morning at ten o'clock, at the opening of the hearing, to listen to the people. I will be there on Monday morning and I will not return until the minister does. He will not be missed in the House if there is a vote. I plead with him to do this. The people of the area deserve it. They have been having a hard time since 1967. It is time the government listened and found out what the people in that part of the country really want.

Mr. Joseph-Phillippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in answering the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) I wish to again make reference to my answer which the hon. member quoted a short while ago. It is found at page 388 of *Hansard* for January 16. The answer I will now make will give in detail what the minister meant as to what is being done.

The expropriation hearings involving properties required in the Burkeville area for road construction related to the Hudson Street bridge have been completed and the Minister of Public Works (Mr. Dubé) will be announcing the government's decision tomorrow.

The expropriation hearings with respect to the land required for the new runway at Vancouver international airport were started on January 29. It is expected that the hearings officer will commence proceedings with respect to the lands involved in the Cora Brown and McDonald subdivisions in the near future. As the hon. member knows, by law, the government, after reviewing the hearing officer's report, is required to announce its intentions by March 4.

The Minister of Transport (Mr. Marchand) is arranging, and in fact has arranged, at the beginning of next week to provide all interested individuals and groups with information concerning the expansion plans for Vancouver international airport, including the new runway which will be required by 1977. Today, a short while ago, the Minister of Transport confirmed to me that officials from his department have now left for Vancouver. They will be in Vancouver to answer all questions and to give information to all interested groups.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): Particular attention will be devoted to environmental and noise considerations which affect those closest to the airport. We are also aware that a broader spectrum of people in the greater Vancouver district and British Columbia generally will be interested in the plans envisaged to allow Vancouver to play its key role as an aerial gateway for western Canada, including domestic, transborder and international traffic. Let me assure you, Mr. Speaker, of the minister's concern in this regard. He has related this to me many times today.

Some hon. Members: Hear, hear!

MANPOWER—LOCAL INITIATIVES PROGRAM—REQUEST FOR ADDITIONAL FUNDS

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, last week I raised the question of more funds for local initiatives projects which had been rejected by the ministry due to lack of funds. On January 22 the minister's parliamentary secretary stated that the total number of LIP projects was 15,053, for a value of $480.5 million. He also stated that 5,000 projects, for a value of $148 million, have been approved and that the monetary allotment for LIP was expended.

From the popularity of the response for LIP grants, it is fairly obvious that this partial solution to winter unemployment is what municipalities and groups of unemployed feel is suited to their particular needs. Last October, just before the election, when the Prime Minister (Mr. Trudeau) saw the jump in unemployment he said he was puzzled and he further stated that maybe the solution was to attack the problem at the local level. Yes, the solution is at the local level and I give as an illustration the village of

Killarney in Nickel Belt, which has an unemployment rate in the winter of 40 per cent to 60 per cent. This community has put in six applications for LIP grants which would employ most of their unemployed. Only two have been approved.

• (2210)

Killarney is not an isolated case. The municipal leaders in my riding have been on the phone constantly to me asking why their particular projects have not been approved. I think other hon. members in this House have had similar experiences.

I quote from a letter sent to me by Mr. Paul Engstrom, reeve of the township of Ratter and Dunnet:

> Thank you for sending me a copy of the letter you wrote to the Honourable R. K. Andras, Minister of Manpower and Immigration regarding our LIP project No. K1421.
>
> January 8, 1973 Kona Construction commenced erection of the shell for the arena and community hall—completion date of eith weeks. At present 10 men are employed.
>
> Had we in any way anticipated there would be no grant, we would not have proceeded with this construction during the winter months. The higher costs entailed will devour the $5,000 our fund raising committee raised last year, holding raffles, dances, beer fest and canvasses.
>
> The men presently employed on our arena building would most probably be drawing unemployment insurance and a vast number of men have visited the site seeking employment.
>
> All money allotted by the government towards this project would be at least visible, that something had been accomplished. I wonder if that can be said of all projects that have been approved by government.
>
> I do hope the minister will reconsider, and allot us the same as other municipalities are receiving, in all fairness.
>
> Yours truly,
>
> Paul Engstrom (Reeve)

It seems to these people and myself that the government is more interrested in paying them unemployment insurance benefits than stimulating employment in their community. In Nickel Belt riding there were 35 LIP applications and only six have been approved. There are about 7,000 persons registered with the Sudbury manpower office, indicative of the high unemployment in our area. Yet only one-sixth of our LIP applications have been accepted. The unemployed of Nickel Belt, not unlike the unemployed in the rest of Canada want jobs, not "pogey" and certainly not welfare.

I therefore suggest to the minister that, if he is really interested in reducing the number of persons on the UIC rolls, he should appropriate additional funds, probably from other less popular make-work programs, for financing more of the LIP applications.

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, this matter is not within my jurisdiction and I apologize to the hon. member that neither the minister nor the parliamentary secretary is here this evening. However, I have taken note of what he has said.

Mr. Rodriguez: Just approve my LIP applications.

Mr. Marchand (Kamloops-Cariboo): Let me assure the hon. member that I will take this matter up immediately with the minister and the parliamentary secretary and give him the answers he requires as quickly as possible.

[Mr. Rodriguez.]

Mr. Rodriguez: You mean the approvals.

Mr. Marchand (Kamloops-Cariboo): The hon. member says "approvals." We would all like approvals for certain projects which we have, priorities that we as individual members have. As I say, I will provide the hon. member with the answers as quickly as possible.

[Translation]

SOCIAL SECURITY—OLD AGE PENSION—POSSIBILITY OF LOWERING AGE OF ELIGIBILITY TO 60

Mr. René Matte (Champlain): Mr. Speaker, old age security is indeed a question of the highest concern for the people of this country.

Recently I put a question to the Minister of National Health and Welfare (Mr. Lalonde) to find out from him whether the officials of his department were looking into the possibility of lowering the age of eligibility to 60.

The minister did not bother to answer my question and so I thought it was my duty to bring up the issue during the late show. Mr. Speaker, we are not here to play politics; nevertheless the silence the minister is keeping on this matter could be interpreted as a refusal to commit himself on account of political repercussions.

In fact, if the minister does answer in the affirmative, he will be agreeing with the Social Credit Party of Canada which advocated during the last election campaign, the necessity of lowering the eligibility age from 65 to 60. Conversely, if he replies in the negative, he will be revealing how little attention he pays to the claims of the people.

Mr. Speaker, if there is a political dilemma, it is out of place. I wish the minister would answer for the very simple reason that there is at the present time an absolute necessity for lowering the eligibility age. And I should like to mention three major reasons which, I think, support my plea of urgency.

Having studied hundreds of cases that were referred to us, we know very well that it is absolutely impossible nowadays to find a job at 60.

Mr. Speaker, when finding a job has become difficult even for young people aged 20 or 25, one must recognize that after reaching 60 it becomes impossible.

Those people are therefore unable to earn money. If people after 60 cannot find work, what else can they do? At the present time, they must apply to the Department of Social Affairs as far as Quebec is concerned. They are then given low hand-outs, since their needs are assessed—for example in the case of a couple of 60 to 65 years of age, $78 monthly, an amount which they must use for clothes and food as well as for small personal effects. In my opinion, the human being is being ridiculed.

If the old age security pension was granted at 60 years of age, we would settle the problem for all families where the head is 60 or over.

Mr. Speaker, there is another important argument: by allowing those people to draw an old age security pension,

those who are still working at that age, in spite of some difficulties, would leave their job to younger workers.

It would be a way of clearing the labour market and making more jobs available to the younger people.

For all those reasons, I think that it is urgent for the minister to tell the House at least whether his officials are considering the problem. The people are waiting. Every day, hundreds of letters dealing with this matter are received from Créditiste ridings. Personally I receive at least some twenty letters a week from people asking: When shall we have pensions at 60? So, I have to reply to them: "When the Minister of National Health and Welfare makes up his mind". This is why I would like the Minister to tell the people of Canada at least whether he has started considering the possibility of lowering the age of entitlement from 65 to 60.

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I have listened with great interest to the comment made by the hon. member for Champlain (Mr. Matte) on this matter which certainly concerns all hon. members as well as a great number of Canadian citizens.

He is wondering whether officials of my department are examing the matter or have done so. I believe there is nothing secret in this respect and if he did not get a reply in the House recently it was because of a technical or procedural problems and not because of a refusal or a failure on my part, since the reply I would have given at the time is that my department is indeed examing that matter, as it examines a great many others in the area of social security. In that field there have been many suggestions, hypotheses brought forward by all kinds of agencies, by politicians of all parties during the past few years and there is practically no subject raised in this country in the field of income security which has not been the object of careful and thorough study by officials of my department.

So, in this case, it is not merely a question of study; an important problem crops up with regard to the prohibitive cost of such a proposal. There is another important aspect to be considered and it has to do with that part of the Speech from the Throne dealing with federal-provincial relations. The fact that the provinces in some cases do not provide enough social welfare shows that at the present time they are having a hard time finding the money required. That is why we have called for the end of April a meeting where all aspects of social security will be reviewed. I think that before making any proposals in that field, I will surely have to consult with my provincial counterparts.

Furthermore, as early as to-morrow I shall attend a meeting with them and I am sure that the subject raised by the hon. member will be discussed.

• (2220)

[*English*]

Mr. Rodriguez: Mr. Speaker, I see the hon. parliamentary secretary is now in the House. May I have an answer to the points I raised earlier?

Some hon. Members: Agreed.

Mr. Deputy Speaker: I gather it is the wish of hon. members that the hon. parliamentary secretary to the Minister of Finance (Mr. Comtois) be recognized, and accordingly I now recognize him.

[*Translation*]

Mr. J.-Roland Comtois (Parliamentary Secretary to Minister of Finance): Mr. Speaker, my apologies to my hon. colleague for being a few minutes late, but I was held up at the committee that is now sitting.

I merely want to say that it is not particularly useful to bring up the government programs one by one as the hon. member for Nickel Belt (Mr. Rodriguez) just did a while ago.

He said that the government should assign more money to LIP. It may be true, but I too could name you dozens of programs to which the government could allot more money.

The hon. member for Nickel Belt said that we should reduce the old age pensions, health benefits or the pensions to the blind to devote more money to LIP.

One of the problems the government has to face when it listens to suggestions from members of the opposition or even from its own members is that it hears on the one hand those who say that the government should do more and on the other hand those who say that the governemnt should reduce taxes.

I think it is more useful and more realistic to consider government programs as a whole.

The local initiative program is part of the economic and fiscal policy of the government. The government lays down its priorities from suggestions coming from all sides.

I should remind the hon. member that the budget which the Minister of Finance (Mr. Turner) has promised to bring down very shortly will give him a good idea of the government's priorities for the years to come.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Friday, February 2, 1973

The House met at 11 a.m.

[*Translation*]

ROUTINE PROCEEDINGS

MISCELLANEOUS ESTIMATES

First report of Standing Commitee on Miscellaneous Estimates—Mr. Leblanc (Laurier).

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

* * *

[*English*]

CONSUMER AFFAIRS

CONTROL OF GASOLINE PRICES—EFFECT OF ACTION BY COMPANIES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I rise to seek the unanimous consent of the House pursuant to Standing Order 43. The urgency and pressing necessity of this matter arises, so I am informed, from present and combined activity by some, perhaps all, of the major oil companies to change thousands of contracts with retail gasoline outlet dealers. The new contract provides that ownership of all gasoline delivered by these distributors to the retail dealers will remain with the distributors instead of the retailers. This means that control of consumer prices for gasoline will shift from the retailer to the supplier. With present concern over the cost of living at the stage where price controls may be necessary, the effect of such private and concentrated control over the price of a product that is a necessity to millions of Canadians requires action by this House. With unanimous consent, I would therefore move, seconded by the hon. member for Vancouver South (Mr. Fraser):

That the matter hereby raised be referred to the Standing Committee on Justice and Legal Affairs and that it be an instruction to the committee to report back to this House as quickly as possible with its recommendations.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

[*Translation*]

SPORTS

MONTREAL OLYMPIC GAMES, 1976—STATEMENT BY PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, hon. members are aware of all the attention which this government brings to the financing of the Montreal summer Olympic Games of 1976.

More than four years ago, this government has clearly defined its position, namely that we would not make any special financial contribution to these games. In letters dating as far back as 1968 and since then, on the occasion of numerous public statements, Mayor Jean Drapeau has indicated that besides certain current federal-provincial programs, no financing was required on the part of the federal government.

While the organization of the games is the responsibility of the City of Montreal, the federal government has taken an interest in them by reason, on the one hand, of the international character of the undertaking and, on the other hand, of financing methods considered by the City of Montreal and the Olympic Games Organization Committee (COJO).

In fact, hon. members know that on announcing its $310 million budget last week, COJO proposed that except for the amount of $18 million, the total revenue expected be provided through fund-raising programs.

Although such programs are intended for the Canadian and the foreign public at large rather than the federal taxpayer as such, nevertheless they require the approval of federal authorities.

Besides the expenses covered by the City of Montreal budget, we must also expect that the Canada Olympic Games will cause disbursements for the various federal departments in the discharge of their usual responsibilities.

We are considering two main points: First, the government seriously wonders whether COJO can balance its budget. In November last, we received a copy of that budget and according to the appraisal conducted by federal officials, a deficit can be expected.

Mr. Speaker, may I stress that this is our own point of view. I know that the Quebec government and the Montreal municipality probably hold different views, which I respect. As concerns the cost of an event that belongs to a still distant future, of course, a possibility of disagreement exists but, as I said, we fear that a deficit might occur and this is one reason among others why we have taken precautionary measures with which I will deal in a moment.

Secondly, we fear that some unexpected contingencies might cause a considerable increase in the cost of the games, for this happened on the occasion of previous

Olympic Games and of Expo 67. This is why we intend to do everything possible to help the games' organizers maintain the cost at the lowest possible level, as they themselves have stated they will.

Such, then, are the main facts that led to my statement before the House last week, to the effect that we wanted assurance that, if there were a deficit, it would be made good by a body other than the federal government. This guarantee was to my mind essential if parliament was to be called upon to look into the action suggested by COJO with regard to plans to secure funds, plans that the City of Montreal calls plans for self-financing, which are more likely to call upon the general public than on the taxpayer as such.

• (1110)

[*English*]

Mr. Speaker, the government has now received a letter from the Prime Minister of Quebec containing a clear assurance that his government would not seek financial assistance from the federal government should a deficit arise.

The government has also received letters to the same effect from the city of Montreal and from COJO. With the permission of the House, I should like to table these letters now. The government considers that the agreements by Premier Bourassa in his letter, and by Mayor Drapeau and Mr. Rousseau in theirs, provide the assurances we have sought. Since we believe a deficit is a clear possibility, these assurances are important. These letters guarantee that any deficit would not be laid at the door of the federal government.

The government is now willing to act upon the request of the city of Montreal and COJO concerning the special issues of Olympic stamps and coins. And we are continuing discussions with the government of Quebec, the city of Montreal and COJO on the best way of answering COJO's request for an annual lottery.

Before I conclude, I would like to make very clear the nature of the federal outlays that may be involved in meeting the requirements generated by the Olympics for normal federal services. As I indicated earlier, these are not included in the budget presented by COJO.

One large cost item is the Olympic village. Between 2,000 and 3,000 dwelling units are contemplated. Funding by CMHC could range from $26 million to $54 million, depending on the number and costs of the units and the amount of commercial financing. We feel it is quite reasonable to consider that this could be handled between now and 1976 under the normal CMHC allocations for public housing, which go out to all provinces, since the share which has gone to the province of Quebec has been running at some $100 million annually. After the games, the Olympic village would become part of Montreal's housing stock.

Second, we must recognize that the large influx of Olympic participants and spectators will put particular pressures on various services which in the very nature of things would have to be provided by the government of Canada, such as personnel from the RCMP, the Canadian armed forces and customs and immigration. It is obvious that if the Olympics are held in Montreal, as they will be now, the federal government cannot stand aside and say: "We will not be involved in questions of security or customs or immigration." Yet, these are implied costs in the sense that they would not have occurred had the games not taken place. We anticipate this might involve some $20 million in increased costs, and we are determined to maintain a strict control over such costs.

Finally, there is a further cost increment which would be incurred if the CBC assumed the role of "host broadcaster" providing the basic television service at the games. In this event, net costs to the Crown corporation would be an estimated $25 million. Discussions are continuing on whether the CBC would or should undertake this function, and naturally the government will have to reach a decision in that regard.

Mr. Speaker, the federal government has a strong and legitimate concern over arrangements for the 1976 Olympics. This concern does not, however, diminish the warm welcome which will be extended to the Olympic games and its participants by the government and by Canadians generally. It is a challenging undertaking and I am sure that all Canadians wish it well.

Some hon. Members: Hear, hear!

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I begin by using the words with which the Prime Minister (Mr. Trudeau) ended his statement, that this is a challenging undertaking, one that all Canadians wish well. Speaking on behalf of my colleagues and myself, I can say that we certainly wish it well and we wish to be co-operative.

I must say that I have some concern following the Prime Minister's statement. One reason, though not the only one, why I wish the games well and wish to co-operate is that I believe that Canada's good name, as well, of course, as the good name of Montreal and the good name of the people of Quebec, is involved in this enterprise. I point out that in 1969 the Prime Minister wrote a letter to Mr. Brundage of the International Olympic Committee in which he said:

> The government of Canada warmly supports the application of the city of Montreal for the honour of being host to the 1976 summer Olympic games. I therefore offer you a hearty welcome and extend to all who are associated with the Olympic games a cordial invitation to visit us in Montreal in 1976.

At that time the Prime Minister made it clear within Canada that the government was not committing itself to direct grants to support the Olympic Games, but I believe the international Olympic community and other countries would be justified in feeling that the government of Canada was going to see that these games were warmly supported, were going to come off and come off satisfactorily and in a creditable way. I think I must also say that following that letter I do not believe that the Prime Minister has discharged his responsibility in allowing things to drift along the way they have drifted. So we have been confronted with this last-minute emergency, and a decision as to what we should do to make it possible for these games to be arranged and in fact take place. I have to say, Sir, that we have no firm assurance today that everything has been arranged.

It is true that the Prime Minister has received an assurance from the Prime Minister of Quebec, and I believe from the Mayor of Montreal and others, that the government of Canada will not be called upon to pay any deficit. But the Prime Minister has not received any assurance from the Prime Minister of Quebec that the province of Quebec is prepared or able or is undertaking to underwrite any deficit, or to give any assurance that in fact any finances will be provided if some of the Prime Minister's fears become realities and a deficit does become clear and looms very large. I emphasize that the Prime Minister has not arranged any assurance that this kind of situation can in fact be met. The guarantee and assurance from the government of Quebec do not amount to any such assurance. I think the House and the people of the country should understand that.

The Prime Minister has not given us any details this morning as to the proposals relating to coinage and stamps. In fact, I have to say that I have had no discussion with the Prime Minister about any of these matters except what I have heard here in the House, although I have been filled in by the mayor of Montreal and the COJO people in particular before Christmas, as a matter of fact as fully as I required, about their proposals.

I believe that how these coinage and stamp transactions are arranged is important. I believe it is important that the proceeds of the sale of the coinage come into the usual hands and that we do not get into the position where we are minting coins for an organization other than the government, however worthy that organization may be. It may well be that this is all going to be arranged through the Bank of Canada and that the bank will receive the proceeds from the sale and remit the difference between the cost of minting and the sale price to COJO. I would regard that as the correct procedure, but I presume legislation will be required to enable it to be done. Of course, it might be argued that this amounts to a grant, but I would regard it as preferable to simply minting the coins and turning them over to COJO or any other organization at mint cost. This, I think, would be a grave departure from our established traditions and procedures. I assume, as I say, that legislation will be introduced and, if so, we will want to examine it. We will also be concerned about the manner in which the stamps are to be handled.

• (1120)

Having said that, Mr. Speaker, I have to point out that although the Prime Minister (Mr. Trudeau) has received an assurance that his government or the government that may succeed it—the government of Canada, to be non-political—will not be asked to cover any deficit, he has not in fact received any assurance, except from the city of Montreal, about the actual financing of the games. I think I heard that the provincial treasurer of Quebec say that the Quebec government is prepared to meet a deficit of $5 million to $10 million. The House should understand there is no assurance that, if the games run into heavy weather between now and their opening, the government of Quebec will put up more money. I say that for clarification.

I think it is very important that the country as a whole be involved in these games, Mr. Speaker, and support them.

Some hon. Members: Hear, hear!

Mr. Stanfield: They are a tremendous undertaking and the good people of Montreal and Quebec deserve our compliments for their energy and initiative. One way in which the whole country can be thoroughly involved in this great undertaking, with leadership from this government, is through a program of training and preparation of athletes that will encompass the length and breadth of the country, involving young Canadians directly and older Canadians indirectly.

Some hon. Members: Hear, hear!

Mr. Stanfield: The whole country must be involved so the games will not be regarded simply as something going on in Montreal and to some extent in Kingston but rather as something that involves all Canada and all young Canadians. I hope the Prime Minister will make absolutely certain that everything is done to involve the federal government in a proper way both financially and in terms of leadership to ensure that a national program for the training of athletes, with the games as an objective, is launched, maintained and pushed.

Some hon. Members: Hear, hear!

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, my party welcomes the statement by the Prime Minister (Mr. Trudeau) today in which he took some trouble to outline the parameters of federal involvement in Canada's first Olympic games. We wish our first Olympic games every possible success as a potentially great moment in the history of our nation.

We in the New Democratic Party, however, are not unmindful of certain criticisms and reservations that have been expressed about the games not only in Canada but in many other quarters. We have heard that the Olympics are not truly amateur in nature, that the recent games were far too costly, and that there are many other priorities for funds in this troubled world faced with problems of poverty, overpopulation and pollution. We have heard also that the games have been potentially too nationalistic in nature. Many other reservations have also been expressed. We hope, therefore, that the Montreal committee will be conscious of the original traditions of international athletic events and not turn the Montreal games into an extravaganza. We look forward to Canada leading the way in staging the games on such a budget scale that, in future, developing countries in Asia and Africa can also afford to act as hosts to the games.

Some hon. Members: Hear, hear!

Mr. Rose: Mr. Speaker, my party approves the concept of the issuing of special coins and stamps. We appreciate the assurance of the Prime Minister and of the Montreal committee that the people of Canada will not be asked to pick up any deficit. The Prime Minister himself has assured us that under no circumstances will Canadians be asked, through the federal government, to finance any deficit that may possibly accrue from the games. I will not emphasize this point because the Leader of the Opposition (Mr. Stanfield) spent considerable time in discussing

the matter in greater detail. We welcome the Prime Minister's assurance.

I now wish to mention our concern about federal involvement through Central Mortgage and Housing Corporation, and I think it is opportune to raise a couple of points at this time. First, we believe that housing for the Olympic village funded through existing and proposed programs under the National Housing Act must be of such design as will meet the objectives under which those programs have been funded. We feel that the needs of the future occupants must be considered first, and not the temporary needs of visiting athletic contingents. The second point is that grants and loans similar to those made available to the city of Montreal through existing or proposed federal programs ought to be made available concurrently to other cities on a pro rata or population basis.

We suggest that if the coming event is to be justified from the standpoint of broad national interest and support it is essential that Canadians, above all, not be denied the opportunity to view the games in their own country. We recommend that tickets for prime events be distributed on a population basis. Between 10 and 20 per cent of the tickets for seats for prime events ought to be sold to average Canadians throughout the provinces and not sold in blocks to large dealers and corporations for them to give away as tax-assisted favours. We feel that the seats should go to the population at large as it is the people of Canada who will be asked to support the games.

Finally, we hope that the Olympics in 1976 will mark an end to some of the unfortunate trends evident in recent Olympic games and that the world athletic community will embark on a new Olympic spirit in Montreal, a spirit reflecting what is best in the Olympic ideal, a spirit that will rekindle interest and acceptance not just by the affluent industrialized nations of the world but also by the developed and developing nations which, together, make up the rich mosaic of our planet. We welcome the athletes who will visit Canada, many of whom will be visiting this country for the first time, and hope it will be a tremendous experience for them as they pace one another on the road to athletic excellence.

• (1130)

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, it would have been surprising to see the Canadian government ignore an event which interests all nations. So we were happy to see that a decision has finally been made on the subject, for a somewhat unhealthy atmosphere was starting to build up around that issue. There seemed to be a morbid fear that the country would be called upon to participate financially in that event which is of international scope. This is why one could perhaps be inclined to taunt the government with not having moved quickly enough.

Mr. Speaker, one had to be careful about the fertile imagination of Mayor Drapeau and his propensity for spending and I think that the final decision is good not only for the City of Montreal, Quebec and all the rest of Canada but that it will also show the whole world that Canada knows how to do things and it is for us a reason to rejoice.

A column in yesterday's *La Presse* suggested that this method of financing could well be considered by many as stemming from Social Credit. Mr. Speaker, I wonder if that might not bring the government to examine further what Social Credit actually is.

[*English*]

Mr. Stanfield: Mr. Speaker, I rise on a point of order. I wonder whether the House would agree to having the letters the Prime Minister tabled printed as an appendix to *Hansard?*

Some hon. Members: Agreed.

Mr. Speaker: Is this the wish of the House?

Some hon. Members: Agreed.

[*Editor's Note: For text of letters referred to above, see appendix.*]

ORAL QUESTION PERIOD

SPORTS

MONTREAL OLYMPIC GAMES, 1976—AMOUNT OF POSSIBLE DEFICIT—AVAILABILITY OF FINANCING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Prime Minister arising out of his statement with regard to his fears that the Olympic games may encounter a deficit. Can the Prime Minister indicate the parameters of the deficit that the government or its officials envisage as a result of examining the budget proposed by the city of Montreal and related matters?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I could do that. I believe the most satisfactory way of doing it would be to table the letters exchanged between Mr. Bourassa, Mr. Drapeau, Mr. Rousseau and myself. There is a question on the order paper requesting that this be done. I certainly plan to do it in the House in the very near future.

Mr. Stanfield: In view of the deficit about which the Prime Minister is concerned and also his fears that the deficit might be considerable as a result of unforeseen events, what assurance does he have that the games will in fact be financed?

Mr. Trudeau: Mr. Speaker, if the Leader of the Opposition looks at the correspondence I tabled today—I only received the originals this morning from Montreal and COJO and yesterday from Mr. Bourassa—he will see that there is provision there not only for assuring that the federal government will not have to pay anything beyond the games, but even in terms of interim financing. There is a guarantee from Montreal, COJO and the province of Quebec that we will not be asked to provide for the

interim financing. This is the nature of the guarantee. The letters speak for themselves.

I realize that the Leader of the Opposition indicated in his statement that these are not the kind of assurances he would have liked to see. If he can state the kind of assurance he would like to see, perhaps I can convey his thoughts to the premier of Quebec and the city of Montreal. Of course, he will have occasion to speak on that after the legislation on coins comes before the House. He will be free to vote for or against, according to whether he accepts the letters or not.

Some hon. Members: Oh, oh!

Mr. Stanfield: Mr. Speaker, naturally I reserve any right to examine the legislation, but I have no hesitation in indicating that I will support the coinage proposal in principle if it is what I understand it to be. I asked the Prime Minister a perfectly direct question. I did not ask whether the federal government is off the hook. I am asking the Prime Minister what assurance there is that these games will proceed if, in fact, there is a very substantial deficit looming. The Prime Minister is going to put measures before the House with regard to coinage. Has he any assurance that the games will in fact be financed in the event they run into rough weather? There is no assurance in these letters to that effect.

Mr. Trudeau: Mr. Speaker, the budget figures which have been proposed by the city of Montreal are to the effect that there will be no deficit. This has been their statement all along. This has been the statement of the city of Montreal and of COJO. It is because we are not certain this will be the case that we have made it clear to all those who are involved in the preparation of the games that the federal taxpayer will not be called upon. Apparently the Leader of the Opposition wants something further than that as to who will pay if the games run into rough weather, to use his own language. My only answer is that obviously the city of Montreal, COJO or the province of Quebec will have to pay since they have held us free from any deficit. Short of ourselves getting involved in the running of the games and the organization of them, I do not think it would be realistic to say: We do not want to pay a cent, but let us run them to make sure there is no deficit. We have to rely on the word of the mayor of Montreal, the premier of Quebec and the Commissioner General of COJO that they will be run in such a way that there will not be a deficit. I repeat, if the opposition is not happy with this commitment, they perhaps should not support the coin scheme because this is an indication that the federal government is co-operating in the holding of the games.

Some hon. Members: Oh, oh!

Mr. Speaker: The hon. member for York South. Order, please. Is the Leader of the Opposition rising on a point of order?

Mr. Stanfield: I apologize, Mr. Speaker. I have another supplementary on this very important matter. I wish to ask the Prime Minister whether, in view of the fact he obviously does not accept the view of the mayor of Montreal that there will be no deficit and has made it very clear that there may in fact be a very substantial deficit, he does not think he owes it to the House to give some explanation as to how he thinks the financing of these games will in fact be assured?

Mr. Trudeau: Mr. Speaker, we are not organizing the games. We are not sponsoring them. We did not go after the games. The federal government is not going to be in any way involved in the holding of them. I repeat, I do not think we are in any position to tell the province of Quebec or the city of Montreal that there will be a deficit and they must pick it up. If the city of Montreal were to go into insolvency, under the constitution this is a problem for the province of Quebec, not for the federal government. I regret that the Leader of the Opposition is showing such a pessimistic approach to the whole matter.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. We are obviously getting into a debate. I am not sure that this is what hon. members want, but I gather there are supplementaries. The hon. member for York South.

• (1140)

MONTREAL OLYMPIC GAMES, 1976—NATURE OF APPROACH BY ORGANIZERS TO EXPENDITURE

Mr. David Lewis (York South): Mr. Speaker, I should like to ask the Prime Minister a question without in the least being pessimistic about the games. Is the federal government trying to exert some influence on the organizers in Montreal to make sure that, instead of building a lavish $100 million stadium, for example, or undertaking other lavish projects in connection with the Olympic games, a more modest approach is taken by the organizers to ensure that there will not be a deficit due to the expenditure side?

Right Hon. P. E. Trudeau (Prime Minister): I can say that the mayor of Montreal, Commissioner General Rousseau and, indeed, the premier of Quebec have indicated to me that their intention is such as was expressed by the leader of the New Democratic Party and shared by us. There was in my statement to the House an indication that we would do our best to make sure that expenditures would be controlled. But, I repeat, we cannot do it directly since we are not operating the games. I imagine we would be willing to lend small numbers of personnel to assist them in budgeting or financing.

Mr. Stanfield: God forbid.

Mr. Trudeau: But we do not want to be involved as a government in the games. The House must realize that it is difficult for the federal government to say it does not want to pay a cent as is, apparently, the will of the House, and at the same time to say we will get in there and organize it for you. I hope the House will appreciate this dilemma. We got from the authorities the best statement we could, as in the letters tabled this morning. I repeat, if the Leader of the Opposition or any hon. member wants something more and can help us obtain it from the province, the organizers or the city of Montreal, we shall thank him very much for doing so.

Mr. Lewis: I ask the Prime Minister this question without his having to feel that anybody is going at him. In view of the fact that, even though the games are taking place in one city, Canada as a country will necessarily be associated with them in the minds of the people of the world, and in view of the fact it is important to make the games fulfil the objectives of athletics and all the rest of it, will the government indicate even more clearly to the authorities concerned the desire of the Canadian people that the games be carried on well but modestly from the point of view of expenditure?

Mr. Trudeau: Yes, Mr. Speaker. I have already expressed similar thoughts to Mayor Drapeau and Mr. Rousseau. They have now told me this is their intention. They have pointed out that the scale of their budgeting is very much lower than that of the Munich games and that they intend to create a new pattern for holding the Olympic games which would be, as I believe was suggested by the spokesman for the New Democratic Party, that the holding of these games should be accessible in the future to countries of more modest means.

Some hon. Members: Hear, Hear!

[*Translation*]

MONTREAL OLYMPIC GAMES, 1976—ISSUE OF SPECIAL COINS

Mr. Fernand-E. Leblanc (Laurier): Mr. Speaker, I wish to direct a supplementary question to the right hon. Prime Minister.

The Olympic Games Organization Committee has earmarked in its estimates a substantial amount for the issuing of coins by the Canadian government. Now, the Prime Minister did not refer to this issuing of coins in his remarks. Could the right hon. Prime Minister give us some information in this regard?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member is right, I spoke very briefly about it; I only stated that we were prepared to answer the committee's requests about coins and stamps. I was happy as well to hear opposition parties say that they would support such action if it were introduced in the form of legislation and we are actually wondering whether we should introduce legislation or not. If so, we shall put it before the House as soon as possible; if it could be arranged through administrative channels alone, I would nevertheless wish to give the House the opportunity of approving or rejecting those measures we could take.

[*English*]

Mr. Speaker: Order, please. There are two members seeking supplementaries. They will be recognized, but I should like to suggest that we not spend the whole of the question period on one subject. I will, of course, give priority to the hon. member for Kingston and The Islands on a point of order.

Miss Flora MacDonald (Kingston and The Islands): Thank you, Mr. Speaker. On a point of order, I should like to remind the hon. member for York South and others who have said these games are to be held in one city alone that these events are taking place both in the city of Montreal and in the city of Kingston.

Some hon. Members: Hear, hear!

[*Translation*]

MONTREAL OLYMPIC GAMES, 1976—PROGRAM TO ASSURE NATIONAL SUPPORT

Mr. Roch LaSalle (Joliette): Mr. Speaker, I have a supplementary for the right hon. Prime Minister.

The hon. Leader of the Official Opposition has referred to a national incentive program for a higher degree of involvement in the Olympic Games; could the right hon. Prime Minister tell the House if he would agree, through one of his ministers, to develop a national program which I suggest would substantially increase revenues, a matter which many hon. members are concerned about?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in the Speech from the Throne, the government indicated that it was prepared to introduce measures in the areas of sports and physical fitness; the Minister of National Health and Welfare stated that increased estimates were available for this purpose and the hon. member will see later on that we really intend to do something in this area.

[*English*]

Mr. Speaker: Order, please. There are four or five members seeking to ask supplementaries on this subject. We have spent more than half the question period on it already. The Chair will recognize the hon. member for Annapolis Valley on a last supplementary, then try to finish the first round of questioning and, if necessary, return to this subject later.

MONTREAL OLYMPIC GAMES, 1976—BROADCASTING COVERAGE

Mr. J. P. Nowlan (Annapolis Valley): My supplementary is directed to the Prime Minister. In the portion of his statement having to do with the Canadian Broadcasting Corporation, the right hon. gentleman said the net cost to the CBC of covering the games would be approximately $25 million. I should like to ask whether this is an estimate of the cost to the CBC acting alone. Does this mean that the concept of a joint effort by the CBC and the CTV to cover the games, using the best of both networks, has been considered and abandoned?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. I cannot say anything has been considered up to the point of having been abandoned. Apparently the delay in reaching a decision in this regard involves some 30 days or more. We are only now getting more details from the CBC on its discussions with the COJO people. The figure of $25 million I have given relates to a situation where the CBC alone would be acting as host broadcaster. I cannot say to what extent the suggestion made by the hon. member has been considered by them, nor the extent to which it would involve a differentiation in the projected figure, but I will gladly assure the hon. member that I want this question to be considered by them.

• (1150)

ENERGY

OIL—AVAILABILITY OF SUPPLIES—DISCUSSION WITH COMPANIES OF RESTRAINT ON EXPORT—STUDY OF PIPELINE EXTENSION TO MONTREAL

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct some questions to the Minister of Energy, Mines and Resources arising out of the statement by the Minister of Mines and Minerals of the province of Alberta to the effect that discussions are being held with the oil producing companies regarding the possibility of voluntary restraints on oil exports for the purpose of guaranteeing Canadian supplies. In view of the fact that, while feed stocks appear to be ample for February, there is a good deal of apprehension about the future because a number orders cannot be met with present supplies, I should like to ask the minister whether any discussions are being held by him or the National Energy Board with oil producing companies regarding a restraint on exports, or whether the government is considering proclaiming section 87 of the National Energy Board Act so as to place some restraint upon exports in the same manner as has already been done with natural gas?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think I am correct in saying that section 87 was proclaimed in 1970, and this is really a question of passing regulations to deal in detail with oil. I can confirm, as I confirmed for the hon. member on January 9, I think it was, that we have had close discussions with the industry, and the Alberta government, and the National Energy Board in particular with the Energy Resources Conservation Board of Alberta. As the hon. member has indicated, it is my understanding that the situation for February is assured. We are aware of the fact that there is pressure with regard to the oncoming situation in March. At the moment it is not clear whether the industry will be able, as I suggested, to solve the question themselves. I repeat that if they show themselves incapable of doing so or in any way put in peril Canadian supplies, we would not hesitate to take the regulatory action to which the hon. member has referred.

Mr. Douglas: In view of the fact we are exporting western oil to the full capacity of the pipeline, while at the same time having to make arrangements with the United States on a contingency basis to secure our oil supply for eastern Canada, and in view of the fact that any oil supplies from the Maritimes are a long way off with no proof they will be adequate, may I ask the minister again whether any study is being made with the purpose in mind of extending the pipeline to Montreal so that Canada may have full control of its own oil supply?

Mr. Macdonald (Rosedale): Mr. Speaker, as I indicated to the hon. member a week ago, the current view is that we should probably not make a very substantial investment in facilities which could become obsolete in the event of success in the offshore field. I think it is also fair to point out that extension, in effect, of Alberta supply into the Montreal market would mean a very substantial increase in the price east of the Ottawa Valley line. I would think that in terms of security probably the best short-run solution is to arrive at a best efforts agreement with the United States in both directions and to await the hoped-for event on the east coast, expecting that we will develop a field there that could meet eastern Canadian requirements.

Mr. Douglas: In view of the apprehension being shown both by producers and consumers in respect of Canada's oil requirements and supplies, may I ask the minister whether he would be prepared to refer this whole matter to the Standing Committee on National Resources and Public Works so that we may have the benefit of the minister's views in detail as well as those of the chairman of the National Energy Board?

Mr. Macdonald (Rosedale): Mr. Speaker, I would be happy to discuss that with the leader of the House, but I would make this comment. We would hope, and I realize these hopes have been held out to the hon. member for some years, to be able to put a comprehensive statement on the supply and demand situation before parliament a little later in the spring. If the House would generally find it useful to have this kind of a discussion in advance of a very comprehensive report, I personally would certainly be happy to have that forum.

POSSIBILITY OF INCREASE IN NUCLEAR POWER GENERATION CAPACITY IN EASTERN CANADA

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources and concerns the rising prices of natural gas and oil. In view of the rising prices and the energy crisis which affected the United States recently, is the minister considering increasing the thermal nuclear generating capacity in eastern Canada?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the hon. member will recall that not only have we the world's most successful nuclear generator at Pickering, with the co-operation of Ontario Hydro under the leadership of AECL, but Ontario is extending the operation of its nuclear generator program and increasing the feed of nuclear energy to the grid, and, indeed, we expect to be putting the same type of program into effect with Hydro Quebec. I think it is perfectly clear that over a longer period of time nuclear power will provide a very substantial portion of Canada's energy requirements, a nuclear program to be supplied from the hon. gentleman's constituency.

Some hon. Members: Speech, speech!

Mr. Speaker: Order, please. Again a number of members are seeking to ask supplementary questions on this subject. I suggest that perhaps we might move on to the next question.

Oral Questions

[*Translation*]

REGIONAL ECONOMIC EXPANSION

CANADA-QUEBEC AGREEMENTS—STATUS OF PROJECTS SUBMITTED

Mr. Eudore Allard (Rimouski): Mr. Speaker, I would like to ask a question to the Minister of Regional Economic Expansion.

With regard to the Canada-Quebec agreements—under the Eastern Quebec Planning Bureau plan, are the projects being carried out? If not, who is putting spokes in the wheels?

[*English*]

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): I am sorry, Mr. Speaker, and I do apologize to the hon. member, but I did not catch his question. Would he be kind enough to repeat it?

[*Translation*]

Mr. Allard: Mr. Speaker, I will repeat my question because I think the minister did not understand me.

With regard to the Canada-Quebec agreements, under the Eastern Quebec Planning Bureau plan, are the projects being carried out? If not, who is putting spokes in the wheels?

* * *

[*English*]

GRAIN

ACTION TO RE-ESTABLISH INTERNATIONAL GRAINS AGREEMENT WITH PRICE INDICATORS—SHIPMENT OF UNITED STATES GRAIN THROUGH CANADA

Mr. Frank Hamilton (Swift Current-Maple Creek): Mr. Speaker, I have a question for the minister responsible for the Canadian Wheat Board. In view of the unprecedented demand for Canadian grain, will the minister tell the House what initiatives the government is taking toward the re-establishment of an international grains agreement with some price benchmarks in it?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, over a period of time we have been in contact with some of our partners to the agreement and to former agreements, and it is certainly our intention to pursue this matter further. At the most recent meeting it was decided that it would not be appropriate to attempt to put in pricing arrangements during the remaining short period of the current agreement. But it will certainly be our intention to seize the opportunity to arrive at a new agreement in which the buyers of the world at last recognize the advantage to them of our holding supplies instead of always having, as in the past, treated these supplies as a glut on the market.

Mr. Hamilton (Swift Current-Maple Creek): Now that United States grain is moving through Canada in Canadian boxcars through the Crowsnest Pass for export via Seattle, can the minister assure us that the interests of the western farmer and Canadian millers are being protected?

[Mr. Speaker.]

Mr. Lang: Mr. Speaker, I can assure the hon. member that in any discussions about such movements there were assurances that this would not interfere with the movement of Canadian grain, and it would certainly be the intention of this government to see that these assurances are in fact kept.

REQUEST FOR ANNOUNCEMENT OF POLICY ON GRAIN HANDLING AND RAILWAY RATIONALIZATION

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a supplementary question to the minister in charge of the Canadian Wheat Board. When will he be prepared to announce the government's position on the whole question of grain handling and rail rationalization on the Prairies so farmers may know exactly where they will stand before January 1, 1975?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the government has asked the Canada Grains Council to attempt to bring some consensus to this question, and also to put before the producers certain options or alternatives which may be available to them to choose with an understanding of the costs and benefits involved in the alternatives. This is difficult and complicated work. I, personally, am concerned about the time that may be required to do this work. On the one hand, we want the producers to see the alternatives clearly; on the other hand, we do not want the system to deteriorate while we are waiting for decisions. We are conscious of this and we constantly discuss with various sections of the industry on steps that can be taken to improve the system which are consistent with any configuration of the system for the future.

• (1200)

Mr. Horner (Crowfoot): When will these studies be made public so that the producers can be involved in the discussions and offer some of their wisdom in this regard?

Mr. Lang: Mr. Speaker, I believe the studies were made public last May or June and are now available to all interested parties.

Mr. Horner (Crowfoot): Are they in the Parliamentary Library?

FEED GRAINS—INTENTION RESPECTING IMPLEMENTATION OF FAIR FORMULA FOR PRICING IN DOMESTIC MARKET

Mr. Bert Hargrave (Medicine Hat): Mr. Speaker, may I address a supplementary question to the minister responsible for the Canadian Wheat Board. With respect to the reference in the throne speech to feed grains and livestock feeding in Canada, is it the government's intention to implement the so-called FAIR formula for the pricing of feed grains in the domestic market?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the FAIR formula, and also the proposals which seemed to have the approval of the Canadian Federation of Agriculture, are among the proposals being examined with a view to accomplishing the principles that were stated in the Speech from the Throne and agreed to by proponents of

both formulas, indeed almost all formulas, namely, that feed grains for Canada be available at fair, reasonable and similar prices to all producers of livestock across the country.

FEED GRAINS—SUGGESTED INCREASE IN INITIAL PRICES AS INCENTIVE TO PRODUCERS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a supplementary question for the minister in charge of the Wheat Board. Would the minister indicate whether he is giving serious consideration to the suggestion put forth by the western agricultural conference held recently to the effect that initial prices for feed grains should be increased in order to serve as an incentive to producers and thus ensure adequate acreages of feed grains in the forthcoming year?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the government is at this time examining the question of initial prices with a view to making public in the last half of February, as has been our custom, on or before March 1, the initial prices for the next year. The balance between public information and differences in initial prices are naturally both elements that are being considered.

Mr. Mazankowski: In view of the potential shortage of feed grains, is the minister giving serious and priority consideration to some form of incentive in order to encourage producers to grow sufficient acreages of feed grains?

Mr. Lang: Mr. Speaker, the hon. member is right in attaching a special position to the question of feed grains. This has been a shared concern of members of this government, the provincial governments and producer organizations. Already some concerted effort on the part of all of these to bring to the attention of the producers the desirability of remaining in the feed grain market has been an important step in preparing the right attitude to this. Our examination of initial prices and quota predictions, and so on, will continue to bear this need in mind.

Mr. Speaker: Order, please. The Chair will recognize a last supplementary on this subject. The hon. member for Regina-Lake Centre.

REQUEST FOR ASSURANCE THAT CANADIAN RAILWAY EQUIPMENT NOT USED TO MOVE UNITED STATES GRAIN THROUGH CANADA

Mr. Lee Benjamin (Regina-Lake Centre): Mr. Speaker, my question is supplementary to the first question asked on this subject. In the event any grain movement originates in the United States and travels over Canadian lines to reach destinations in the United States, would the minister give a commitment that under no circumstances will Canadian railway equipment be used for such grain movement?

Mr. Speaker: Order, please. The hon. member for Don Valley.

FINANCE

REQUEST FOR REFERENCE OF ANNUAL REPORT AND APPEARANCE OF GOVERNOR OF BANK OF CANADA BEFORE STANDING COMMITTEE

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Now that we have a new governor of the Bank of Canada, will the minister assure the House that he will urge the governor to accept an invitation from the Standing Committee on Finance, Trade and Economic Affairs to appear before that committee at the earliest possible date?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I have always had great respect for committees of the House and I will certainly take that under advisement.

Mr. Gillies: Will the Minister of Finance refer the last annual report of the governor of the Bank of Canada to the committee so that we may use that as a starting point to examine the views of the new governor?

Mr. Turner (Ottawa-Carleton): That is a relevant question, Mr. Speaker.

Mr. Gillies: On a point of clarification, Mr. Speaker, I was not sure whether the Minister of Finance said he would or would not.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I guess I will wait until I hear from the committee.

* * *

FISHERIES

ATLANTIC SALMON FISHERY CLOSURE—SETTLEMENT OF FISHERMENS' CLAIMS—ALLEGATION OF FRAUD

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of the Environment and Fisheries, just to change the diet of the House a little. Are there any fishermen in the Atlantic region who have not had their claims settled under the arrangements necessitated last year by the banning of salmon fishing on certain rivers along the Atlantic coast?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, to date there are approximately a dozen fishermen who have appealed the settlements that have been made. Otherwise, several hundreds of claims have all been settled.

Mr. Lundrigan: In view of the fact that in a committee of the House yesterday the Minister of the Environment and Fisheries made a charge which cast aspersions on every fisherman of the Altantic region, namely, that fisherman were defrauding the federal government by—

Mr. Speaker: Order, please. The hon. member must ask the question directly; he knows that he cannot make reference to proceedings in a committee as support for his question. Perhaps he would ask a direct question.

Mr. Lundrigan: In view of the widespread publicity given to a charge made by the minister about defrauding the federal government, would the minister be prepared

to table documentation of the charge he made, or is he going to lay charges against the offenders, or is he prepared to withdraw his remarks and offer an apology so as to clear up his very serious statement which cast aspersions on every fisherman of the Atlantic region?

Mr. Davis: Mr. Speaker, in a few cases exaggerated claims have been made, but in no case is there any question of defrauding the government because we have not overpaid any fisherman.

ATLANTIC SALMON FISHERY CLOSURE—REQUEST TO MEET REPRESENTATIVES OF SAINT JOHN RIVER FISHERMEN

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. In connection with the minister's not unappreciated offer to meet representatives of the commercial salmon fishery on the Saint John river, has the minister been able to make arrangements to see them, because apparently they are penniless, having lost their livelihood, and cannot come to Ottawa?

* * *

INDIAN AFFAIRS

DANGER TO INDIANS IN NORTHWESTERN ONTARIO FROM CONSUMING FISH CONTAMINATED BY MERCURY—CONSULTATION ON ALTERNATIVE FOOD SOURCE

Mr. David Orlikow (Winnipeg North): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Development may I ask a question of his parliamentary secretary. Is the department aware of the fact that Indians living along the English and Wabigoon rivers in northwestern Ontario are subsisting to a large extent on fish which are heavily contaminated by mercury? If so, is the department taking steps to alert the Indians to the danger to their health arising from this situation?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): We are aware of this situation, Mr. Speaker, and I can assure the hon. member that the Department of Indian Affairs and the minister are very concerned about it. We are doing everything we can, with the other parties involved to bring about a satisfactory solution.

Mr. Orlikow: May I ask the parliamentary secretary whether the department is discussing with the Ontario government the possibility of providing alternative food sources to the Indians so they will not continue to be required to eat fish which is so dangerous to their future health?

Mr. Marchand (Kamloops-Cariboo): Mr. Speaker, I cannot give the hon. member a specific answer but I will get one. May I assure him that it has always been the concern of the Department of Indian Affairs and of the government to make sure that the Indian people always have enough food. In the event that fish in this area is being eaten, I can give the hon. member every assurance that we will make sure that they have an alternative source of food.

* * *

POLLUTION

MERCURY CONTAMINATION OF ENGLISH AND WABIGOON RIVERS—GOVERNMENT ACTION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have a further supplementary question which I should like to direct to the Minister of the Environment. Is the minister's department looking into the problem and the danger that has arisen in regard to mercury pollution in those rivers and seeing what steps can be taken to eliminate this pollution?

• (1210)

Hon. Jack Davis (Minister of the Environment): Yes, Mr. Speaker, this was a matter to which we addressed ourselves three years ago, and we have been following it ever since.

Mr. Speaker: Order, please. There are just a few minutes left before the end of the question period. Perhaps hon. members would allow the Chair to see some hon. members who have not been recognized in recent days.

* * *

INCOME TAX

DIFFICULTY IN GETTING HELP WITH FORMS THROUGH ZENITH TELEPHONE NUMBER—REQUEST FOR INCREASE IN LINES

Mr. Don Blenkarn (Peel South): I have a question for the Minister of National Revenue, Mr. Speaker. In view of the fact many persons have had to try five or six times, and some have given up in despair, to get the famous Zenith line to secure help with their income tax returns, will the minister consider approaching Bell Telephone to increase substantially the number of lines available?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I would be glad to look into that. I have asked that a close watch be kept on the availability of lines so that we can increase them as necessary. I thank the hon. member for mentioning the matter, and if he has any further details which might be helpful I would be glad to hear from him.

Mr. Speaker: Order, please. I hope there will not be too many supplementary questions. The hon. member will appreciate that an effort is being made, just as we reach the end of the question period, to bring in as many members as possible for these last questions.

Mr. Blenkarn: Will the minister perhaps arrange to get Mr. Fred Davis to do a tour to help people fill in their returns?

An hon. Member: Too expensive.

CANADIAN PACIFIC RAILWAY

SITE FOR DUMPING OF GARBAGE FROM METRO TORONTO

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, my question is for the Minister of Transport. Three weeks ago, in response to a question from the hon. member for Northumberland-Durham, the Minister of Transport undertook to investigate and report back to the House on the location of the site to be used by Canadian Pacific Railway for the dumping of 400,000 tons of Metro Toronto garbage annually for the next 15 years. Has the minister investigated this and can he report to the House which site is the prime site under consideration and the locations of the other five or six sites being considered by the railway?

Hon. Jack Davis (Minister of the Environment): Mr. Speaker, perhaps I might answer that question. I have discussed this matter at length with the minister of the environment for Ontario. It is substantially a matter for the provincial authorities.

* * *

TRANSPORT

INQUIRY AS TO POSSIBLE REPLACEMENT OF FERRY, "BLUENOSE"

Mr. Charles E. Haliburton (South Western Nova): Mr. Speaker, taking a lesson from a visitor we had in the House last week, I thought I might have to cry harder to get recognition. My question is for the Minister of Transport and it is one which is of substantial interest to a large number of my constituents. It has to do with the replacement of the ferry *Bluenose* which docks at Yarmouth. Last week a story in the Halifax *Chronicle-Herald* indicated that senior officials of the Department of Transport were then meeting with the premier of Nova Scotia and others. Is the minister able to assure the House and the people of South Western Nova that a new and modern ferry will be placed in service and whether in fact his officials have already been in Europe canvassing the prospect of buying a vessel?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think that it is not the intention of the government to discontinue the ferry service which the hon. member mentioned. As to whether we are going to have a new ferry, this is under study now.

* * *

INCOME TAX

EXPLANATIONS TO AID FILLING OUT LONG FORMS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is directed to the Minister of National Revenue. In view of the fact that 90 per cent of those long form explanations which have been sent out to taxpayers are concerned with explaining how Canadians in the upper income group can take advantage of the tax system, would the minister consider writing another note to the vast majority of taxpayers, pointing out to them that they need not bother with the form?

Mr. Speaker: Order, please. The hon. member for Humber-St. George's-St. Barbe.

* * *

FISHERIES

POSSIBLE LATE SEASON BECAUSE OF ICE CONDITIONS—COMPENSATION FOR FISHERMEN

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is for the Minister of the Environment and Fisheries. Has the danger of extremely heavy ice conditions off Atlantic Canada, which are going to deter the fisheries industry this year, particularly in Newfoundland, been brought to the minister's attention? What action will he take to correct the situation and, in the event it does deter fishing until later in the season, is any consideration being given to compensation to the fishermen?

Hon. Jack Davis (Minister of Fisheries): As the hon. member knows, the meteorological service is well briefed on the situation and does make reports to the fishing industry about prospects for ice and other environmental matters. I do not know whether the government has ever provided compensation to fishermen for hazards of this kind.

* * *

[*Translation*]

INCOME TAX

ALLEGED FAILURE OF LEADERS OF ORGANIZED CRIME TO FILE RETURNS—REQUEST FOR INVESTIGATION

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask a question of the Minister of National Revenue.

Following yesterday's investigation in Montreal on organized crime, serious accusations have been made that the "knights of crime" neglected to file income tax returns and were not sued by the department. Would the hon. minister inform the House whether he is aware of this accusation, whether a thorough investigation will be conducted and, should those accusations prove to be true, will court proceedings be undertaken?

[*English*]

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I have asked the officials of my department to take a special and intensified interest in the ill-gotten gains of illegal activities. I think that there are some difficulties in the way of "collaboration", which I think was the word used by the director of police in Montreal, because of the secrecy provisions in the Income Tax Act. However, we are anxious to work closely with the police in prosecuting those people who are gaining income through illegal activities and we are intensifying our plans and procedures for doing so.

Oral Questions

REGIONAL ECONOMIC EXPANSION

SUIT BY ALARME DE SÛRETÉ—NEED FOR CHANGE TO EXPEDITE GRANT PROCESS

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. Since Alarme de Sûreté Inc., a Quebec manufacturing company, was allegedly promised an incentive grant and claims it was forced to close when the grant was not forthcoming, and is now reportedly suing DREE for $1.5 million, can the minister indicate whether he will institute procedural and administrative changes to expedite the grant process so that this unfortunate type of situation can be avoided?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, there are certain restraints in my answering the question since the matter is before the courts, but I do not think a change in procedure would have altered the circumstances in this case. Prior to legal action having been taken a statement was made, which I think I am free to quote, indicating that the applicant simply had not met the requirements that were set down before he could receive any assistance.

ACTIVITIES OF PROFESSIONAL DREE COUNSELLORS—GOVERNMENT ACTION

Mr. Elmer M. MacKay (Central Nova): I have a supplementary question for the minister. Is he aware of professional DREE counsellors who are making substantial profits acting on behalf of DREE applicants who are apparently so confused and frustrated that they will avail themselves of this method to circumvent or cut through the red tape? If the minister is aware of this situation, does he propose to take any steps to correct it?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): In reply to the second part of the question, yes, to the extent that it needs correction we will be providing additional information and help to anyone who wishes to apply for assistance from us. In so far as people who are professional consultants in the field are concerned, I suppose this is not vastly different from engaging a member of the legal profession or anyone else. Applicants are free to do as they wish.

* * *

COMMUNICATIONS

NATIONAL POLICY—NATURE OF PRESENTATION AND CONTENTS

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Communications. I have been trying all week to ask him this question. It has to do with communications policy. While I appreciate the fact that this government now wants to communicate, I wonder if the minister can tell us anything definitive about the proposals for a national communications policy which were referred to in the Speech from the Throne of last January 4. Does he intend to come to the House with legislation or a white paper, and is it just going to affect the merger of the regulatory agencies or does it involve cablevision, broadcasting communications and computers?

[Mr. Stanbury.]

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, in reply to the first question, I can only repeat what I have already said in answer to a similar question. What was announced in the Speech from the Throne was a document that will confront the country with several options concerning communications with a view to arriving at a national policy on communications.

I might add that the document will deal with all the main points, but not the details, that the hon. member brought up.

[*English*]

Mr. Nowlan: Mr. Speaker, I have a supplementary question on this topic. Do I gather from the answer of the minister that it is going to be in the form of a white paper and that this will preclude discussion with the provinces before the white paper is put before the House, or will this come after discussions with the provinces?

• (1220)

Mr. Pelletier: No, it will be rather in the nature of a green paper, Mr. Speaker, which is a document whose usefulness is really to stimulate discussion. Discussions are taking place now and they will also take place after the green paper is published. This will lead eventually to legislation.

Mr. Speaker: Order, please. Before going to orders of the day the Chair will recognize the hon. member for Selkirk.

* * *

FISHERIES

FRESHWATER FISH MARKETING CORPORATIONS—INVESTIGATION BY STANDING COMMITTEE OF OPERATIONS AND DISMISSAL OF EMPLOYEES

Mr. Doug Rowland (Selkirk): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and the Environment. A couple of weeks ago he gave an undertaking to the House that there would be an inquiry by the Standing Committee on Fisheries and Forestry into the operations of the Freshwater Fish Marketing Corporation. Is he now in a position to indicate to the House when he expects this inquiry will begin, when the committee will be set up, and would he also give some indication of the terms of reference to be given to the committee?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, I hope to be able to make a statement to the House in this connection shortly.

INDIAN AFFAIRS

ELECTION OF CHIEF OF KAMLOOPS NO. 1 BAND—FEDERAL GOVERNMENT INVOLVEMENT

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, in the absence of the Minister of Indian Affairs and Northern Resources I would like to ask his parliamentary secretary to what extent the federal government was involved in the unfortunate incident at Kamloops where there was a serious departure from the democratic process during the election of the chief of the Indian band of Kamloops No. 1?

Mr. Nielsen: Did you cast your ballot, Len?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, Kamloops is O.K. I do not know what kind of answer the hon. member might want with respect to involvement of the federal government. The government moved, and will move in regard to other similar band council elections and made certain amendments to the regulations, but this does not apply only to the Kamloops situation. We amended the Band Council Election regulations so that band councils will not be able to take office pending the outcome of appeals against elections. In this case the chief, or supposed chief, won by three votes and the dispute involved 11 votes, so the election might very well be overturned. I can assure the hon. member that we are giving this matter every urgent consideration and, as soon as the appeal process is completed, we will either reject the election result or confirm the new council, in office.

Mr. Speaker: Order. Perhaps the hon. member might be allowed a supplementary and then we must call orders of the day.

Mr. Oberle: Mr. Speaker, I would like to ask the parliamentary secretary whether he can assure me and the people of Kamloops that the appeal, first of all, will be heard in Kamloops so that the people can take part in this democratic process, and will he assure us, he being a member of the Indian band in Kamloops, that the Indians of Kamloops will not be trampled on?

Mr. Speaker: Order, please. The hon. member will appreciate that a question asked in those terms is not in order. The hon. member cannot ask a question of a member of the government or of a parliamentary secretary in his capacity other than as a parliamentary secretary or as a member of the government. Orders of the day.

Mr. Bell: On a point of order, Mr. Speaker, would Your Honour or the Postmaster General investigate a letter I just received through the House of Commons Post Office? It is dated 1984. Would Your Honour check to see whether this is a sign of things to come or is it just a case of the Post Office unexpectedly moving too fast?

[*Translation*]

Hon. André Ouellet (Postmaster General): Mr. Speaker, the point raised by the hon. member gives me this opportunity of saying that our employees are the picture of enthusiasm and are already living in the future.

[*English*]

GOVERNMENT ORDERS

EXPORT DEVELOPMENT ACT

INCREASES IN AUTHORIZED SHARE CAPITAL AND IN CEILING ON LOANS AND GUARANTEES BY CORPORATION

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce) moved that Bill C-3, to amend the Export Development Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

He said: Mr. Speaker, this is a very happy occasion for me when introducing my first legislation before the House of Commons. I think that the House should also be gratified with this legislation. We have moved early in this session, and in a positive way, to support the growth of Canadian jobs.

In my speech on the Address in Reply to the Speech from the Throne I anticipated the amendments which are before us this morning. I stated that we would be bringing in further measures to increase the capitalization of the Export Development Corporation and to raise the financial ceilings for lending, guarantees, export insurance, and foreign investment insurance operations.

These amendments deal with the financial ceilings for lendings and guarantees. They do not deal with the other matters referred to in my earlier speech. At a later stage I would hope to introduce amendments dealing with export insurance and foreign investment insurance operations, and a number of other technical and housekeeping amendments.

I believe hon. members will find these amendments to be brief, simple and straightforward, and in my remarks I intend to be brief, simple and straightforward.

Let me introduce the subject by going back through the history of this act which, in my view, was one of the most successful acts of the 28th parliament. The original Export Development Corporation Act was passed in 1969. At that time it replaced the former Export Credits Insurance Act, the ECIC Act.

The ceiling in the original act passed in 1969 was $600 million for direct loans. Two years later in 1971 this was raised to $850 million, indicating the rapid growth in the financing of capital goods and related services by the Export Development Corporation.

I would like to emphasize that these loans are made not to Canadian exporters but to the buyers of Canadian export capital goods and related services. The loans are made to the buyers rather than the vendors.

The growth, as I have indicated, has been dynamic. In the early 1960's we were averaging something in the order of $50 million to $60 million of placements each year under the predecessor act. With the new Export Development Corporation Act the loans in 1970 increased to $96 million, nearly double the average of the previous several years, and since then they have continued to build.

Financing agreements signed by the Corporation with foreign buyers of Canadian goods and services rose

dramatically, as I say, in 1970 to $96 million, in 1971 to $240 million, and in 1972 to $283 million. This might be translated as well in terms of jobs. All members of the House are concerned with the provision of jobs. As I said in my speech during the throne speech debate, the present level of the outstanding loans, $700 million, has the equivalent value in jobs of about 100,000 jobs. This dynamic growth is continuing and the prospects for 1973 are considerable. Based on requests currently under consideration by the corporation they may well exceed about $500 million; under the existing long term lending and guaranteed ceilings the Export Development Corporation has the capacity to sign agreements for over $200 million to provide for these requirements. This, then, is the background to these amendments, Mr. Speaker.

• (1230)

The details of the amendment I think I have already indicated—raising the loan ceilings from $850 million to $1½ billion and consequential amendments with respect to the capitalization of the corporation which provides for ten times the capitalization. That is to say, Mr. Speaker, the loan ceilings are related to ten times the capitalization of the corporation.

The export demand that I have referred to—this dynamic growth—should be seen alongside the export performance of the Canadian economy over the last four or five years. There was an increase between 1969 and this year of roughly $5 billion—from $14.9 billion to $19.9 billion. I think the important point with respect to the financing of the Export Development Corporation is that it is geared to and directed to capital goods, high technology and labour intensive projects. In other words, it is a major contributor to helping Canada diversify its exports from reliance on crude and unprocessed materials to the more sophisticated, more fabricated, more fully finished goods that we are anxious to promote. The expansion has been remarkable and I should like to give some examples of the industries that have been supported under this plan and the markets that have been purchasing Canadian goods and services under this particular provision.

A list of the projects shows steam generators for Mexico; turbines for Brazil; locomotives for Greece and Turkey; electrification equipment for Mexico and Brazil; a zinc and lead refinery for Turkey; telecommunications to the Philippines; hydro-electric project for Brazil; an airport project for Israel costing $10 million; locomotives for Yugoslavia; pulp and paper project for Kenya; a chemical plant for Yugoslavia costing $21 million; mining equipment, iron pelletizing for Peru and Argentina and an order for railway boxcars for Zambia. I would be pleased to provide the details of the amounts of these projects in Committee but I thought it might be a help to give the background of the kind of financing to indicate the markets and projects supported.

These loans are only granted to a foreign buyer in respect of Canadian capital goods if there is an 80 per cent Canadian content in the order which the foreign buyer seeks. The underwritings are arranged through export development offices in Vancouver, Montreal and Toronto and in other centres through the offices of the Department of Industry, Trade and Commerce. Generally speaking, these loans would be for something over five years and under 15 years at rates of interest competitive with those offered by other countries. I should like to emphasize that, Mr. Speaker, because other countries are offering this kind of supportive financing to their industries. At the same time, I should like to make it clear that Export Development Corporation loans do not compete with the private sector—indeed, they support the Canadian commercial banking institutions.

Mr. Speaker, I said that I would be brief and straightforward. I do not believe that on second reading I need to go into very much more detail as we will have opportunities for that at the committee stage. However, I should like to emphasize the point that I have already made: this is not an effort to compete in the sense of undercutting other types of financing activity but to support the commercial lending practices internationally, to support our exporters, to help them meet, in addition to questions of quality, price, service and delivery dates, the competition of other international financing agencies in support of their country's exports.

Mr. Speaker, I do not think that hon. members should find these amendments controversial. I hope they will consider them quickly so that we can get on with the job of supporting Canadian export industry, thereby supporting the growth of Canadian jobs.

Some hon. Members: Hear, hear!

Hon. Paul Hellyer (Trinity): Mr. Speaker, on the face of it, Bill C-3 appears to be a very simple bill. The operative sections merely increase the capitalization of the Export Development Act from $75 million to $125 million and the loan limit under section 30 from $850 million to $1.5 billion. Actually, however, the issues are much more complex than the bill indicates. To investigate each aspect of the operations of the corporation would require more time than is available today. Consequently, I shall just content myself with a few preliminary remarks and suggestions and leave more detailed examination to the committee stage where my colleagues and I will have the opportunity to question directly the officers and directors of the corporation and to inquire into its activities and philosophy more comprehensively.

At the very outset, Mr. Speaker, the question arises as to why the bill is presented in this form at this time. The minister has just advised us that he proposes to introduce amendments to other sections of the act at an early date. We are at a loss to understand why, in that case, the whole package was not presented to us simultaneously.

Some hon. Members: Hear, hear!

Mr. Hellyer: The only apparent reason for this omission is the suggestion that the loan limit under section 30 has already been exceeded in fact. At least that would be the case if guarantees already signed are taken up. It appears obvious under the circumstances that the only reason the government is presenting the bill in this narrow form is in the hope of easy passage. They hoped that once again they could get away with something. They hoped that Her Majesty's Loyal Opposition would not find out that they had exceeded the authority given them by parliament. They hoped that once again they would evade the charge

that they are both extraordinarily bad planners and contemptuous of parliament.

• (1240)

If indeed this is the case, Mr. Speaker, there is no reason in the world why the government could not have anticipated the necessity of the increased loan limit last summer. It would have been a very simple matter to have introduced this kind of bill during the brief session in September. In the circumstances existing at that time, the full co-operation of all opposition parties would have been cheerfully given in expediting the bill. Having missed this opportunity, either through carelessness and bad planning, or else through a deliberate attempt to avoid getting into questions of this kind which might have opened up the Unemployment Insurance Act as well, the government waited until the situation had reached crisis proportions. It is a habit which is occurring all too regularly. The government is taking on the characteristics of a punch-drunk conglomerate staggering from crisis to crisis.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Hees: That is right. It is getting more drunk every moment.

An hon. Member: Then, it is staggering cheerfully.

Mr. Hellyer: Even in view of these extraordinary circumstances, Mr. Speaker, we have no intention of obstructing and filibustering.

An hon. Member: Go on!

Mr. Hees: We are always constructive and helpful.

Mr. Hellyer: I wish to serve notice, on the other hand, that we intend to pursue a full and complete examination of the philosophy and the operation of the corporation. Anything less would be unworthy of us as an opposition, and certainly not in the best interest of Canadian exporters and taxpayers.

The theoretical rationale of this act must clearly be that the encouragement of exports is an obligation upon the body politic and that the sort of machinery provided by the Export Development Corporation Act will fulfil that obligation. Yet surely the purpose of exports, the real rationale for policies of this type, is more complex. First, we sell abroad in order to achieve economies of scale. We want to make our manufactures and capital goods more competitive in domestic as well as in foreign markets. Second, we wish to earn foreign exchange in order to pay for necessary imports, both capital goods and current consumption. Third, we wish to help, to the extent that exports are a stimulus, Canadian firms develop and maintain the leading edge of technology. Fourth, we wish to assist foreign countries in some cases by the provision, on terms acceptable to them, of our goods and services. Fifth, and high on the priority scale in the minds of Canadians, we export in order to provide jobs for Canadian workers.

There is a widespread belief that it is necessary to export in order to achieve full employment at home. One must entertain this thought with caution, however, because it represents a considerable carryover from the economic thinking of the 1930's. More current economic philosophy would hold that it is possible to attain full employment domestically regardless of the level of exports. In other words, the total level of employment is a function of aggregate demand in Canada, and if the same amount of credit that we intend to make available for the finance of exports were made available to Canadians, for similar purchases, the net effect on employment in Canada would be the same. If this is so, then it should be borne in mind in our analysis of the philosophy and success of the Export Development Corporation and in our evaluation of priorities in the use of available credit.

In considering the philosophical and operational guidelines which might be taken into account, a number of questions arise. Are we making too many long-term loans, for example? Is it possible that we have been moving too quickly and too far in this direction? Would it be more advisable to concentrate to a greater extent on short and medium-term loans in order to achieve a faster turnover? Would this in the long run be more beneficial to Canadian taxpayers?

Should the Canadian commercial banks be allowed to participate more fully? Until the end of 1971, all capital required for the corporation's spending operations came from the Consolidated Revenue Fund; but with the requisite approval of the Minister of Finance (Mr. Turner), the corporation has since attempted to borrow the money commercially. How successful has it been? The minister neglected to inform us on that question this morning. The former minister of industry, trade and commerce said in February of last year that he expected, with a little moral suasion, the chartered banks would participate to the extent of $100 million in 1972. Was that goal achieved? To what extent has the corporation been able to cut down the calls on its own capital by arranging loans in concert with the banks? To the extent that the banks have participated, has this in all cases been on a last-in, first-out system whereby the bank advances its share at the last possible moment and is repaid first? If so, how is the system working? Certainly, in establishing guidelines we should consider the alternative uses of available credit.

In January, 1972, the EDC basic scheme of insurance was extended to the giving of unconditional guarantees for specific loans made by banks to exporters for the production of capital goods for export on medium-term credit. Similar guarantees may now be given to banks in respect of obligations issued by the foreign buyer. These new guarantees apply to both goods and services and they are of significant assistance to consultants, design and managerial businesses. As to manufacturing, the result is that EDC has stepped from the post shipment risk to guaranteeing loans for actual production.

While it may be argued that this is a logical extension of the facilities of the Export Development Corporation, it should be noted that the same terms and conditions are not available to those who sell domestically. It may be thought that tariffs, anti-dumping duties, quotas, and so on, are the domestic equivalent of the financial assistance given to exporters. On the other hand, it can be strongly argued that if there is an international competitive war in

the concessional financing of the export trade, exports will aid the foreigner perhaps at the expense of the domestic consumer. How many Canadian producers of domestic products and consumers would be elated at the prospect of obtaining financing on the same favourable terms and conditions that they help to make available to foreigners through the Export Development Corporation?

Perhaps a more representative board of directors would help to weigh these questions more objectively. With the passage of the Export Development Corporation Act in 1969, representatives of the business and exporting world were induced to serve on the board of EDC along with members of the public service. Originally four, the outside representation has since been increased to five and the public service representation reduced to seven by an amending act of 1971. I would like to see the balance between the public and the private sectors at least reversed. Certainly, there is no requirement for seven civil servants. Half that number could ably represent the government's point of view. Freeing the others to concentrate on their primary responsibilities would certainly help to expedite the decision-making process in government. At the same time, the representation of the private sector could be increased in such a way that small business could be more adequately represented and greater diversification of interests be included in the nominees. I would hope that the government would agree to an amendment along these lines when the bill is considered at the committee stage.

Notwithstanding any changes which might be contemplated by the board of directors, it is still the responsibility of parliament to give guidance in respect of a number of important guidelines. Among the philosophical issues that we should discuss and express an opinion on is the desirability of Canada ensuring private investment in the less-developed countries. Is this kind of assistance really welcome in the host country? Should some form of domestic participation be required? Will the concern in these countries develop along the same lines that our concern in Canada has developed as the breadth and depth of foreign ownership of our industries and resources have increased? A government might welcome the investment despite the fact that opprobrium for Canada might still result among the citizenry. This is more than an academic question. It is a fundamental aspect of Canadian foreign policy which should be discussed and on which direction should be given to the corporation.

One of the most important policy guidelines which should be given the corporation by parliament is the extent to which the corporation should continue to finance the exports of foreign-owned Canadian industries and of foreign branch plants in Canada. In reviewing the operations of the corporation to date, one cannot help but be struck by the extent to which the Canadian taxpayers' money is being used to subsidize exports from foreign-owned industries situated in Canada. A very sizeable proportion of the total credit has been used in this direction. The long-term significance cannot be underestimated.

• (1250)

What if the Burke-Hartke Bill is passed and becomes law in the United States? Will jobs then be repatriated from Canada to the United States, notwithstanding the fact that the companies have enjoyed over a long period beneficial use of the Canadian taxpayers' money? Or even if the bill is not passed, and if some of the more contentious aspects of the bill are not incorporated in administration bills, and I am optimistic enough to think that we can persuade the Americans that it is not in their best interests to proceed, are we still not putting ourselves in an unnecessarily vulnerable position by making too large a proportion of our credit available to American and other foreign subsidiaries? It is worth noting that in the long-run, this policy produces less net inflow of foreign exchange which is one of the purposes of our export policy. To the extent that interest, dividends and royalties flow out of Canada in the direction of the head office of the corporations, our exchange position is worsened.

While it would probably be irresponsible to suggest an abrupt change in the existing patterns, I think it would be equally irresponsible not to demand a shift in emphasis. More credit should be made available, both in relative and absolute terms, for the export of Canadian manufacturers produced by Canadian-owned companies. This would give Canadians the extra benefit derived from the leverage accruing from this kind of loan. It would enable us to put fewer eggs in one basket. It would allow us to reduce our dependency on changes in policy outside our country which might affect employment inside our country and over which we have no control. Firm guidelines should be established because Canadians have the right to know that their credit is being used in a way which will maximize the long-term benefit to them as citizens and taxpayers. My colleague, the hon. member for York-Simcoe (Mr. Stevens) who will speak next for the official opposition, will develop this argument in greater detail.

Some hon. Members: Hear, hear!

Mr. Hellyer: The other area where urgent change is required is in the amount of effort and credit made available to small business as a proportion of that made available to big business. The allegation is often heard that corporations cater to large businesses and ignore the small. This appears to be particularly true in the export financing division where as the *Financial Post*, January 20, 1973, states:

> On average most contracts are for five or more years and valued at more than a million dollars.

Such allocation of funds makes it difficult for smaller companies to get their share of the action. The Export Development Corporation 1971 annual report illustrates this factually. The finance agreements signed from January 1, 1971 to December 31, 1971, totalled $240,034,634. Of this the smallest loan was made to the Dominion Road Machinery Company Ltd., for $225,255. More typical is the size of loans given to companies such as H. A. Simons (International) Ltd. $12 million; Marine Industries Ltd. $43 million; Telecommunications and Equipment Services, $6,329,353; MLW-Industries Ltd., $7,575,025; Davie Shipbuilding Company Ltd., $14.5 million and so on. The corporation is big business oriented and apparently does not have the facilities or inclination to service small business adequately. Noteworthy in this context is the fact that

small business is more likely to be Canadian business whereas big business is more likely to be foreign-owned.

Some hon. Members: Hear, hear!

Mr. Hellyer: I recall the experience of the hon. member for Prince Edward-Hastings (Mr. Hees) when he was Minister of Industry, Trade and Commerce. He travelled across the country to tell small businesses that they should take advantage of the credit facilities that were available to them for exports. Many of them tried and had their application rejected. The then minister had to lay down the law and the corporation responded. Loans to small business enterprises increased dramatically.

Some hon. Members: Hear, hear!

Mr. Hellyer: Obviously, the aversion is deep-rooted and some radical change is necessary. The solution appears to be a new, small business section dedicated exclusively to the service of small business. It should be established as a matter of urgent priority. It should open regional offices in each district of Canada so that the small businessmen who are unable to afford the time and expense to come to Ottawa would be able to service their requirements close to home.

Some hon. Members: Hear, hear!

Mr. Hellyer: Once the system was functioning adequately, briefings could be given to small businessmen in each district. They should be encouraged to use the facilities to the maximum extent possible and to expand their activities on an international scale. The results would be dramatic. The whole world would become the oyster of Canadian small business. To achieve this, however, would require a much more energetic and aggressive approach than has been achieved to date. There has been too much centralization in Ottawa. There has been too much concentration on the big deals and too little time and credit left for the average entrepreneur.

In summation, Mr. Speaker, it is not easy to do an objective evaluation of the success of the corporation to date. Most of the large exporters are quite well satisfied with the experience so far. Most of the small manufacturers, on the other hand, are less than satisfied. The popular press is quite optimistic and gives the corporation full marks. Certainly, if the criteria is spending money, they have done well. A dramatic increase in outstanding loans and commitments has gone a long way toward overcoming the attitudes expressed in 1969 that the Exports Credits Insurance Corporation had been excessively cautious and somewhat unmindful of the increase in assistance given to their exporters by other industrialized nations especially Japan and Western Germany.

How far have we gone in catching up? How are we doing in comparison with other countries? How far have we yet to go? These are some of the questions that will have to be answered.

It should be understood, of course, that this bill in itself, regardless of the guidelines that are applied, will not solve all of the problems of Canadian business, especially small business. Our tax laws, our death duties, the attitude of our government toward business in general, our financial institutions and the facilities available to Canadian businessmen are all amongst the questions that will have to be addressed. They are, in total, far more important than the bill we are now discussing.

But in so far as the Export Credit Act is concerned, it is obvious that we have come a long way in three years. Equally obvious, there is still room for improvement. The operations of the corporation can be more Canadian, more selective and, above all, more compatible to the needs of Canadian small business enterprises.

Mr. Deputy Speaker: Order, please. It is now one o'clock. I will recognize the hon. member for Waterloo (Mr. Saltsman) when the House resumes at two o'clock.

At one o'clock the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

Mr. Max Saltsman (Waterloo): Mr. Speaker, the bill before us, the principle of it, certainly is really quite a good example of what John Kenneth Galbraith meant in his book, "The New Industrial Estate", by the partnership between government and private industry. It is usually the kind of partnership in which the government takes most of the risks and private industry receives most of the benefits.

The opposition is trying to embarrass the government because of the success of the Export Development Corporation. It is obvious that the requests reaching the corporation are beyond its financial ability to meet at the moment, and parliament is being asked that the ceiling be increased. I believe we should agree to these increases. However, there are some questions which ought to be asked about the whole concept of the development corporation as presently set up.

What it is, in our view, is largely a defensive reaction against what has been going on in virtually every country in the world. If anything, we were late in getting into the field. We found that in international markets other countries were subsidizing their exporters with various insurance projects, underwriting certain costs at interest rates lower than were available at any other source. Canada felt it had to get into that business. For a long time we were experiencing a great deal of difficulty in this country as a result of what is sometimes called the concessional financing of other countries. We ran into a situation in which we gave large grants under DREE or some other program to a province or to an industry, only to find that Canadian industry had been outbid or underbid by an offshore bidder. This was not necessarily because the Canadian price was higher or conditions were different; it was because the offshore bidder had arranged for special financing which made it more profitable for a Canadian buyer to buy offshore than domestically.

There were two directions in which we could have moved. We could have been tougher on this concessional financing and kept those goods out of the country by applying regulations against dumping, or finding some

way of obliging them to offer terms in Canada on the same basis as they offered terms in their own country. The government chose not to take that approach. Instead, it said: All right, if they are doing it to us we shall go out around the world and meet five with five. It is an interesting question whether we ought to have proceeded along these lines. I think that in the interim, because this country does not have a real industrial strategy, or a real industrial development program, we probably had no choice but to take the course which was followed. Having said this, I believe a heavy responsibility still rests on the government to deal with concessional financing as it is applied to Canada.

I was very interested in the remarks of the hon. member for Trinity (Mr. Hellyer). He said we go to great lengths to sell our products around the world yet we often lose out in our own domestic market. This is the case. We often lose orders in the domestic market as a result of concessional financing arrangements of other countries. I am not at all sure that the hon. member for Trinity really had much of value to contribute to the debate. I listened carefully to him, hoping that he would come up with some ideas which would change things. But I did not find any. I was interested in his comments about the need to get the banks, or private investors, involved. That is not going to happen until such investors can look forward to a much greater return on their money than is possible under the system set up by the Export Development Corporation.

• (1410)

The Export Development Corporation has in fact become a lender or an insurer of last resort. It exists because of a failure on the part of private banks and money institutions. If the marketplace were working as well as my hon. friends to the right would like to think, there probably would not be a need for an Export Development Corporation. The point is that it is not, and the government has had to step in and make up for the inadequacies of the marketplace.

I always believe there are some valuable functions that can be performed by the government, and, therefore, we acknowledge the necessity of what is being done rather than try to be cavalier about the situation.

Mr. Gillespie: That is pretty cavalier.

Mr. Saltsman: There is in existence a myth that we have to export everything in order to increase our balance of payments position, but very seldom do we hear the question raised as to whether we have to export as much as we do. Very often the consequence of exporting as a total policy is that we get into somebody else's market on a basis of concessional financing, and those people in turn do the same thing with us. The situation was reversed in this case because they started and we followed suit.

We had a minister of industry, trade and commerce at one time who never really understood the relationship between exports and imports. He was always congratulating himself and his government for having increased exports by some 16 per cent, for example, and would then follow up by saying that he had some bad news to report, that we also increased imports by 16 per cent. He could never see the relationship, or that you cannot export without importing for any period of time unless there is an adjustment in the dollar value or a compensation by way of inflows or outflows of capital. Over any period of time, exports and imports tend to balance each other.

What is really important about this relationship is not the amount of exporting we are doing, but the kind we are doing and whether it is beneficial to the country as a whole. Fortunately, I think most of the projects financed by the Export Development Corporation seem to be of a beneficial nature, particularly to industrial production in this country. Even then, some questions have to be asked about these things.

Let us consider the shipbuilding industry as an example. A great deal of the underwriting in respect of ships has been on offshore sales. What is of interest is that shipbuilding is one of the most heavily subsidized industries in this country. It may be that we have to subsidize the shipbuilding industry, but we find we then have to underwrite its sales and its financing around the world. At some point someone has to question whether in terms of the kinds of things we are doing we are getting much benefit from the shipbuilding industry, or whether this is highly desirable for Canada. We recognize that shipbuilding is centred in those areas where there is high unemployment and that we must maintain a reasonable level of employment there. To the extent there is no other industrial structure in these unemployment areas we probably have to continue this shipbuilding program, but as we look into the future we must ask ourselves whether we want to expand this program, particularly when there is so much risk and so much public money going into its support and development.

Another aspect can be found in the Export Development Corporation annual report. It contains a beautiful picture of a swimming pool beside a little hacienda on one of the Caribbean Islands. It contains a statement to the effect that we are helping to build or finance this. Is this the sort of thing the Export Development Corporation should be getting into with the taxpayer's money? It is one thing to say we are selling certain materials internationally and supporting these sales with finances because this provides employment opportunities in Canada, but what kind of employment opportunity does the financing of summer resorts in the Caribbean provide Canada? This may provide some profit for enterprising Canadians, but on the whole it does not seem to be of any great value to the Canadian public generally. As such, I do not think this should be underwritten by a public corporation. If there are Caribbean countries which want Canadian support, this might best be provided under CEDA rather than under a program of this kind. I am a little concerned that we may be following the path, albeit this is a very small step in that direction, which we deplore other countries following. It is a kind of imperialistic move into areas in which we may not want to be in the future.

There is a great deal of unrest in many developing countries about their land being bought up by foreigners, and there is a great deal of hesitation about their future desire to see this type of development. I do not think Canada should be involved in that kind of development, and it should not be aided and abetted by Canada unless there is a specific request from the governments of those

countries for support of this kind. I would be much happier to see us support the government operations of those countries to develop the land under their own ownership and management. As a Canadian I would feel more comfortable about that, and I think most Canadians would feel the same way.

There have been allusions and much talk about industrial strategy. The government claims it has been caught up by an industrial strategy of some kind. If it has, this strategy is almost invisible and very ill-defined. Like so many organizations, the Export Development Corporation is operating in a kind of a vacuum or an absence of stated policy as to what the government is trying to do and what are its objectives. The government seems to be responding to the problems of concessional financing, but it is difficult to see this in the context of future strategy.

Some of the things being supported have a great deal of value to Canada, but there are some things that do not seem to relate to anything that has been carefully thought out for our future. Recently the government undertook a review of foreign policy and the Secretary of State for External Affairs (Mr. Sharp) issued a statement which made reference to three options for Canada. It seems he was in favour of the third option.

The first option was to continue drifting, as we have been doing, although the minister did not put it in those words. That seems to be out of the question because the world is not going to let us drift. The second option seemed to involve a continental arrangement with the United States, but there is much public opinion against this. The minister seemed to say that this would not work and, therefore, we are left with the third option. That option was to develop some kind of policy for Canada which would make us more independent and our markets more accessible and, in some way, make us less reliant on foreign trade and international changes. We have seen very little effort in this direction by the government.

Admittedly, the government recently introduced a bill on foreign ownership which makes some move in the direction of future industrial planning, but again even that is not in any framework or context that is understandable. I suggest we must have some indication from the government of what its long-term plans are. I am not talking about rigid long-term plans; there is no such thing as an inflexible long-term plan for any country. Rather I am referring to some statement of principle as to how the government will respond in the future to the challenges around the world, such as to the fact that we are being cut out of the European Common Market, that the United States market is becoming more protectionist, that Japan really wants to buy only our raw materials. Increasingly, we are finding ourselves placed in an isolated position and we are badly in need of an over-all review of the industrial future of this country. An industrial future can only be realized if the government takes a definite stance and makes some plans, prepares priorities and outlines to the country the desirable direction in which we should be moving.

• (1420)

I was also interested in the comment of the hon. member for Trinity who expressed concern about multinational corporations. He said that the Export Development Corporation tends to support very heavily these international corporations and he would like to see more Canadian companies receive help. What I was waiting for him to say, but which never seemed to emerge from his statement, was that at some stage he was going to move an amendment excluding foreign held corporations from the benefits of the provisions of the Export Development Act. In the absence of that kind of suggestion, it is difficult to measure just how serious is the Canadianism of the hon. member for Trinity.

We do face a dilemma here, a challenge between the multinational corporation and a particular government, in this case the Canadian government. The multinational corporations have been using Canada in the same way as they have used every other country in the world. After all, they could just as easily export from Italy or France as from Canada. Multinational corporations ask Canada what kind of deal we can give them, and they indicate to us that the Italians have given them one deal and that they can get a better deal from the French; that the Germans have offered them so much concessional financing, and they ask us what we will put up. This country has never tried to grapple with the problems posed by multinational corporations. We have to establish an Export Development Corporation to match what other countries are prepared to offer. This is a nice arrangement for the multinational corporations, since they can hop around the world from one country to another getting the best deal they can. But I am not at all sure that is ultimately to the best benefit of Canada, except only in the most indirect way.

Therefore, while we have probably no choice at this time but to go along with and support something like the Export Development Corporation, since it does help in maintaining and keeping employment in Canada, I suggest it is not the most useful mechanism for the future. The most useful tool for the future would be giving greater government attention to the development of an industrial strategy to find some sense of purpose and control over our economy.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to take this opportunity to say a few words on Bill C-3 entitled an Act to amend the Export Development Act.

Mr. Speaker on many occasions a similar bill was introduced, mainly to increase the credits, the funds of that corporation and to find ways of increasing our exports.

Mr. Speaker, since we have to actually subsidize exports there is surely something which is not working properly in the export-import system. Surely, there are questions to be asked. For example, why do foreigners hesitate to import Canadian products? Do they have doubts on the quality of our products or do they consider our prices prohibitive? I think that in the final analysis it is our prices which are slowing down our imports. This is due to our overall cost system which is related to our tax system at all levels of Canadian production. This results in almost prohibitive prices for our products not only for export but also for domestic consumption, to the point where competition with other countries is becoming more and more difficult.

In our export system the objective of the government seems to be mainly to export unemployment because we see that all the means used by the government to stimulate exports seem to be aimed at having industries operate fully to ensure employment for Canadian workers. This seems to be a good guideline but it is the worker who through the taxes he pays is partly financing government grants to stimulate exports, and so he is really the one who is paying to work.

In this country, we have been taught that we must export or die. Mr. Speaker, I think the principle of exports should consist in compensating for imports, nothing more. Our policy should be aimed at insuring production, at facilitating the finishing of raw materials and at encouraging as much as possible domestic production of consumer goods. I think we have a tremendous domestic market and I wonder whether we are developing it properly. I think that before attempting to encourage exports and foreign consumers, we should rather try to encourage Canadian consumers in order to enable them to use our own production for their own needs.

There is one particular method to achieve this objective. It would consist in granting a compensating discount on all Canadian products used in this country. This would enable us to use a good part of our production at the expense of import markets.

• (1430)

This would also increase production. It would enable our factories to produce more, and at the same time it would satisfy the Canadian consumer.

Trying to export means to some extent trying to export our unemployment. What we make for export will not be made in other countries, and so it is we who are working instead of others. When we import—for you cannot export all the time, you have to import too—the opposite takes place; we import unemployment.

For these reasons, Mr. Speaker, I call on the government to seek a policy that will enable us to produce at home the consumer goods we need, and to promote this production by every available means so that it may reach the consumer. The aim of production, whether agricultural or industrial, is consumption.

Those are, Mr. Speaker, the few remarks I wanted to make about the bill now before us. I admit that the Department of Industry, Trade and Commerce requires further estimates to encourage even more exports. As long as we operate under the present system, I suggest that there may be no alternative. I think that we should get off the beaten tracks and find another way to meet at the same time the Canadian worker is and the Canadian consumer's needs.

[*English*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, the present bill which will augment advantages under the Export Development Act is one which I support wholeheartedly. The whole idea of increasing our trade with other countries is, of course, vital to the life of Canada. It means that what it takes to enhance our exporting is the difference between what one government can do as opposed to another or what certain individuals can do as opposed to certain other individuals, and this is one means that we have at our disposal to improve the export picture of Canada. There have been many occasions when I have visited other countries and when we have spoken about exports the idea of financing became a stumbling block. Certainly, experience has shown us that if there are competitive financing methods available in the international market, exporters will be able to do business much more easily.

I remember, for example, that a year and a half ago I was in Leningrad on a short visit and had the opportunity of meeting the pulp and paper people there. It was certainly a joy to me that, prior to that occasion, we had passed amendments to this act which facilitated further business with the Soviet Union in the field of pulp and paper. At that time the Soviets were negotiating for a very large new pulp and paper complex, and the help that Canada was able to give was beneficial, not only to them, but to Canadians because they insisted on using a Canadian company. Even though their principal consultants were a French firm, they insisted on the involvement of a certain Canadian company and we were able to discuss with them the possibilities which were enhanced through this act.

I think that everyone in the House is probably generally in favour of this act. It is a question of certain details being clarified. Various parties perhaps have different ideas about these details, and certainly it seems to me that the government is wide open to accepting suggestions from various people.

The hon. member for Trinity (Mr. Hellyer)—for whom I have great respect and admiration—spoke this morning on the subject and made a couple of observations. In one instance he referred to the economic theory that if the same financing were available to Canadian industries, the end result by way of the creation of jobs would be the same as under the present system where the financing is available from abroad, and therefore jobs are created within Canada in order to fill those contracts. The hon. member did not say whether or not he espoused that theory as opposed to the other one, but he brought it forth as a cautionary measure in order to make us aware of the fact that this is an alternate theory which we should consider. Personally,—and I am certainly no economist—I do not think that that particular theory is valid, because when we provide this kind of financing to foreign governments to buy from Canada or to develop through the use of Canadian goods and talents, we are providing not only jobs here but also that other element in trade which is necessary. It puts the other country in the position of being willing to do more business with Canada when more goods are purchased from Canada because trade is always a two-way street. I suggest that when we take these steps in order to help another country, that country is better disposed to do more business with Canada. Therefor, I think that the comparison of the net results on a job for job basis is not valid, because there are other factors that are involved.

The hon. member also mentioned the fact that exporters are given advantages that are not available to other businessmen in Canada who are interested in the domestic market. This is true when we are talking about this par-

ticular bill, but it seems to me that other facilities are available to those who are interested in the domestic market. I come from an area which is very anxious to expand its industrial base, an area that is trying very hard to develop secondary industry in particular. We do have the facilities available to help these other domestic companies. Certainly, whether the program under the Department of Regional Economic Expansion has or has not been effective, is another question. It is certainly there and available. Our problem has not been that these companies have not had something at their fingertips that they can use. Our problem has been that we have not been able to convince these people that it is more advantageous for them to go into these areas than into others.

The hon. member mentioned something else, with which I certainly agree wholeheartedly, namely, the matter of the composition of the board. This is a favourite subject of mine. The hon. member has suggested that the number of civil servants on the board should be reduced and that there should be other people—perhaps businessmen—who should be included instead. I could not agree more because, first of all, I think it is absolutely essential that people who deal with business matters should have a background in business.

I have seen so many instances of companies, in my constituency and elsewhere, which have been waiting for the government to make a decision, even though it may be a minor one. Probably the employees within the bureaucracy left that file in a basket over night, or while they went away on holiday, or while they were off sick, and all the time, each and every day that the file was there, it cost the company money. These people, although very efficient—I don't downgrade them—do not realize what it is to meet a payroll at the end of the week, or to meet such other problems as are related to dealing with the employees of companies. Therefore, I agree wholeheartedly that a minimum number of civil servants should be put on the board, and that generally its composition should be made up of business people who are familiar with the world of business.

• (1440)

Of course, I return to my old argument that there should be some representative on such a board from the people of Canada, or somebody who has a mandate from the people of Canada. We have lots of people in this House who have ample experience in business and who would be able to contribute. The hon. member for Trinity is an ideal example of someone who would be able to contribute that kind of experience and enhance the composition of the board.

The hon. member also talked about industries in Canada that are foreign owned, and suggested that the subsidization of these companies should be regarded with a jaundiced eye. This, of course, caught the attention of our friends in the NDP, who picked it up immediately. This subject has arisen frequently, and it is something that can be dealt with in another way. I would remind hon. members that we will be talking about foreign ownership when dealing with a separate bill entirely. It is an issue that can be dealt with separately.

I have never been afraid of foreign ownership in Canada. I have been afraid of foreign control. Frankly, Mr. Speaker, it is up to us as legislators to make sure that the laws are such that there is not control by a foreign power in Canada. I come from an area that does not disdain foreign ownership, simply because we know that probably most of Northern Ontario would not even exist without that kind of foreign investment. But that does not mean to say that we can allow foreigners to control our destiny.

Some of the help that we give to other countries has been badly interpreted by many Canadians. The kind of things suggested by the provisions of this bill are badly understood by Canadians in general. That is unfortunate. It is our fault, and not only that of members of the government. Members of the House on both sides have a duty to explain to the people of Canada what our legislation is all about.

For example, people will come up to me and say that this is the kind of thing that has to do with foreign aid. This is not directly foreign aid, Mr. Speaker. It is not foreign aid at all. Yet people time and time again come along and say, "This is foreign aid. You are giving it away. Why don't you do something for our poor people at home?" That is a fine argument for someone who is concerned only with cheap political advantage, but it certainly is not the way to be sincere with the people of Canada. So far as that goes, foreign aid itself has been badly explained, because certainly any time we help anyone else in the world it is also to our advantage.

Here we are, one of the richest countries in the world—I would certainly say the most advantaged country in the world, if not the richest. We have the potential to become the richest in the world. We have every possible advantage, but sometimes we take the attitude of a cheap country cousin who says, "There are many people who are poor in our own country. We should be helping them first." Of course, we should be helping our poor people, but we should also be helping people in countries far less fortunate than ours, not only from the point of view of morality but also from the point of view of good business. When we are helping other people, we also help ourselves. When we help other people through this kind of bill, we are helping them to do more business with Canada. We are helping to create more jobs in Canada, and this is the thing we want for Canadians.

The spokesman for the Creditiste party mentioned that our Canadian consumers should be helped first. Of course, we should be trying to help Canadian consumers and there are many ways in which they can be helped, but one is not by criticizing a bill such as this. There are other ways in which we can help the Canadian consumers.

I suggest that every time we talk about our poor people at home and our "bonnes mères de famille", who have large families and so on—I am No. 14 in mine and I know about this—it is great stuff on the hustings and great stuff in the local paper back home. However, let us not forget that when we help other people through a bill such as this we create jobs and increase Canadian production, and this is indirectly helping every "mère de famille" in Canada. This is what we should not forget, and this is what should be explained to the people. We should not

have this kind of superficial thinking that instead of giving a loan to somebody outside Canada the money should all be given to the mothers of Canada. That kind of thing is ridiculous. Really it is a partisan political argument. It should not be used. We should be above that kind of thing in this House.

The hon. member for Abitibi (Mr. Laprise) also suggested that by importing we also import unemployment. Surely, he isn't serious! When we import sugar from some country which grows sugar cane, does that mean we are importing unemployment? Mr. Speaker, we import coconuts; we import oranges and other citrus fruit. Does that mean we are importing unemployment? Canada lives by trade. We export what we do best; we import what we cannot grow here or what we cannot develop here. So, this kind of an argument is hardly—

[*Translation*]

Mr. Laprise: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Laniel): Order please. The hon. member for Abitibi on a point of order.

Mr. Laprise: Mr. Speaker, when I listen to the remarks of the hon. member for Cochrane (Mr. Stewart), I suggest that he did not listen to my whole statement. I made a point of stating and demanding that we produce in Canada everything that we can produce. I did not say that we should produce citrus fruits or any other thing that we cannot produce, I simply stated that we should produce everything that we are able to produce.

[*English*]

Mr. Stewart (Cochrane): I apologize to the hon. member if I did not understand him correctly, but the basic principle he seemed to enunciate was that by importing we also import—

[*Translation*]

by importing something we also import unemployment. That is what I heard him say.

[*English*]

Now then, what we can produce is another story, but it seems to me we have to remember that this business of trade is always a two-way street.

When the minister made his presentation he spoke about a number of things, one of which was the various countries we had helped under the provisions of the act. One of the things he did not mention, although it is on the list that I have, is the pulp and paper mill in Kenya. The livelihood of the people in northern Ontario is mainly dependent directly on the pulp and paper industry and the forestry industry in general. There are some who feel that mining is very important in northern Ontario and of course it is, but pulp and paper is even more important. This industry has its ups and downs. It has been down during the last few years and recently has just started to come up again. This bill is the kind of thing the pulp and paper industry can use abroad but I wonder if the industry, which has not been aggressive, is aware of the advantages. This industry has been—

• (1450)

Mr. Stanfield: You had better offer your services.

[Mr. Stewart (Cochrane).]

Mr. Stewart (Cochrane): —content with the markets it has had in the United States and elsewhere. To get it to expand its markets is like pulling teeth. I have been trying for five years to get the pulp and paper industry of Canada to establish markets in other parts of the world, to establish joint ventures and new markets on a long-term basis. This becomes very difficult when the people at this end sit back complacently because they have a good market here. But in another year perhaps the situation will not be so good. The pulp and paper industry was in dreadful shape last year and the company representatives were here knocking at our doors. We were sympathetic and many of us worked on their behalf, but I think they should adopt a much more aggressive attitude toward foreign business.

Mr. Speaker, a favourite topic of mine is the matter of trade between the northern and the southern parts of this continent, and not only the continent but the western hemisphere. We have our own common market in the western hemisphere which we should be developing. I would encourage the minister to take more positive action in this regard. I have noticed, for instance, that from 1971 to 1972 we increased our exports by something like $200 million. Exports to Latin America, for example, increased by about $2½ million while imports from that area decreased by $6 million. Of course, we want to export more than we import but it is a two-way street. There is no doubt in my mind that we have many products in this country that no other country on the continent has and therefore we could end up with a favourable balance of trade providing we develop in a much more concerted way our trade with South America.

The Latin American countries stand ready to do more business with us. Of course, the United States is our traditional trading partner but now that Great Britain has entered the common market in Europe we should try to develop our markets in North and South America without, of course, abandoning our other markets. A few weeks ago I spoke about sugar going back and forth across the Pacific from Cuba to Malaya because we do not have arrangements with Cuba. We buy from Australia. Surely, this situation could be sorted out by a common market arrangement between North and South America. This is something I should like to encourage through this bill which is concerned with the development of trade. The bill would be useful in looking for new markets on this continent.

Mr. Speaker, I wholeheartedly support the bill before us and want to see it go to the committee where amendments can be made. Certainly, we are all open to suggestions and everyone has good ideas to put forward. I know that the hon. member for Trinity has a few ideas that he would like to see incorporated in the bill and perhaps this can be done at the committee stage. I am sure the government will accept good ideas from both sides of the House. I am a non-partisan person and like to look at things on their face value; it pains me to hear people on either side of the House speak on a matter such as this from a partisan point of view. The trade of Canada has nothing to do with partisanship. Certainly, our friend the hon. member for Prince Edward-Hastings (Mr. Hees) when he was the minister of trade and commerce, had good ideas about promoting trade in Canada. Everyone in Canada, whatever

his politics, is interested I am sure in increasing trade and that is why I think it should be done entirely outside the realm of partisan politics. Mr. Speaker, I encourage the House to pass this bill on second reading so that it can go to committee and have any changes made which may be necessary for the benefit of Canada and Canadians.

Some hon. Members: Hear, hear!

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, before getting into more specific comments concerning the proposed legislation I should like to make some comments about the speeches of members who have spoken earlier. I listened with great interest to the minister who explained from his standpoint why he felt that parliament should accept this bill and give it second reading. I timed the minister; it took him ten minutes to explain why he felt the parliament of Canada should accept this bill. I thought that ten minutes was an interesting contrast to the time spent by the president of this corporation, Mr. H. T. Aiken, when he initially appeared before the Senate committee which incorporated the corporation itself, in 1969. The committee chairman at that time told Mr. Aiken that he had six minutes in which to explain what the bill was all about and what the Export Development Corporation would do.

Mr. Hees: Liberal arrogance!

Mr. Stevens: At that time, Mr. Speaker, the ceiling proposed for the corporation was $600 million; today we are being asked to raise the ceiling to $1.5 billion. It is interesting to note the contrast: in 1969 they spent about a minute to explain why the ceiling should be raised for each $100 million and today the minister took only ten minutes to explain why the ceiling should be raised to $1.5 billion.

• (1500)

An hon. Member: George Hees told you that.

Mr. Hees: Yes, Mr. Speaker, I used to do a great deal of explaining.

Mr. Stevens: Let me be fair, Mr. Speaker. I have commented about the minister, but what surprised me more than anything this morning was that the leader of the New Democratic Party, the hon. member for York South (Mr. Lewis), was not in the House.

An hon. Member: Maybe he has become redundant.

Mr. Stevens: This is a bill which perhaps more closely than any other measure touches the issue the hon. member raised in the election campaign, that of corporate welfare bums, yet while the bill is being considered in the House he is nowhere to be seen.

Some hon. Members: Hear, hear!

An hon. Member: He was having coffee with Bob.

Mr. Stevens: I also timed the main spokesman for that party, the hon. member for Waterloo (Mr. Saltsman). I wanted to see how long he would take to explain why his party would or would not support this bill. He spoke for some 20 minutes, twice as long as the minister spoke. I mention this because in speaking on this bill I feel I am greatly limited by the 40 minutes allotted to us.

An hon. Member: Forty minutes? Who gave you 40 minutes?

Mr. Stevens: I say that because I feel I could speak for much longer on this bill.

An hon. Member: Say something.

Mr. Stevens: Mr. Speaker, the minister referred to this as a simple bill. Perhaps it is simple.

Mr. Goyer: Speak about specific problems and not generalities.

An hon. Member: And don't go on for 40 minutes.

Some hon. Members: Oh, oh!

The Acting Speaker (Mr. Laniel): Order, please. I invite hon. members to co-operate with the Chair and permit the hon. member who has the floor to complete his remarks in such a way that everybody interested will be able to listen.

Mr. Stevens: I wanted to draw to the attention of parliament the fact that the minister suggested this is a simple bill. Perhaps it is simple in that it contains only two clauses. Let me assure hon. members, however, that when we deal with export financing we are dealing with the most complicated, dangerous and risky field in financing in the world.

Mr. Nowlan: It is even worse than unemployment insurance.

Mr. Stevens: Surely the minister realizes that, and knows that few chartered banks dare to go into long-term financing of the type the Export Development Corporation has undertaken. I am surprised at the minister's audacity in coming before parliament and spending a mere ten minutes explaining why we should permit the ceiling on one section of the corporation's activities—one section only; I emphasize that—to be increased to $1.5 billion in liabilities.

May I point out, as I think the minister knows, that the present ceiling of $850 million has already been exceeded, so that in many ways this is not an ordinary bill but an emergency measure. I believe the minister brought out this fact in his ten-minute speech when he indicated that on an earlier occasion he had said he planned to bring in certain other amendments affecting the operation of this corporation. However, he has chosen not to introduce those amendments at this time. I suggest to hon. members that what the minister suggested was significant. I should very much like to see undertaken a full and thorough investigation into certain aspects of the operation of this corporation with particular emphasis on activities in the foreign investments field and insurance on foreign investments.

In the brief time available to me I shall stick to the subject matter before the House as contained in Bill C-3.

An hon. Member: It's about time.

Mr. Stevens: The minister intimated that in 1972 some $283 million of financing agreements were signed by the corporation. I am pleased the minister referred to the 1972 figures. I wish he had gone further and explained more explicitly who was given the benefit of those agreements. It would have been interesting if he had spelled out, for example, that included in that $283 million are loans aggregating $40,781,000 to General Motors—

An hon. Member: Of Canada.

Mr. Stevens: Also, there are loans to M.L.W. Worthington of $22,904,000, for a total of $63,685,000.

Mr. Gillespie: On a point of order, Mr. Speaker, may I put a question to the hon. member opposite. I wonder if he realizes that the direct loans are made to the buyer, they are not made to the vendor; therefore, no loans were made by the Export Development Corporation to the companies he mentioned.

Some hon. Members: Hear, hear!

Mr. Stevens: Mr. Speaker, obviously the minister is desperately trying to distract us.

Some hon. Members: Oh, oh!

Mr. Drury: Do not be confused with facts.

Mr. Stevens: If you wish, I will go into the financing arrangements step by step. I am quite willing to do that. I say to the minister that when he referred to $283 million in signed agreements in 1972, about $63,685,000 of that amount went to persons who in turn bought goods from General Motors and M.L.W. Worthington in Canada. The money substantially was used to purchase from those concerns diesel locomotives and other types of transportation equipment.

An hon. Member: Now you are getting closer.

Mr. Hees: Are you listening, Alastair?

Mr. Stevens: May I go further, Mr. Speaker, and remind the minister that those loans were made at interest rates of 6 per cent and 7 per cent. All one need do is telephone the corporations to find out. They are very happy with their lot, I can assure you.

Mr. Gillespie: Mr. Speaker, on a point of order—

An hon. Member: No; let him finish.

Mr. Hees: The minister can ask his question later.

The Acting Speaker (Mr. Laniel): Order, please. Perhaps I should intervene at this time to mention that the point raised previously by the minister was more a matter of argument than a point of order. According to our procedures and the rules of this House, I think the hon. member should be allowed to complete his remarks. Then perhaps hon. members may ask questions or they can seek the floor and submit contrary arguments.

[Mr. Stevens.]

Mr. Stevens: Thank you, Mr. Speaker. I hope I shall be allowed extra time to make up for the time lost through interference.

Mr. Nowlan: Through government static.

Mr. Stevens: I point out that the transportation equipment I have referred to ended up largely in Yugoslavia, Mexico, Portugal and Greece. There was $63 million worth of it. Let there be no doubt that we in the Progressive Conservative party are not arguing with the fact that this type of activity creates employment. However, this government that says they have no money for urban transit development in Canadian cities should explain how they could find some $63 million to lend to two subsidiary American concerns.

• (1510)

Some hon. Members: Oh, oh!

Mr. Stevens: If I may reword that statement, I ask why they will facilitate financing at between 6 per cent and 7 per cent interest for the purchase of transportation equipment from two American subsidiary companies to the extent of $63 million.

Some hon. Members: Shame.

Mr. Stevens: Let me point out the significance of that amount of money. In the Toronto region the Ontario government have what they call GO transit. GO transit spent $25 million on equipment including locomotives, cars and switching equipment for the lakeshore operation that they run for commuters to and from Toronto. It is used by 20,000 people per day. Here we have $63 million of financing. If this government wished to do something for the urban areas of Canada they might consider, in their order of priorities, the possibility of making $50 million, $100 million or whatever figure they choose, available at 6 per cent to 7 per cent interest to some of these urban centres of our provinces to assist them in providing better urban transportation.

Some hon. Members: Hear, hear!

Mr. Stevens: I remind the minister of this because, naturally, in dealing with this corporation he likes to talk about far away places and foreign lands.

Mr. Gillespie: I like to talk about jobs at home.

Mr. Stevens: Coming from an area from which the minister also comes, I can say that we are a foreign land. Certainly the government in Ottawa has forgotten the region that I have the honour to represent.

Some hon. Members: Hear, hear!

Mr. Stevens: Let me continue with the figure thrown out by the minister with respect to financing. I think it is very interesting to analyse the $283 million worth of financing. We find, for example, that they have certain categories totalling $58 million in financing called "various suppliers." Unfortunately, I cannot tell this House exactly who are these various suppliers. I can tell hon. members that there is a loan, which is like taking money from one

pocket and putting it in another, to another Crown corporation for some $28 million. If you eliminate those two categories you find that the net amount of financing facilitated through this corporation was $197 million. When I analyse the $197 million worth of agreements, I find approximately $126 million that I can readily identify is to the benefit of subsidiary American concerns.

Some hon. Members: Shame.

Mr. Stevens: I have heard comments from the other side that we need to expand export trade and create employment. I suggest that is not the problem before this parliament in this bill. We agree on expanding export trade. We agree on the value of creating employment in this country. But we simply say that when you are dealing in billions of dollars you can do it in a more direct and beneficial way for Canadians than the present government has chosen.

Some hon. Members: Hear, hear!

Mr. Stevens: Before getting into too much detail let me touch on another point in the minister's comments which I found very interesting. My colleague, the hon. member for Trinity (Mr. Hellyer), pointed out that while there has been a great deal of talk about the EDC becoming active in the private sector and perhaps borrowing money from the private sector instead of coming back to parliament, the minister interjected that they had been very successful in the private sector. Out of curiosity, over the luncheon break I thought I would find out how successful the corporation really has been in raising money in the private sector.

I found that they attempted to raise—I would emphasize, not in long-term obligations but simply in obligations of a short-term nature that is, up to one year—$80 million. To date they have raised from $40 million to $50 million. I would point out that there is great resentment among some members of the investment community concerning what is described as the mother complex shown by the Department of Finance with respect to public financing through the private sector for EDC. It is pointed out that most of their money is not in fact for one year, it is for one to three months, and the Department of Finance has so restricted the raising of these funds that it has become extremely difficult.

I wish to point out the very odd requirements that have been insisted upon by the Department of Finance with respect to where this short-term money may come from. For example, notwithstanding the fact, as the minister points out so often, that this financing is for foreign concerns, the EDC has been specifically required not to borrow money from any foreign country or concern. They have also been told that they may not borrow money in the form of notes from Canadian chartered banks through any of the dealers. Surely this is strange. As the hon. member for Trinity pointed out, it is only 11 months ago that the former minister of industry, trade and commerce stated that the government anticipated $500 million worth of agreements would be signed in 1972 and he was very confident that $100 million of those agreements would be taken up by Canadian chartered banks.

What happened to the Canadian chartered banks? I understand they took up less than $20 million. The sad fact is, Mr. Speaker, that the government feels that perhaps the softest touch in the land is this parliament. Rather than attempting to raise money where I suggest the government should be raising money, it simply takes the easy way out by asking us to increase their ceiling so that the public treasury may pour hundreds of millions of dollars into EDC to support some of the corporations I have mentioned.

Some hon. Members: Hear, hear!

Mr. Stevens: I emphasize that while the minister referred to the financing figure of $283 million, it is also interesting to note who over the years since this corporation was formed, and its predecessor, has actually benefited and today is benefiting in the form of current financing or through agreements to finance. We find that almost 25 per cent of the total ceiling amount of $850 million has gone to the benefit of three corporations; $208.2 million has been earmarked for the three corporations two of which I have already referred to.

• (1520)

Mr. Hees: Shocking.

Mr. Gillies: Shocking.

Mr. Stevens: I seriously question whether the government needs to be so restrictive in the allocation of these funds. Naturally, one of the supporting points in favour of this bill is the question of helping Canada in her export trade.

An hon. Member: Oh, oh!

Mr. Stevens: The minister looked at certain figures and told us that trade had increased during the last few years. I should like him to look at some of the other figures he has at his disposal. He will find that in the year to which he is referring, or at least for the year right after that, 1970, Statistics Canada has published a breakdown of the nature of the financing of the trade to which he referred.

I think it is significant that only .6 per cent of Canada's total trade in 1970 was financed with credit on the basis of five years or longer. I am suggesting that the corporation has chosen a narrow field of financing with respect to the long-term export finance sector referred to in Bill C-3. For example, we find it pointed out in the Statistics Canada publication that 87 companies with sales of over $25 million account for almost $10 billion of the export sales. Moving further down the scale, 426 exporters executed 92 per cent of the exports reported.

I am suggesting that rather than helping smaller businesses, the EDC has actually helped the large corporations to maintain their extremely high percentage of our export business. Dealing with the figures to which the minister referred with respect to financing during 1972, it seems clear that the money, indirectly if you like, some $283 million, went or could go to 13 companies, plus whatever suppliers are included. Of those 13 companies, eight are United States controlled. What the EDC issues, to use a term employed by one of the minister's colleagues, is "hunting money" or "hunting agreements." I suggest the department should recommend to EDC that they take a

bit of that hunting money, maybe a quarter of a billion, to facilitate smaller businesses in Canada. Let them do a bit of their own hunting for markets. This would be much more worth while than giving 13 corporations the tremendous benefit they are now receiving, something over $200 million of financing in one year alone, indirectly, if you like, which the government is willing to put out at between 6 and 8 per cent.

Mr. Speaker, there are parallels for EDC. We are not in splendid isolation in this country when we consider this bill. EDC is a member of what they call the Berne union which is made up of 29 corporations very similar in many respects to the one whose affairs are now before us. I feel that before we rush to agree to raise the ceiling permitted for this corporation we should take a careful look at the position of these other corporations and decide whether EDC as it is presently administered and operated is doing the job for the average businessman in this country that it could be doing. That is the point. If this type of money is going to be given out to facilitate export trade, we must take a more serious look at the over-all question than was implied by the ten-minute speech made by the minister in describing the bill to this House.

Some hon. Members: Hear, hear!

Mr. Stevens: If he were willing to give a million dollars of hunting money to each of 250 Canadian businesses, I guarantee that the minister concerned would be able to return to this House at a later date with a great deal more satisfaction and optimism than he can show today as a result of supporting 13 corporations the way he is doing.

Mr. Hees: Look after the little fellow.

Mr. Stevens: What is the attitude of the government? I think it is very interesting when we come to consider what steps have been taken directly to help small business. Look at the Industrial Development Bank. Granted, the Minister of Finance (Mr. Turner) is not with us today, and that bank answers directly to him. But I would point out that there are some interesting contrasts to be drawn between the operations of the IDB and the operations of the Export Development Corporation.

Let us start with rates. If you go to the IDB you will be quoted rates as high as 11 and 12 per cent, should you be lucky enough to be offered a loan. In the EDC it is about 7 per cent. Now turn to loan levels. The IDB is making loans at a level of $45,000 on average. The Export Development Corporation is making loans on average of over $10 million. What a contrast to see what can be done in the name of foreign financing and what can be done in the name of financing relatively small business in this country. Again, it is interesting to find that while the Export Development Corporation finances indirectly some 30 or 40 corporations in this country, the Industrial Development Bank has somewhere around 16,000 customers.

I would strongly recommend that in working out an industrial strategy, something which the government has failed to do to date, hon. members opposite should take a much closer look at ways in which the Export Development Corporation can fit into such a strategy and see whether the corporation cannot play a much larger role in two main respects, that is, in helping Canadian small businessmen get into or expand in the export field, and in counteracting the growing volume of foreign investment in this country.

I cannot agree with those who argue that we should endorse this type of proposal without giving the matter much more thought and closer investigation. We are being asked to lift the ceiling to $1.5 billion in favour of a Crown corporation without even having an audited statement. I hope it will sink into the minds of every member of this House that the last audited statement from the Auditor General of Canada for this corporation is dated December 31, 1971.

What would happen if any concern in the private sector tried to raise a few thousand dollars publicly in the absence of an audited statement or a prospectus? Yet we are expected to give second reading to a bill in the absence of an audited statement to the end of the corporation's last fiscal year. I would point out that not only is the ceiling to be raised, but the minister has in his possession a forecast showing where the money is actually to be spent in 1973 and 1974. He has in his possession a document showing how some of the $600 million extra money which will be within the $1.5 billion is earmarked. Two hundred and forty-three million dollars go out in 1973, and $401 million in 1974. I think we are entitled to an explanation as to why there has been such anticipation of the action to be taken in this parliament. Rather than an audited statement, we have been provided with a series of boasts from various ministers and officials that the long-term financial section of the EDC is having a fabulous time and is a great success.

I assure the minister that if he went outside parliament today with a bag of candy and offered it, he would get rid of it just as he has been getting rid of some of his long-term favourable financing at 6 per cent to 8 per cent. I should also mention that in delivering his argument the minister was in many ways serious in general, but in substance I do not feel that he put sufficient emphasis on the serious request he is making of this parliament. Long-term viable banking institutions do not stand on whether they can get money out, but whether they can get it back; and the viability of a public institution is not that it can disperse public money, but that it disperses public money in the public interest.

• (1530)

Long-term foreign financing is a risky and a costly business. A case has been made that public money should be used in this area because the private sector is unwilling to do the job. I am not certain that is the case. However, there are ways in which the public could be more active in this area, and I would suggest that the Export Development Corporation has not prudently explored this field.

In 1969, as I have already said, the president of the EDC argued that the new EDC would be different from its predecessor in two important respects. Mr. Aiken indicated that it would create new facilities to enter into private financing from bond and debenture sales. As I have indicated, that has not been realized other than to the extent of some short-term financing to the possible limit of about $50 million. Mr. Aiken also indicated that they would make a start in working out consortium loans with

the private sector, including our banks. This action has not been taken to any extent and I feel we deserve an answer as to why not.

Recently the president of General Motors stated that this government was a bit chicken in dealing with the auto industry. It seems to me, Mr. Speaker, that it is chicken in its dealing with the Canadian chartered banks as well. While this government does not have the courage to get the chartered banks to pick up the $100 million the former minister so proudly boasted of, it has the gall to come into this House and ask that we increase the ceiling it now has in order that it can pour further hundreds of millions of dollars of public funds into this corporation.

Having said that, let us take a moment to compare the operation of the Export Development Corporation with roughly its counterpart in the United States, the Export-Import Bank. That bank has been in operation since 1930 and has financed some $30 billion on its own account in foreign trade. However, it operates quite differently from the EDC in Canada. Of the money used by the Export-Import Bank for financing, 50 per cent is picked up from the private sector alone, and the United States treasury is responsible for the other 50 per cent. I would emphasize the word "responsible". In June, 1971, the total advanced by the treasurer of the United States to that bank was only three-quarters of a billion dollars. Think of the difference! We are being asked in this House to agree to a ceiling under which the Canadian government could put in a billion and a half dollars to our corporation, when the United States counterpart has received loans of public funds from the treasury of the United States, as of June, 1971, amounting to only three-quarters of a billion.

Some hon. Members: Shame.

Mr. Stevens: The rest, I would emphasize, is raised in the United States from the private sector and not through a soft touch such as this government is trying to make of parliament. Are we not obliged to insist that the EDC do a better job before we provide it with larger sums of money? I feel we are, when we draw some comparison between the activities of the EDC and the activities of the Industrial Development Bank to which I have already referred.

I believe that the objectives of the EDC could be changed in order to greatly strengthen Canadian entrepreneurship in this country, especially in respect of the Canadian manufacturing sector which could expand in export fields. The Export Development Corporation makes loans, on average, of something over $10 million each which really finance a couple of dozen giant corporations that are mainly U.S. owned, at interest rates of between 6 per cent and 7 per cent. On the other hand, I have pointed out the cost of such borrowing to small businesses from the IDB is approximately 10 per cent.

I would also point out that, assuming the money we are contemplating today was one-quarter of a billion dollars, it would build 10,000 homes in this country. If the minister is looking for a way to get ready takers of his fund, I can assure him that if he pegs the rate at 6 per cent, 7 per cent or 8 per cent he will have a queue of persons from here to the river waiting for this money with which to build these 10,000 homes.

In conclusion, I should like to ask the government about our priorities. Some $1.5 billion is at stake. The government has not made a good case for putting that amount of money into the EDC or for allowing that corporation to incur such a liability in this field on its present presentation. Would it not have been far more effective last year to have taken some of that money and helped the smaller Canadian businessmen in the ways they required? The minister has talked about the jobs that were maintained by a handful of corporations which received EDC financing. I would have some questions about that, but I see that my time is running short.

Let me finally state that I believe it is unfortunate this bill is in its present form. I believe long-term financing must surely be more effectively undertaken by the EDC before we provide more funds. Possibly a simple amendment to the Bank Act requiring chartered banks to provide funds specifically for long-term financing of export trade would help. Whatever the solution, I cannot see this House extending to the ECD this kind of money without a more impressive rationale in respect of our national economic objectives.

This government should have the courage to set its industrial priorities in such a way that we may know, the public may know—in short, that we all may know that public moneys are effectively serving public goals. By "public goals" I mean Canadian goals for Canadian people and Canadian companies. This bill is not the product of vision or courage; it is the product of aimlessness and timidity.

• (1540)

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, one of the cliches or observations about history is that war should never be left in the hands of the generals. Having heard the Conservative spokesman for York-Simcoe (Mr. Stevens) who preceded me, except for one very worthy suggestion about requiring our banks, through a change in the Bank Act, to assist in the financing of exports, which I think is a very excellent proposal, I would conclude from his remarks that financing is much too serious a matter to be left in the hands of the bankers.

Indeed, his speech was a very curious performance. I am tempted to ask him—indeed, I will ask him—what is the Conservative party's attitude toward this bill? Are they in favour of the Export Development Corporation, or not? Listening to the speaker who preceded me one would have thought that the only purpose of the bill was to provide assistance to large, foreign-owned corporations in Canada.

Let me inform the hon. member and others of his party that I would suspect that the farmers of Saskatchewan would not be entirely pleased to hear his comment since such a high percentage of financing last year was devoted to the export of agricultural products. I would further suggest that a lot of lumber workers in northern Ontario and British Columbia would not be entirely happy either, since a good part of the financial assistance devoted to exports of their products benefited both those provinces. In fact, there has been a rather significant distribution of benefits spread throughout every sector of the Canadian economy.

So what really is the position of the Conservative party? The hon. member was properly corrected by the Minister of Industry, Trade and Commerce (Mr. Gillespie) when he asserted that there were direct financial giveaways—which the New Democratic Party as a political party would have opposed—to certain corporations. It was made clear that there were no such direct giveaways.

Mr. Knowles (Winnipeg North Centre): There are none in this bill.

Mr. Broadbent: As the hon. member says, not in the bill. What there was was a direct financing, if you like, of the purchasing power of exports to certain foreign countries.

I do not think that the Conservative party can have it both ways. On the one hand they say there should be no assistance given to purchases in an export industry if it is U.S.-owned. Indeed, they say no indirect financial assistance is to be given to a purchaser if the industry in Canada is foreign-owned. In other words, no assistance is to be given to virtually 90 per cent of those people in Canada who are employed in manufacturing industry.

Is the Conservative party willing to accept the consequences of that situation, since it would mean a reduction in jobs, certainly stifling the growth of those industries? If that is so, they would have logical consistency on their side if they opposed the bill. However, on the other hand, if they support the bill then I leave any rational man to his own conclusions concerning the consistency of the position taken by that party.

It seems to me that you can now well make the case—not entirely a strange case for members of the New Democratic Party to make—that we must do something to restructure the Canadian economy; that we must make a significant move to bring about a much larger percentage of wholly-owned Canadian enterprise in Canada, both public and private. However, in the interim it would seem to me to be absolutely ludricrous to argue that any assistance that we provide to other countries to enable them to purchase our products should discriminate as between an industry that is Canadian-owned and one that is foreign-owned, because all that this would do in the short run is to create unemployment. Or, as I said a minute ago, it certainly would not provide any expansion of job opportunities in the greater part of the Canadian economy. In effect, Mr. Speaker, I am saying that the Conservative party cannot be on both sides of the fence on this issue.

May I now turn to the general question of the export policy of the Canadian government. The Minister of Industry, Trade and Commerce has said that there have been some encouraging developments in recent export trade which have tended to move favourably toward labour-intensive industries. He cited cases of some good sales being made of locomotives, of the products of chemical firms and pulp and paper plants, of railway boxcars, and so on. This is exactly the kind of shift that we need in Canada and it is precisely the kind of industrial development that has been neglected by the Liberal Party of Canada for decades. If the new Minister of Industry, Trade and Commerce intends to encourage further development along these lines, it will certainly be of benefit to all Canadians.

I want to underline the point that the bill in itself is an extremely small part, almost an insignificant part, of what might be regarded a serious export or industrial policy on the part of the Canadian government. What is of greater importance is the kind of taxation policy that the government pursues in terms of favouring or not favouring industrial development as opposed to the export of raw materials. From the point of view of the New Democratic Party there is still much too high a percentage of exports in the resource sector, exports that are being encouraged not only by the Export Development Corporation but by other policies of this government. I refer to the export of unprocessed raw resources.

The taxation policy of this government, like the taxation policy of previous Liberal governments, still favours the export of these raw materials. This means that since manufacturing industry is much more labour-intensive and creates more jobs, in the long run our financial and taxation policies are still geared to the creation of fewer jobs in Canada than should be the case.

As a result of what is still a disproportionately low tax on the export of our resources, we do two things simultaneously. Firstly, we encourage Japanese, German and United States capital to come into the country and buy up our resources, paying, as I say, relatively low taxation; secondly, this massive infusion of capital in the resource sector drives up the value of the Canadian dollar, which in turn drives up the price of our manufactured goods. Thus they become more difficult to sell to countries such as West Germany, Japan and the United States.

Therefore, the kind of taxation policy favoured in the past and still favoured by the Liberal government—I have heard nothing to the contrary said by the Conservative party—is one that in the long run militates against the development of a significant export industry producing secondary goods in Canada. What we need, then, is a shift away from this low tax rate in the resource sector to bring it into equilibrium at least with taxation of manufactured goods in Canada.

• (1550)

We would benefit from that kind of shift. It would drive up automatically the cost of manufactured goods in Germany, Japan and the United States who would have to pay more for raw materials, and also it would have a positive effect on our own dollar value in the sense that it would keep our dollar at a lower value if it decreased consumption of our resources, and also would encourage more capital to go into the manufacturing sectors of the Canadian economy and therefore produce more jobs dependent on the domestic market and on exports.

I should like to say that in addition to the shift in taxation policy which would be required to encourage taxes, we must begin to insist, as a precondition for the export of raw materials to countries such as the United States and Japan, that they have to take as well a certain increasing percentage of our manufactured goods. This seems to be entirely reasonable because, as I said, the manufacture of goods provides more jobs per dollar. The Japanese and the Americans know this. We can say to them in straightforward terms that we think we should get a higher percentage of those jobs in Canada than we

do at present. As a condition, before they can continue with a certain level of imports of raw materials from Canada, they would have to take an increasing percentage of our manufactured goods.

I think that in terms of the obvious need for our raw materials, amounting in some cases to the point of desperation in the United States, we are in a very strong bargaining position to make exactly this kind of precondition. I think, frankly, that that would do more to increase exports of manufactured goods from Canada and therefore would increase jobs in Canada than would the creation of ten Export Development Corporations in this country.

While I am on the point of the kind of preconditions that we should make to the export of raw materials to other industrial nations, I should also like to raise the question of the kinds of countervailing action which certain countries have taken, particularly the United States, with regard to Canada as a measure of discouraging our industrial development which would appear to them quite realistically to challenge one day their own industrial supremacy. I refer to the recent action of the United States in the Michelin tire case, in which situation a countervailing duty was imposed against that corporation.

I will not go into all the ramifications of the Michelin case, but one thing is quite clear. I think that that action by the United States contravened the GATT agreements, but also equally clearly, when the ruling comes down eventually, they will be able to bring forth a clause which allows them to opt out of whatever GATT decision is made because of previous economic policies established in their country prior to signing that agreement. There is that escape clause in GATT which the Americans will use, and I am sure the minister knows that very well.

The point I am raising is that the United States, vis-à-vis industrial countries around the world, is embarking on a major trade war policy. Now that Mr. Nixon, hopefully, has resolved that horrible war in Viet Nam he will involve the greater part of the energies of his government in this direction. Nowhere was this more clearly indicated than in the DISC legislation, and nowhere was the supine attitude of this government more clearly seen than in their reaction to the DISC program.

It seems to me that it is time the government, which during the course of this parliament has had it pretty soft, took some action. You will recall that during the concluding weeks of the last parliament scarcely a day went by in parliament without an expression of concern from members of the opposition regarding the effects of the DISC program. So far littl e has been said on either side of the House about the effects of this. I for one am quite concerned. There must now be established in Canada, or at least affecting Canada, some 1,500 or so DISC corporations exporting into our country. I know that in the automotive industry alone three companies have set up DISC and there are countless others in all other sectors of our economy.

The point I would like to make is that if the Minister of Industry, Trade and Commerce takes seriously his role as minister of encouraging our exports, he must also take seriously his role as minister of being concerned with the export policy of other countries into Canada. Specifically, in this instance I think the government is obliged, first, to make known the list of DISC companies exporting into Canada and, second, to have the Department of Industry, Trade and Commerce do a case study on each of them to show how the companies benefiting by this export subsidy provided by the United States in terms of their sales relate this to their export price in Canada.

Furthermore, in each and every case where a company is exporting into Canada under DISC at a price lower than before, thus taking advantage of the DISC subsidy offered by the United States, the government of Canada should levy a countervailing duty. This seems to me to be entirely reasonable and to entirely fit the logic of the Michelin decision in the United States. If they regard the Michelin financial assistance provided by the federal government and the province of Nova Scotia as a form of export subsidy, to understate it by about 1,000 per cent, the DISC program is exactly the same kind of program in the United States.

To protect our domestic industry both in terms of production for the domestic market and for the export market, I say that the government of Canada must now levy a countervailing duty on all of those exports coming under DISC where DISC has had an effect on improving their competitive position in the Canadian market.

* * *

BUSINESS OF THE HOUSE

Mr. Faulkner: Mr. Speaker, with the indulgence of the House may I clarify the business of the House for Monday?

Some hon. Members: Agreed.

Mr. Faulkner: The first item of business on Monday will be the report stage of the Unemployment Insurance Act amendment, Bill C-124. On completion of that item we will proceed with supply.

The Acting Speaker (Mr. Boulanger): It being four o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, notices of motions, public bills, private bills.

• (1600)

PRIVATE MEMBERS' MOTIONS

TRANSPORTATION

REQUEST FOR NATIONAL POLICY TO FACILITATE INTERPROVINCIAL TRUCKING

Mr. Ken Hurlburt (Lethbridge) moved:

That, in the opinion of this House, the government should give immediate consideration to the development of a national policy with regard to truck transportation that will allow for the move-

ment of goods from one province of Canada to other provinces of Canada without trucking firms and manufacturers facing prohibitive costs associated with licensing, gas taxes and permits which could be eliminated through the issuing of federal licences for interprovincial carriers.

He said: Mr. Speaker, since it is the first opportunity I have had to address this House, may I congratulate you and Mr. Deputy Speaker on your election to office and pay tribute to the manner in which you preside over our deliberations. May I also take this opportunity to thank the Clerk and the Deputy Clerk for the consideration shown me as a new member. Being a western member, you no doubt recognize that you will face no difficulty so far as I am concerned since I follow our tradition of being even-tempered and easy to handle.

The motion which I have presented deals with a problem that faces the trucking industry all across Canada and which, despite good intentions in the past, is still unresolved in practical terms. The basis of the motion is that there is clearly a need in Canada for a trans-Canada licence, that is, for a licence that allows trucks to travel from the Altantic to the Pacific with the payment of only one fee which would be distributed among the provinces.

That there is need for such a licence can be proven very simply by talking to any person who has been actively engaged in any manufacturing, agricultural or trucking enterprise that deals in interprovincial shipments. As a private citizen involved in a small manufacturing company in Alberta, wholly Canadian-owned, which purchases all Canadian components and is trying to compete in the markets of central Canada, it has been my experience that we have been unable to use an all Canadian route. Why, you ask, are we forced to head for the nearest exit point from Canada to the United States, travel for over 2,000 miles along American highways and only enter Canada again when we come to the Michigan-Ontario border? It is because of the very basic fact that each province has its own set of varying regulations and each demands payment of its own licences, gas taxes or permits, which again are in no way uniform and present the trucker with a maze of red tape.

To be more specific for the benefit of those who have not been subjected to the ridiculous complexities that truckers are faced with, here is one example of what the trucker has to deal with. At the present time, if we take the maximum length of a semi-trailer, we find there are seven different maximum lengths in the ten provinces. If we take the maximum height allowed, we find that there are four different heights in the ten provinces. If we take the maximum weight of a two-axle truck and one two-axle full trailer, we find that there are six different categories. And if you decide to drive a two-axle truck with full trailer across Canada, you had better stay home. There are five different categories and in four of the provinces these vehicles are not allowed to operate. How could you, Mr. Speaker, operate under such conditions?

A trans-Canada licence would remove these disadvantages. Our truckers would be spending their money in Canada, they would be using Canadian gas, Canadian restaurants and, in short, Canadian services of all descriptions. Having our truckers use our routes would stimulate employment in many of the communities through which they would be travelling. In total, there would be a positive economic gain to the provinces that is now lost to the United States.

The varying regulations and fees lay a heavy burden on the trucking industry, a burden that is passed back to the manufacturers and primary producer and is passed on to the consumer. It is unfair that only one sector of the transportation industry is faced with these disabilities. How can these private firms be expected to compete with the heavily government-supported railways and airlines? How can they compete with trains and planes that have only one set of regulations countrywide? The simple fact is that in large measure they cannot.

If they were able to highball their way unimpeded along the trans-Canada highway they could deliver many goods faster and in better condition. For those who doubt my words may I quote this specific instance. A carload of cattle, a perishable product and one that should be transported under the most humane conditions, is generally transported between five to eight days by rail. When carried by truck, the same cattle can leave Alberta and arrive in the feed lots of Ontario in no more than 60 hours after they leave the ranch.

The regulations mean that trucks must compete with government-supported carriers. Only a uniform set of regulations and a single licence valid all along the trans-Canada highway can compensate these firms and give them a chance. The reason the trans-Canada highway is mentioned in particular is that this is the longest paved highway in the world, which links us together from sea to sea and was constructed with a total input of more than $900 million of federal funds, funds which should not only be for the benefit of the Canadian and American tourist but for the Canadian consumer as well, for the families whose income is used in buying goods to live on, who may not have enough money to travel but whose tax dollars none the less helped construct this road.

Research that I have undertaken has brought forth the fact that there have been high-sounding phrases presented on this subject, but absolutely, positively, from a practical man's point of view, no action. What is the interpretation to be placed on the following statements found in the National Transportation Act:

The national transportation policy as set out in the National Transportation Act is intended to apply to all modes of transportation in Canada within the jurisdiction of the parliament of Canada.

The assignment of the federal jurisdiction over motor carriers to provincial boards does not provide for implementation of the national transportation policy.

Motor carriers cannot be considered in isolation but rather must be viewed as a part of the total transportation system. Motor carriers often complement or provide suitable substitutes for other modes of transport. These relationships demand a regulatory structure that will foster the achievement of the objectives of the National Transportation Act without prejudice to any one part of the transportation system.

• (1610)

What is the interpretation to be placed upon this section of the National Transportation Act? It is highly desirable that uniformity of regulation be achieved for interprovincial motor carriers and, if possible, for all motor carriers operating in Canada whether intraprovincial or extrapro-

vincial. Uniformity is lacking under the present system of 12 jurisdictions and extraprovincial motor carriers must deal with several sets of regulations on such important matters as rates, operating authorities and documentation. Dissatisfaction with this lack of uniformity is shared by carriers, shippers and federal and provincial authorities. Surely, no other way is possible than a trans-Canada licence which has a set fee, which has standardized regulations and which is valid in any of our ten provinces. This must be brought into being.

I have said that there is dissatisfaction shared by carriers, shippers and federal and provincial authorities alike. As a shipper in private life, and as a member of the federal parliament, I have spoken of the dissatisfaction that exists and I urge that action now take the place of words. Is action such as bringing a number of different governments into agreement on a common policy impossible? It is not. And for once we can look to countries other than the United States for a most effective example. The states of western Europe, Belgium, the federal republic of Germany, Luxembourg, The Netherlands, France and Italy, who will be joined this year by Denmark, Norway, Great Britain and Ireland, which have not been noted until recently for being compatible, have developed a joint transportation policy. This common transportation policy of the countries of Europe, as stated in the report of the conference of Canadian national transportation policy, May 23-25, 1972, is as follows:

> The common transport policy is the means of pursuing the aims of the European Economic Community in the transport sector, both on the consumer and on the producer side; that is, to amalgamate the national economies and raise the standard of living.

Surely, if these diverse countries can agree upon and implement such a common transportation policy, the provinces of Canada, under the leadership of an enlightened federal government, can do no less. Mr. Speaker, until now, such leadership in practical terms, that is, in terms of allowing shippers to obtain a Trans-Canada licence such as has been mentioned, has not been provided.

The motion urges that such action be undertaken. It is my sincere hope that it will be the pleasure of this House to recommend to the government that a dominion-provincial conference be called that will undertake to arrive at the terms by which a trucking firm can obtain one licence valid throughout all of Canada, that will end the red tape of the multitude of regulations and allow an aggressively Canadian industry to develop. The trucking industry in 1970 had a revenue of $1,504 million, fully a third of which was from interprovincial operations. Surely an industry of this magnitude must be aided, rather than impeded, by government regulations.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member for Lethbridge (Mr. Hurlburt) made several recommendations as he finished reading his written address. May I suggest to him that such federal-provincial meetings have been taking place for a number of years. May I also suggest that prior to the Common Market in Europe, the countries concerned held various meetings and came to an understanding on the question.

The hon. member's suggestion has merit but it is far from new. Back in 1954 federal-provincial meetings took place because of the federal government's concern at that time. Many meetings have taken place since then, and it is my intention to enumerate them. I might suggest, Mr. Speaker, that even when the Conservatives were in power in 1962—government with the largest majority ever to hold power in this country—at no time did such meetings take place: they only bring the matter up at times like this. But I should like to bring to the attention of the House the continuity of meetings exactly on this problem.

In answer to the motion before the House I should like to point out that with the exception of permits—I emphasize the word "permits"—the matters raised in the motion come under the jurisdiction of the provinces. With respect to vehicle licensing and other operating matters the federal government is performing a co-ordinating role with the provinces in an attempt to assist the development of uniformity in these areas. With respect to permits for extraprovincial motor carriers, this activity is currently assigned to the provinces under authority of the Motor Vehicle Transport Act and permits are issued either without charge or at a nominal filing fee.

With regard to that part of the motion which deals with permits, I might say that the federal government has delegated provincial governments to look after that matter. Of course, trucking firms and manufacturers are concerned about the high costs involved but, Mr. Speaker, I should like to give the chronology of events concerning motor carrier regulation. In February, 1954, the first meeting took place and a decision of the judicial committee of the Privy Council was to the effect that all extraprovincial motor carrier undertakings came under federal jurisdiction. A few months later, in June, 1954, the Motor Vehicle Transport Act was passed which assigned authority to regulate extraprovincial motor carriers to provincial highway transport boards. This was a request to the provinces to act on behalf of the federal government. From 1954 to 1967 no meetings took place. If we want to talk about leadership, Mr. Speaker, we should talk about leadership at the time these meetings bogged down.

In 1967, this government started to hold meetings with the provinces again and the National Transportation Act and its policy was passed. Part III of the National Transportation Act dealt with the regulation of extraprovincial carriers. In December, 1969, the first meeting of federal and provincial ministers took place on the subject of implementing part III of the National Transportation Act. There was a series of meetings, Mr. Speaker.

• (1620)

What came out of the meeting of 1969 was a proclamation relating to part III. As well, there was a joint federal-provincial study on regulations and a full exchange of views on the problems of implementing part III. In May, 1970, just two years ago last spring, part III was proclaimed. It was provided that no motor carriers were exempt from the provisions of the Motor Vehicle Transport Act.

In October, 1970, an outline of the regulations was sent to all provinces by the CTC. In November, 1970, there was a meeting of federal and provincial officials to discuss the

outline of regulations. That meeting, apparently, did not work out very well. In April, 1971, the federal implementation plan for part III was sent to all provinces by the minister. In May, 1971, there was the second meeting of ministers on the topic of the implementation of part III. A federal-provincial advisory council on motor carrier regulations was created to draft a comprehensive set of uniform regulations and to advise on a means of implementing part III of the act. Last spring, in April, 1972, the report of the advisory council was submitted to the ministers concerned. According to the press release of May, 1971, there is a requirement for the ministers to reconvene within six months of that date to reconsider the report. This third meeting was not held owing to the federal election taking place in the fall.

At present the federal department officials plan to be in touch once again with the provinces for informal discussions. There will be a further exchange of views, and discussions pertinent to this matter will take place. After these discussions have taken place we hope that another federal-provincial meeting will convene. I agree with the hon. member for Lethbridge (Mr. Hurlburt); the sooner it takes place, the sooner will the farmers, manufacturers and people of Canada benefit, because these matters are vitally important to all Canadians.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I congratulate the hon. member for Lethbridge (Mr. Hurlburt) for bringing forward this important subject. I am amazed at his knowledge of the subject and his interest in it. I was also interested in the parliamentary secretary's extensive knowledge of the subject. In view of the knowledge of hon. members on both sides of the House, perhaps we can do something today that would have been quite easy to do in the late 1950s when there was a court case on this subject. If I am not mistaken, the Supreme Court in 1954 or 1955 held that the subject the hon. member deals with in his motion is one of federal jurisdiction. The federal government promptly returned that jurisdiction to the provinces.

An hon. Member: Shame.

Mr. Peters: I believe we arranged to bring road transportation under provincial jurisdiction under part III of the act. As the parliamentary secretary has said, we have not been able to finalize negotiations with the provinces following that decision of the Supreme Court, so we are in exactly the same position as we have been on a number of occasions and it does not appear that we are really disposed to settle the problem at this time.

I think hon. members will agree that one of our greatest problems in Canada stems from our inability to administer properly or originate laws that will provide for reasonable transportation facilities. These remarks hold true in the case of the railways. There we face problems as a result of debts that Canadian National Railways have contracted. These work to the disadvantage of all Canadians, especially in the establishment of reasonably cheap railway operations. In the case of the airlines, although the CTC has authority we are not able to work out a domestic tariff structure that compares with international fares. It amazes me that you can fly to Europe more cheaply than you can to Vancouver. The fare from here to Vancouver is unrealistic and is not in the Canadian interest.

[Mr. Guay (St. Boniface).]

There are several constitutional stumbling-blocks in the way of transcontinental trucking, a matter which will probably be discussed before the Canadian Transport Commission. Part of the problem stems from provincial legislation relating to PCV licences. I am always surprised at the way in which PCV licences are awarded. Take the case of the farmer who cannot farm in winter but who has a truck equipped to haul gravel from one place to another: the department of highways of the province of Ontario often will not grant him a PCV licence because it claims there are already too many such truckers in the community. No one argues that the man has a truck, that he knows how to drive and is equipped to haul gravel; the department just decides on the number of PCV licences to be issued. So it goes all down the line. The man who has a PCV licence for moving hay cannot bring back furniture for his neighbour because he has no PCV licence for doing so.

From my area of northern Ontario, trucks haul Rexwood products to southern markets in Canada and the United States. But those trucks must come back empty. So the trucker must charge enough to cover his costs both for carrying the load and for coming back empty. That would not happen if he had an "A" class PCV licence, but "A" class PCV licences are pretty difficult to come by in Ontario. You need to know somebody in the cabinet, have a highly placed friend or a lot of money with which to buy one. Really only the railways can afford to buy them. You will find that all the railways own their own trucking facilities. These trucking concerns are among the largest in Canada. The hon. member who proposed this motion should remember that we ought to consider the relationship between tariffs charged by the railways and tariffs that trucking concerns owned by the railways are able to charge. We must also consider that in many areas bus transportation is being provided. That matter should enter into consideration.

There is something else that one ought to consider when examining the question of trucks driving from one province to another. I live near the border, and it is not unusual to see on our roads many cars from out of the province. When cars enter our province and the neighbouring province they can stay for a number of months without changing their licence. On the other hand, as soon as a truck crosses the provincial boundary, no matter what it is carrying and whether it is equipped with a PCV licence, it will be stopped if it does not display the motor vehicle licence issued by the province in which it is then operating.

Truckers over the years have been able to establish a most enviable record of safety. All who drive on the highways of Canada must be aware that most large and responsible trucking companies have been able to build up an enviable record of safety and courtesy on the road. It is not the trucker who fails to dim his lights, give way and retain a very low speed when it is possible to do otherwise. In fact, the trucker has established a remarkable record. As more and more transporting is done by highway there are more trucks using the highways, particularly the trans-Canada highway both north and south.

I live on the north route of the trans-Canada highway. In the winter most truckers travel that route. In summer many take the scenic route along the north shore of Lake Superior, but that is a very difficult route in the winter.

• (1630)

Truckers form a large percentage of highway traffic. It is necessary to build additional facilities for them. In my opinion, this is good. In northern Ontario most hills have an extra, paved lane for slow-moving traffic. Ontario is very frugal. Other provinces pave the shoulders of the roads; Ontario paves only the portion for driving. Paving of a slow-moving lane on hills is a necessary expense.

This raises the problem of how the provinces should be compensated. I am sure the trucking industry would give consideration to this. The industry is well aware there are expenses for operating and maintaining any type of transportation facility. Obviously, there must be some way in which the provinces can be remunerated. The responsibility of the motoring public other than truckers will be increased if licence and gas fees are removed. The trucking industry is well aware it will have to make some kind of contribution on a mileage basis or in some other way. When some national trucking companies reach a border they must put on a new licence plate. In many cases they have to change or increase their insurance in order to travel in a different province. This varies according to the type of commodity being transported. This fact must be taken into consideration.

For many years we have been interested in the problems of national transportation. Transportation within the provinces has been highly restrictive. It has created undue difficulties in my part of the country because of the licensing procedures. We have been very concerned about PCV licences in their various forms. I recently attended a meeting in northern Ontario where the matter of transportation was discussed with provincial officials. Most communities were represented. We found that there was a considerable difference between the needs of southern Ontario and northern Ontario. In northern Ontario, the recommendation was that there be no PCV licence. If somebody had a truck and wanted to move a commodity from one place to another, it was felt they should be able to do so. If they could transport something on the way back, that would obviously cut down the cost for shippers in either direction. In southern Ontario, they reasoned for retention of some form of licence in order to ensure that places that were not considered economic for the companies would still be given service.

Everyone in the trucking industry in Ontario wants to haul goods between Hamilton and Toronto. They will haul goods between other places, but they want to haul them mostly between Hamilton and Toronto. They will pay a considerable sum for a licence to haul to London or Windsor, but they will not pay very much to service an area such as London to Stratford. This example was quoted by the Ontario minister. He stated that it was difficult to get goods moved from London to Stratford, or vice versa. I think that is probably not quite true. It is a surprising thing, but people who learn to drive trucks want to do so when they are four years old. If you ask a young, aggressive boy what he wants to be, he will not say a lawyer, doctor or politician; he will want to be a truck driver. If an aggressive young person were able to borrow money from Household Finance or IAC to buy a truck to move commodities from London to Stratford and vice versa, I am sure there would be no more problem.

When talking about the total transportation facility in Canada consideration must be given to restrictions inside the provinces. In my opinion, the Conservatives should be violently opposed to restrictions on PCV licences.. Without a doubt, free enterprisers are the most socialist of people. They want the monopoly, the socialistic life and they want the country to supply all the money possible for their socialist venture. I think a free enterpriser should get rid of all PCV licences. Let there be free trade. Let the guy who can drive the truck at the lowest cost haul the goods.

Mr. Horner (Crowfoot): Is that the policy of your party?

Mr. Peters: I suggest it should be the policy of the Conservative party. I see no reason why there should not be some competition in this field. There should be the ability to transport goods across the nation by highway transportation the same as with air and rail. We should have licences to provide for these facilities.

It may be as it is in the United States. The hon. member for Lethbridge (Mr. Hurlburt) mentioned that he travels as far as possible in the United States before getting back into Canada. I am sure he was not talking about some of the roads in the United States. If he were taking a trip to New York he would not travel on the toll road. I made that trip one time in a Volkswagen. I found that the cost of the tolls was much higher than the cost of operating the vehicle. It was approximately $5 or $6 more than the cost of the gasoline required to operate the vehicle. I am sure he would find that in the United States in many cases they have been able to build highways at a profit on the old capitalist principle that he who uses the facility should pay for it.

• (1640)

I am sure we could work out for our national highway some arrangement which would allow maintenance of that route through national licensing and from other charges a trucker might be willing to bear in a fairly uniform way. We supported this idea at the time of the passing of part III of the CTC legislation and I am sure we would support its implementation. We cannot pass on to the hon. member for Lethbridge the sins of his forefathers in this place, though it is true that some of the fault might be on his side of the House. Today is a new day and this problem has yet to be solved.

Highway transportation is of growing importance to the unity of Canada. We should give consideration to making this form of transportation as easy as possible and removing restrictions which, I believe, truckers would find unenforceable in any case if they took the question to the courts. We should remove those restrictions as soon as possible in an effort to establish a reasonably economic and competitive transportation facility. This would assist us to utilize to the full extent the other forms of transportation which now, apparently, are setting the rate structure for all types of transportation in Canada.

Interprovincial Transportation

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in rising to speak on this notice of motion I should like to congratulate the hon. member for Lethbridge (Mr. Hurlburt) on a very knowledgeable speech on transportation in Canada and on the trucking industry in particular. It was a speech this House sorely needed. He delivered it well and appeared to know a good deal about the subject.

I was interested in the remarks of the hon. member for St. Boniface (Mr. Guay). He acknowledged there was a problem but tried to become political and backed away from proposing a solution. In the course of some political manoeuvres he blamed us on this side for not having found a remedy. It is true the Conservative party was in power from 1957 to 1963. I apologize and express regret that we could not create a Utopia in every situation during that period. We tried, but we were not able to cover this particular area.

Why was this the case? Many hon. members have drawn attention to the difficulties caused by the British North America Act and the great need which exists for its revision. In 1954, this parliament passed the Motor Vehicle Transport Act which in essence ran contrary to the British North America Act. Looking back, it is easy to see which one was the best. The Supreme Court ruling that interprovincial trucking was the responsibility of the federal government was certainly a correct one; it is only right we should exercise jurisdiction over the delivery of food and other commodities across Canada.

The spokesman for the New Democratic Party talked about regulations affecting the trucking industry in recent years—regulations sanctioned by this House with regard to hours of work, and so on. These have greatly increased the cost of trucking but I am sure the NDP will support them. That is why I asked the hon. member for Timiskaming (Mr. Peters) whether he was announcing government policy or his own. Certainly the regulations we have imposed upon the trucking industry have made a contribution to the higher cost of the transportation of agricultural produce in this country. I notice the hon. member for Vancouver-Kingsway (Mrs. MacInnis) is in her place and I point this out to her. Certainly it is more difficult to get New Brunswick potatoes into other parts of Canada than it is to get them into the United States. It is difficult to get Alberta cattle into the feed lots in Ontario.

In my opinion, the Motor Vehicle Transport Act passed in 1954 was put forward by a government bereft of ideas and anticipating its inevitable death, death which finally took place in 1957. An administration bereft of ideas merely shelved the problem and passed the burden on to the provinces. What was the difference between conditions in Canada then and now? For the benefit of the hon. member for St. Boniface, let me say that we had a different transportation act. No major change could be made without the minister's approval. Today we have a transportation act, passed in 1967, which more or less takes the minister and the government out of the regulatory field connected with the transportation system. Hon. members will recall that every now and then in recent years the Minister of Transport has risen in this House to say that he will pass a message to the Canadian Transport Commission, but that there is little he can do because he has no authority; the CTC is the final authority.

[Mr. Peters.]

In the old days, freight rates were rigidly controlled. In fact, under the government of my right hon. friend from Prince Albert (Mr. Diefenbaker) freight rates were rolled back. We brought in the Freight Rates Reduction Act which rolled back freight rates to a large extent—froze them, in fact, for a number of years. What effect did this have on the trucking industry? It restricted the growth of interprovincial trucking because freight rates were so low that only the railways could haul goods at those charges.

Since that time the railways have been granted about 15 rate increases. The CTC has allowed rates to go sky high and we have seen a gigantic expansion of the trucking industry as it moves into competition with the railroads. I believe this is good for the country. The whole concept of the National Transportation Act was that the basis should be competition. In fact, the preamble to the act itself states that competition should be the theme. Competition cannot be the theme as long as part III of the National Transportation Act remains unproclaimed. It is not good enough for the government to say this is all in the hands of the CTC. It is not in the hands of the CTC.

Why has part III not been proclaimed? Part III relates specifically to the notice of motion which is before us; it deals specifically with the trucking industry. It has not been proclaimed because the provinces have not wanted to agree to it. We hear much talk about how fragile our national unity really is. Yes, it is really fragile because no province has demonstrated a desire to create the one economic community which was envisaged back in 1867. We envisaged, then, one single economic community. That is not the case today and the reason is outlined in the notice of motion we are debating. We do not have free movement of goods.

• (1650)

It is true that the railroads can run across provincial boundaries without even slowing up, and that Air Canada and CP Air fly across the country without paying any attention to boundary lines. However, the trucking industry, which is the only real competitor in respect of l.c.l. freight and perishable commodities, cannot compete with the other two modes of transportation because of the desire of the provinces not to reach agreement. Each province is selfishly guarding its own domain. Each province thinks that its portion is of greater importance than the whole of Canada. This is completely wrong.

I do not think the government has done enough to get the provinces together. Certainly part III of the act should be proclaimed. We are here in this House with a minority position and no one knows just how long this government will last. I am sure it wants to show a spirit of co-operation because of its position. The very least it should do is allow this whole matter to be sent to the committee on transportation. That committee could then hear evidence from the trucking industry, the provinces and, the people producing food for consumption in Canada such as representatives of the vegetable and livestock industry, in order to see whether an agreement could be reached in respect of standardization of load limits, vehicle height and licensing. This might provide a cheaper means of getting our commodities to market.

Last fall a flourishing vegetables industry in my constituency found a market for carrots in Michigan. It shipped several thousand tons of carrots from Brooks, Alberta, to the state of Michigan using United States trucks because those are the only trucks that can haul such a shipment economically. Our trucks cannot use the trans-Canada highway for such shipments because they must cross provincial boundaries where there are restrictions in respect of licensing, load limit, vehicle height, and so on. Even across the flat prairie the powers that be are worried about the height of vehicles. It is a sin to allow this sort of thing to be continued in a country which from time to time expresses a desire for unity. I suggest this is just talk.

I sincerely urge that this matter be referred to the committee, if for no other reason than to air the question publicly and bring pressure on provincial governments to reach agreement on standardization. Perhaps then consumers would realize that some of our distribution costs are unnecessarily causing an increase in the price of food. If we talk out this motion, and I realize it will be talked out by five o'clock if I do not soon conclude my remarks, it will die and be forgotten forever. If we send it to the committee and this House happens to remain in existence for another month or two, the whole matter can be aired and public pressure can be built up. Following that perhaps we could get part III of the National Transportation Act proclaimed and then make greater use of the trans-Canada highway.

An hon. Member: Question.

Mr. Horner (Crowfoot): I have a couple of minutes more.

An hon. Member: You are talking it out.

Mr. Horner (Crowfoot): No, I am not. When the trans-Canada highway was built back in 1949, the federal government contributed as much as 90 per cent of the cost in some areas. It should have stated at that time that this was to be a turnpike on which produce was to move freely. There was never unity in the European Common Market, but the powers realized that in order to have one economic unit they would have to adopt a common licensing system for the movement of goods between countries. Such a common licensing bureau was established and 120 lorries, as they call them, were licensed to truck goods over certain roads. They are not licensed to deliver off the roads but to travel the major roads throughout the European Common Market. This is a sensible approach and perhaps one we should adopt.

I sincerely urge the parliamentary Secretary to the Minister of Transport (Mr. Guay) to allow this matter to be referred to the committee. Perhaps some new members could be put to work on that committee where this question could be aired thoroughly. Witnesses from the trucking industry as well as consumers could appear. Perhaps in that way we could speed up the day when the provinces will agree to a standardization which would in the long run lower the cost of Canadian goods to the Canadian consumer.

Mr. Maurice Foster (Algoma): Mr. Speaker, it is very good to have an opportunity to speak on the motion of the hon. member for Lethbridge (Mr. Hurlburt) concerning the licensing of interprovincial trucks. It is interesting to note, as we look around the House this afternoon, that the hon. members who have spoken on this matter are from western Canada, being hon. members from Alberta, Manitoba and northern Ontario. Of course, we have also heard from the parliamentary secretary from St. Boniface.

It is appropriate that we are discussing this motion at this time because in the throne speech delivered by His Excellency the Governor General there is mention of a proposed series of meetings to take place this year between federal and provincial governments relating to freight rates. It is proposed that these government representatives will discuss and study the effects of freight rates on the economy both in respect of consumer prices and economic development. It seems to me it would not be very hard to tell—

Mr. Knowles (Winnipeg North Centre): It seems to me it is five o'clock.

Mr. Deputy Speaker: Order, please. The hour provided for the consideration of private members' business has now expired.

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.

APPENDIX

January 31, 1973.

The Right Honourable
Pierre Elliott Trudeau
Prime Minister of Canada
Parliament Buildings
Ottawa, Ontario.

Re: 1976 Olympic Games

Dear Mr. Prime Minister:

Following upon our previous discussions, I wish to inform you that the City of Montreal and the Organizing Committee for the Olympic Games have assured the Government of Quebec that the revenues received by COJO will cover its expenses and that no direct contribution will be required from the federal government provided that the federal government acts upon the request of the City of Montreal and COJO concerning the special issues of stamps and coins during the period indicated by them.

I understand, moreover, that the federal government is studying in concert with my government, the City of Montreal and COJO the best way of acting upon the request of the City of Montreal and COJO concerning an annual lottery.

Taking into account the benefits and advantages that the holding of the Olympic Games will produce not only for the City of Montreal itself but also for all of Quebec as well as all of Canada, the government of Quebec gives its support to the holding of these games provided the federal government accedes to the requests of the City and COJO that I have just mentioned.

The government of Quebec agrees that the federal government will not have to assume the interim financing of costs relative to the 1976 Olympic Games throughout the period leading up to and including the holding of the Games.

Provided that the federal government agrees to remit to COJO the net proceeds of the sale of special Olympic coins and stamps, the government of Quebec also agrees that the federal government will not be called upon to make any special contribution towards the payment of any or all expenses incurred in connection with the Olympic Games of 1976 and which would be in excess of the net proceeds mentioned above and of revenues from other sources.

Yours truly,
Robert Bourassa
Prime Minister of Quebec

City of Montreal

Montreal 127

Office of the Mayor

February 1, 1973

The Right Honourable
Pierre Elliott Trudeau
Prime Minister of Canada
Parliament Buildings
Ottawa, Ontario
Mr. Prime Minister:

Confirming repeated discussions, I am pleased to inform you again that the City of Montreal intends to stand upon the position it adopted from the outset of efforts which resulted in obtaining for Canada the honour of hosting the world's best young athletes in Montreal to participate in the 21st Olympic Games. Indeed, the methods and programs of self-financing already submitted to federal government analysts and improved upon since our meetings in November enable us to affirm that the City of Montreal will not have to call on the federal government for a contribution from federal funds for the purpose of the Olympic Games.

An understanding has been reached to the effect that the methods and programs for self-financing approved by the federal government as requested in letters addressed to you by His Excellency Mr. C. O. Roger Rousseau, General Commissioner for the Olympic Games, will benefit by effective co-operation from the federal government for their best possible implementation.

The programs already submitted are in no way final as, once the self-financing principle has been accepted by your government through appropriate legislation, all abilities will be welcome to co-operate actively to further improvement of methods and programs conceived, to date, for the purpose of illustration. Implementation of the various programs will be spread over a period adequate to permit covering authorized expenditures.

Insofar as the national lottery is concerned, I understand that your officials and those of the Quebec government are trying to work out the best solution and I have no doubt of their success and of remittance of proceeds to COJO.

Provided, of course, the federal government agrees to remit to COJO the net proceeds from sales of special Olympic coins and stamps, and with the support of the Quebec government, which is well aware of the benefits and advantages involved in holding the Olympic Games and of the healthy stimulant these games will represent for young people throughout the country, both before they actually take place and for a long time after, the City of Montreal assures the federal government that it will not be called upon to grant special direct support for the holding of the 1976 Olympic Games or to assume interim financing.

Any surplus of income over expenditures will, under control of the City of Montreal, go into a separate special

fund, the income derived therefrom to be used exclusively for the promotion of amateur sports and the training of young athletes.

I am firmly convinced that these considerations will allow you to make a proper assessment of the City of Montreal's stand relative to the financing of the 1976 Olympic Games.

I have the honour to remain,
Yours respectfully,
Jean Drapeau
Mayor of Montreal

February 1, 1973

The Right Honourable
Pierre Elliott Trudeau,
Prime Minister of Canada,
Parliament Buildings,
Ottawa, Canada

Re: 1976 Olympic Games

Sir:

Further to our previous conversations, I wish to inform you that COJO has given the Government of Canada the assurance that revenue collected by COJO will cover expenses and that no direct contribution will be required of the federal government provided the federal government approves the requests submitted by the City of Montreal and COJO for the issue of special series of stamps and coins during a specific period.

I realize also that the federal government is engaged in consultations with the Government of the Province of Quebec, the City of Montreal and COJO in seeking the best course of action in connection with the request made by the City and COJO for a national lottery.

COJO agres that the federal government will not have to provide for the interim financing of costs incurred in relation to the 1976 Olympic Games pending the beginning of the games and until their completion.

Provided the Government of Canada agrees to pay COJO the net revenue from the sale of special olympic coins and stamps, COJO also agrees that the federal government will not be called upon to pay special contributions to meet any expenses incurred in connection with the 1976 Olympic Games and in excess of the net revenue mentioned above and income from other sources.

Yours sincerely,
(Signed)
C. O. R. Rousseau,
Chairman and Commissioner General

25714—60

HOUSE OF COMMONS

Monday, February 5, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

THE GOVERNOR GENERAL

ANNOUNCEMENT OF CONTINUANCE IN OFFICE UNTIL NOVEMBER 30, 1973

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to announce that Her Majesty the Queen has approved the continuance in office of the Right Hon. Roland Michener as Governor General of Canada until November 30, 1973 and that the Governor General has agreed to remain in office for this period. This is the second time that His Excellency has consented to remain in office for a further period and is an indication of the dedication he brings to the high responsibilities of this office.

[*Translation*]

I am sure, Mr. Speaker, that the people of Canada highly appreciate the eminent services that Mr. Michener has performed with the capable and gracious assistance of Mrs. Michener and that they will heartily welcome Her Majesty's consent to extend the Governor General's term of office.

* * *

[*English*]

AIR TRANSPORT

ADVANCE BOOKING CHARTER REGULATIONS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I rise to seek the unanimous consent of the House on a matter of urgent and pressing necessity concerning the difficulties arising from the new regulations regarding air charter travel and the immediate effect upon the Canadian public. Inasmuch as the new advance booking charter regulations will have the net effect of making air charter travel more expensive, more difficult and discriminatory for large numbers of the travelling public, while at the same time failing to provide adequate safeguards for passenger funds, together with the prospect of driving a significant part of the air charter business out of the country, I move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That the new regulations governing air charter travel be referred to the Standing Committee on Transport and Communications and that the committee be empowered to call as witnesses representatives of the airlines, the Canadian Transport Commission, members of the travelling public, officials of the Department of Consumer and Corporate Affairs and the Minister of Transport.

Mr. Speaker: The hon. member's motion is proposed under the terms of Standing Order 43. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

CANADIAN NATIONAL RAILWAYS

ST. JOHN'S, NFLD.—TRANSFER OF PROPERTY FOR OFFICE BUILDING—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Walter C. Carter (St. John's West): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to move a motion of urgent and pressing necessity arising from the widespread opposition to a 20-storey complex in St. John's, Newfoundland, of which Canadian National is to be the principal tenant, and of the transfer of Canadian National property to the St. John's Development Corporation. This property, owned by the Canadian National, should be publicly advertised, with tenders called for its purchase.

Mr. Speaker: Order, please. I have to interrupt the hon. member. He is now submitting argument in support of his motion. The hon. member cannot do that. According to the practice relating to Standing Order 43, the hon. member should indicate what the motion is that he proposes for the consideration of the House.

Mr. Carter: I therefore move, seconded by the hon. member for St. John's East (Mr. McGrath):

That this House instruct the Minister of Transport to have the CN defer all future negotiations or actions in this case; that the matter be referred to the Standing Committee on Transport; and that all agreements, correspondence and related material be tabled in this House.

Mr. Speaker: Is there unanimous consent to the motion proposed by the hon. member for St. John's West?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

Oil Supplies

ENERGY

OIL SUPPLIES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, under Standing Order 43 I desire to introduce a motion arising out of the statement of the Minister of Energy, Mines and Resources in the House last Friday to the effect that he would welcome an opportunity to discuss the whole matter of the availability of oil supplies in Canada. We would not ask for a debate on this motion, and if the government wants to leave the matter open until tomorrow I would be glad to move it again then.

I therefore move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

That the annual report of the Department of Energy, Mines and Resources be referred to the Standing Committee on National Resources and Public Works for consideration and report.

Mr. Macdonald (Rosedale): Mr. Speaker, I rise on a point of order. We on this side would be prepared to agree to the motion if the House generally would agree to pass it without debate at this time.

Mr. Speaker: I will ascertain first whether there is unanimous consent. The motion proposed by the hon. member for Nanaimo-Cowichan-The Islands requires unanimous consent under Standing Order 43. Is there unanimous consent?

• (1410)

Some hon. Members: Agreed.

Mr. Speaker: There appears to be unanimity. I will therefore put the motion. Mr. Douglas seconded by Mr. Knowles (Winnipeg North Centre) moves:

That the annual report of the Department of Energy, Mines and Resources be referred to the Standing Committee on National Resources and Public Works for consideration and report.

Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

* * *

CANADA FLAG DAY BILL

PROVISION OF HOLIDAY TO EMPHASIZE CANADIAN UNITY AND COMMEMORATE IDEALS OF BILL OF RIGHTS AND LATE PRIME MINISTER PEARSON

Mr. Ed Nelson (Burnaby-Seymour) moved for leave to introduce Bill C-136, respecting Canada Flag Day.

Some hon. Members: Explain.

Mr. Nelson: Mr. Speaker, the purpose of this bill is to emphasize the unity of the Canadian nation and further, to commemorate the ideals of the Canadian Bill of Rights and of the late Right Hon. Lester Bowles Pearson.

[Mr. Speaker.]

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CAPITAL AND NON-CAPITAL MURDER—AVERAGE SENTENCES SERVED

Question No. 3—**Mr. Mather:**

What is the average sentence actually served by persons convicted of murder or of non capital murder and released from prison in Canada from 1961 to 1971?

Hon. Warren Allmand (Solicitor General): Capital Murder (Death—Commuted)

	Periods prior and subsequent to amendment to Parole Act Regulations—(January 4, 1968)	
	Jan. 1 1961 to Jan. 3 1968	Jan. 4 1968 to Dec. 31 1971
Average time served.....	12 years	13.5 years[1]
Non-Capital Murder (Life) Average time served.....	6.2 years	7.8 years[2]

[1]not included—1 man who served 39 years, 10 months and 17 days.

[2]average includes three juveniles sentenced to life for capital murder.

UNEMPLOYMENT INSURANCE COMMISSION—INVESTIGATION STAFF

Question No. 25—**Mr. Coates:**

1. What has been the total increase in the investigation staff of the Unemployment Insurance Commission from January 1 to December 31, 1972?

2. Were all those retained recruited through the Public Service Commission and in every instance, were the positions in question advertised and, if not, for what reason?

3. What is the estimated additional cost to the Unemployment Insurance Commission for the increased staff in the fiscal year 1972-73?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. The increase in investigation staff January 1 to December 31, 1972 is 133.

2. All those retained were recruited under delegation from the Public Service Commission and all positions in question were advertised.

3. The estimated additional cost in the fiscal year 1972-73 is $644,456.

NATIONAL DEBT—INTEREST COST PER CAPITA

Question No. 37—**Mr. Mather:**

What was the interest cost of the national debt on a per capita basis in (a) 1968 (b) 1971?

Hon. John N. Turner (Minister of Finance): Since the Public Accounts of Canada are based on a fiscal year ending on March 31 of each year, it is not possible to derive the cost of the national debt on a per capita basis in any given calendar year. The gross interest and related costs of the national debt on a per capita basis for the fiscal years ending March 31, 1969, and March 31, 1972, were $70.64 and $92.23 respectively. A major portion of these costs arises from the government's role as a financial intermediary extending loans to Crown corporations, agencies and departmental loan programs. These activities generate a return on investments which is recorded as a budgetary receipt. Although not netted out against public debt charges, the return on investments may be considered as an offset to the gross cost of the national debt. The per capita costs of the national debt, net of the return on investments, for the fiscal years ending March 31, 1969, and March 31, 1972, were $37.46 and $40.22 respectively.

NATIONAL REVENUE, CUSTOMS DIVISION—ESTABLISHMENT OF COMPUTER CENTRES

Question No. 48—**Mr. Coates:**

1. Has a decision been taken to establish computer centres for the Department of National Revenue, Customs Division and, if so, on what date was this decision made?

2. (a) What towns or cities have been designated as the computer centres for the Customs Division in Canada (b) will the establishment of these centres require a transfer of present operations to these centres from existing facilities and, if so, what services will be transferred to the computer centres and in each instance, what will be the estimated transfer of employees from existing facilities to the computer centres?

3. Will these computer centres be established in existing office accommodations in either federal buildings or leased space that presently exists or will there be new arrangements for the establishment of these centres and, if so, in each instance (a) have the arrangements been made (b) will the centres be located in federal buildings and, if not (i) have lease agreements already been entered into by the Department of National Revenue for rented space (ii) what is the additional cost in dollars annually for this leased space?

Hon. Robert Stanbury (Minister of National Revenue): 1. Yes, for headquarters, on May 25, 1972.

2. (a) Other than at headquarters, the following are tentative terminal locations: St. John's, Nfld.; Halifax, N.S.; Saint John, N.B.; Quebec, Que.; Sherbrooke, Que.; Lacolle, Que.; Montreal, Que.; Fort Erie, Ont.; Hamilton, Ont.; Kitchener, Ont.; London, Ont.; Niagara Falls, Ont.; Oshawa, Ont.; Ottawa, Ont.; Sarnia, Ont.; Windsor, Ont.; Toronto, Ont.; Winnipeg, Man.; Regina, Sask.; Calgary, Alta.; Edmonton, Alta.; Vancouver, B.C.; Pacific Highway, B.C.; Victoria, B.C.

2. (b) No.

3. The Revenue Collection Functional Centre computer equipment will be housed at the Taxation Data Centre in Ottawa in space that now exists for this purpose. It is planned to modify existing office accommodation to install the terminal equipment in the designated Customs Ports. The plans for the modifications are just commenced and no arrangements have yet been made.

PUBLIC WORKS—EXPENDITURES ON PORT STANLEY AND PORT BURWELL HARBOURS

Question No. 63—**Mr. Wise:**

What was the government's total expenditure on each of the Lake Erie harbours of Port Stanley and Port Burwell between the years of 1958 to 1964 inclusive and between the years 1965 to 1971 inclusive?

Hon. Jean-Eudes Dubé (Minister of Public Works):

Year	Port Stanley	Port Burwell	Total
1957-58	$ 178,194	$ ——	$ 178,194
1958-59	112,630	248,404	361,034
1959-60	123,931	188,240	312,171
1960-61	89,255	158,451	247,706
1961-62	77,401	101,641	179,042
1962-63	——	43,187	43,187
1963-64	78,612	35,578	114,190
Sub Total	660,023	775,501	1,435,524
1964-65	27,804	57,334	85,138
1965-66	261,175	523,402	784,577
1966-67	374,855	308,832	683,687
1967-68	266,689	253,284	519,973
1968-69	127,474	241,584	369,058
1969-70	1,973	69,458	71,431
1970-71	152,992	——	152,992
Sub Total	1,212,962	1,453,894	2,666,856
Grand Total	1,872,985	2,229,395	4,102,380

PUBLIC WORKS—PUBLIC RELATIONS PROGRAM

Question No. 76—**Mr. Nystrom:**

1. What were the amounts of money spent by the Department of Public Works on publicity and/or information in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72?

2. What were the names and addresses of firms or individuals who received these contracts, what amounts of money were spent in each case and what was the purpose of each contract?

3. What contracts for publicity and/or information were awarded in the current fiscal year, what are the names and addresses of contractees, what are the amounts of money involved in each case and what is the purpose of each contract?

Hon. Jean-Eudes Dubé (Minister of Public Works): 1. 1968-69, $111,813; 1969-70, $134,495; 1970-71, $113,771; 1971-72, $161,259.

2. Nil. All publicity and/or information handled internally.

3. Graphic Communications Inc., 6999 Cote des Neiges, Montreal, Quebec. Promotional, public relations and advertising program re— opening of Phase I, Place du Portage, Hull, $120,000. Due to the delay in opening brought about by the recent elevator strike the expenditure of this amount will be carried over to the 1973 fiscal year.

DEPARTMENT OF SCIENCE AND TECHNOLOGY—PUBLIC RELATIONS PROGRAM

Question No. 78—**Mr. Nystrom:**

1. What were the amounts of money spent by the Department of Science and Technology on publicity and/or information in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72?

2. What were the names and addresses of firms or individuals who received these contracts, what amounts of money were spent in each case and what was the purpose of each contract?

3. What contracts for publicity and/or information were awarded in the current fiscal year; what are the names and addresses of contractees, what are the amounts of money involved in each case and what is the purpose of each contract?

Hon. Jeanne Sauvé (Minister of State for Science and Technology): Fiscal years 1968-69, 1969-70, 1970-71, 1971-72 not applicable as all expenses of the Ministry of State for Science and Technology up to March 31, 1972 were paid from Privy Council appropriations. 1. N/A.

2. N/A.

3. Achievements in Science and Technology Project. Mr. M. Schiff and M. J. M. Poliquin of the city of Ottawa were hired as supervisors and editors for the project, which was designed to employ summer students as journalistic researchers of Canadian achievements in the areas of Science and Technology. $6,964, $950; (b) Mr. B. Curley of the city of Ottawa was hired as a public relations officer to set up an information program related to the Ministry and the University Community. $15,000; (c) Mr. J. Fairchild and Mr. J. Belanger of the city of Ottawa were hired as a speech writer and media relations writer respectively on a short term basis. $4,460, $4,460; (d) Agreement with Presentation of Canada Ltd. Pd. $1,400. Public relations fee to introduce the government new policy of contracting out research and development to companies in the private sector.

DEPARTMENT OF VETERANS AFFAIRS—PUBLIC RELATIONS PROGRAM

Question No. 87—**Mr. Nystrom:**

1. What were the amounts of money spent by the Department of Veterans Affairs on publicity and/or information in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72?

2. What were the names and addresses of firms or individuals who received these contracts, what amounts of money were spent in each case and what was the purpose of each contract?

3. What contracts for publicity and/or information were awarded in the current fiscal year, what are the names and addresses of contractees, what are the amounts of money involved in each case and what is the purpose of each contract?

[Mr. Dubé.]

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): 1. 1968-69, $19,003.31; 1969-70, $15,417.17; 1970-71, $7,150.39; 1971-72, $31,609.37.

2. Petersen-Hulme Advertising, Toronto. 1968-69, $15,-721.31; 1969-70, $4,120.17; 1970-71, $3,750.39; 1971-72, $24,-161.37. The purpose of the Veterans Affairs advertising is, primarily, to inform Canadian veterans and other eligible persons of continuing benefits in the Veterans Charter legislation, and particularly of changes in those benefits; and also to support directly and indirectly the Veterans Affairs agencies and programs in the achievements of their objectives. John Doherty & Co., Public Relations, Ottawa: 1968-69, $3,282.00; 1969-70, $11,297.00; 1970-71, $3,-400.00; 1971-72, $7,448.00. The purpose of the public relations contract is to provide assistance and advice to meet peak loads in the Public Relations Division. An example of a specific task in 1969-70 was to provide assistance and advice in connection with the publicity for the White Paper on Veterans Pensions.

3. For the current fiscal year the Department has contracts with the same two firms mentioned above and for the same purposes. It is estimated that, for the current fiscal year, the amount which will be paid to Petersen-Hulme Advertising (now Hulme Advertising) will be $8,000 and to John Doherty & Co., $5,000.

INSTALLATION OF SEWAGE LINES AND TREATMENT FACILITIES IN EASTERN PASSAGE, HALIFAX COUNTY, N.S.

Question No. 146—**Mr. Forrestall:**

Is it the intention of the government to proceed under current arrangements with the Province of Nova Scotia for the installation of sewage lines and treatment facilities in Eastern Passage, Halifax County, Nova Scotia?

Mr. Marcel Prud'homme (Parliamentary Secretary of Minister of Regional Economic Expansion): The answer for the Department of Regional Economic Expansion is as follows: The current Special Areas and Highways Agreement with the Province of Nova Scotia does not provide for the installation of sewage lines and treatment facilities to service the Eastern Passage area. The inclusion of such a project in a future agreement will depend essentially on provincial priorities. Discussions between the Department and provincial authorities about this matter are in progress.

TRANSPORT—ADDITIONAL CONTAINER PIER FACILITIES, PORT OF HALIFAX

Question No. 147—**Mr. Forrestall:**

When will a decision be made with respect to location of additional container pier facilities within the Port of Halifax?

Hon. Jean Marchand (Minister of Transport): The National Harbours Board advises as follows: It is anticipated that upon the accumulation and evaluation of all relevant data, a decision will be made in the course of 1973 as to the location of any additional container pier facilities that may be required in the Port of Halifax.

BRYDEN REPORT

Question No. 148—**Mr. Forrestall:**

Is it the intention of the government to release the Bryden Report and (a) if so, on what date (b) if not, for what reason?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): The Bryden Report was commissioned on the understanding that it was to be an internal, confidential document for the use of the Minister through whom the Public Service Staff Relations Board reports to parliament. It is for this reason that the Bryden Report has not been released. When the proposals relating to changes to be made in the Public Service Staff Relations Act are presented to the House, however, the government will then review the situation to determine whether it would be in the public interest to publish the report.

*DEPARTMENT OF TRANSPORT—"MV ABEGWEIT"

Question No. 184—**Mr. MacLean:**

1. What is the estimated remaining useful life of the *MV Abegweit* operating on the Borden, Prince Edward Island—Cape Tormentine, New Brunswick route?

2. Has the Department of Transport a plan in being to replace this vessel with a new, similar ice-breaking, train-carrying ship and, if so (a) when is it planned that such a replacement should take place (b) has the replacement ship been designed (c) have tenders been called for its construction (d) what is the planned date for completion (e) what will be its carrying capacity for (i) automobiles (ii) railway cars?

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the answer is as follows: 1. No precise date can be put on the useful life of this vessel.

2. Planning is currently underway for the total future needs of the P.E.I. ferry services and the question of replacing the *MV Abegweit* will be considered within this context.

TRANSPORT—"MV JOHN HAMILTON GRAY" FERRY

Question No. 185—**Mr. MacLean:**

At what date will the *MV John Hamilton Gray* be available for full-time, year-round ferry service on the Borden, Prince Edward Island—Cape Tormentine route?

Hon. Jean Marchand (Minister of Transport): It is anticipated at present that the *MV John Hamilton Gray* will be required to assist in the summer passenger traffic on the Newfoundland service. Meanwhile, the *MV Lucy Maud Montgomery* has been moved to the Borden—Tormentine service, and the *MV Prince Edward* has been added to the Wood Islands—Caribou service, considerably increasing capacity overall.

DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE—NUMBER OF PERSONNEL

Question No. 201—**Mr. Knight:**

1. How many full-time employees are there currently in the Department of Industry, Trade and Commerce?

2. How many of those employees are earning more than $18,000 annually, distributed according to $1,000 intervals?

Order Paper Questions

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): 1. Number of full-time employees in the Department of Industry, Trade and Commerce as of December 31, 1972, 2,372.

2. Employees earning more than $18,000 annually, as of December 31, 1972

Number	Salary Interval
37	$18,001—19,000
56	19,001—20,000
90	20,001—21,000
169	21,001—22,000
22	22,001—23,000
32	23,001—24,000
61	24,001—25,000
56	25,001—26,000
112	26,001—27,000
23	27,001—28,000
19	28,001—29,000
7	29,001—30,000
1	25,000—31,000
8	27,000—31,700
4	28,000—35,000
1	40,000—45,000
Total 698	

INCENTIVE GRANTS TO FALCONBRIDGE NICKEL MINES

Question No. 214—**Mr. Rodriguez:**

1. Have any grants under the Regional Industrial Incentive Act been offered for and accepted by Falconbridge Nickel Mines for its iron ore recovery plant as Falconbridge and, if so, what was the amount and purpose of the grant(s)?

2. Has the Falconbridge Nickel Mine Company benefited from rapid write-offs for pollution abatement equipment for its iron ore recovery plant at Falconbridge and, if so, in what amount?

3. With respect to the $4,000,240 grant offered to and accepted by Falconbridge Nickel Mines under the Regional Industrial Incentives Act in January, 1971, for a new facility in Becancour, Quebec, what is the nature of production intended to be undertaken at this plant, specificaly, will nickel be pelletized at the Becancour plant with raw ore being supplied from the Falconbridge area?

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. The Department of Regional Economic Expansion has not authorized a development incentive under the provisions of the Regional Development Incentives Act to Falconbridge Nickel Mines Ltd. for its facility at Falconbridge, Ontario.

2.N/A.

3. Nickel will not be pelletized at the Bécancour plant. The project consists of a refinery that will, as a part of its operation, treat a portion of the nickel-copper "matte" normally shipped to Norway for refining.

Order Paper Questions

LOCAL INITIATIVES PROGRAM

Question No. 216—**Mr. Forrestall:**

1. What was the total number of applications received by the LIP for assistance in the fiscal year ended 1971, by province?

2. Of those approved, how many applications were exercised by the applicants, by province?

3. What was the total operating cost of the Program for the same period (a) exclusive of grants (b) inclusive of grants?

4. What was the average cost, based on the above, of each decision made by the Program on applications received?

Hon. Robert K. Andras (Minister of Manpower and Immigration): 1. In the Fiscal year ended March 31, 1971, the Local Initiatives Program was not in existence.

2. N/A.

3. N/A.

4. N/A.

BILINGUAL FACILITIES AT CUSTOMS OFFICES, PORTS OF LANSDOWNE AND JOHNSTOWN

Question No. 226—**Mr. Cossitt:**

Have surveys been conducted to determine the need for bilingual facilities at Canada Customs Offices at the Ports of Lansdowne and Johnstown, Ontario, by the Department of National Revenue and, if so (a) on what dates were such surveys taken (b) by whom were such surveys taken (c) by what methods were such surveys conducted (d) what were the specific results of such surveys?

Hon. Robert Stanbury (Minister of National Revenue): Yes. (a) (b) (c) and (d). Please see following statement.

(a)	(b)	(c)	(d)
August, 1969	Management of Central Ontario Region.	In accordance with Section 10 of the Official Languages Act a study was made of the English–French make up of the geographical areas served by the international bridges at Prescott and Lansdowne, using the 1961 Census figures.	The estimated demand for service in the French language warranted the provision of bilingual resources.
September 1969 to March, 1970	Uniformed Examining Officers	The number of occasions they were addressed in French or specifically requested by the travelling public to provide service in French.	Inconclusive due to the long standing habit of the travelling public only dealing with our officers in English at these centres.
April, 1970	District Collector (Ottawa)	A statistical study of returning Canadians based on the number of vehicles and passengers and the linguistic composition of the geographic areas served by the two bridges.	Extrapolation of this data indicates a significant number of French-speaking Canadians use the bridges at Prescott and Lansdowne annually.
October, 1971	District Collector (Ottawa)	Analysis of sampling of Exemption Entries (E. 24).	Of the total number of exemptions filed by returning Canadian Residents at Lansdowne and Prescott, approximately 25% were estimated to have been presented by French-speaking Canadians.

EXPLORATION FOR PETROLEUM RESERVES AT SUFFIELD MILITARY RESERVE

Question No. 248—**Mr. Andre:**

Did the Department of National Defence, during 1972, engage any firms for the purpose of exploring for petroleum reserves on the Suffield Military Reserve and, if so, what firms were given contracts and what was the amount of the contract in each case?

Hon. James Richardson (Minister of National Defence): During 1972, no firms were engaged for the purpose of exploring for petroleum reserves at CFB Suffield. However, through Defence Construction (1951) Limited, contracts were awarded to three companies to perform work on the development and improvement of existing station gas supplies which provide fuel for all utility purposes on the base: Dresser Industries Inc.—completion of wells, $33,797.00; Kenting Big Indian Drilling—drilling seven wells, $90,923.00; Western Industrial Contractors Ltd.—collector system and testing, $33,975.00.

DEPARTMENT OF TRANSPORT—"MV BLUENOSE"

Question No. 262—**Mr. Haliburton:**

1. Is the *MV Bluenose* fulfilling, and is it expected to continue fulfilling adequately the Canadian transportation requirements for (a) tourist needs (b) freight needs (c) cars (d) trucks, between Yarmouth, Nova Scotia and Bar Harbour, Maine?

2. Has the Department of Transport a plan in being to replace or to assist in the replacement of this vessel with a new and enlarged ship and, if so (a) on what date is it planned that such a replacement should take place (b) has the replacement ship been designed (c) what will be the carrying capacity?

3. Has the Department of Transport a plan in being to enlarge or to assist in the enlargement of the ferry terminal at Yarmouth and, if so, on what date is it planned that enlargement should take place?

4. (a) How many days each year of the past three years was the *MV Bluenose* not in service (b) how many trailers were not able to get on that boat in the past three years because of size?

5. What advertising does CNR do to promote the use of the *MV Bluenose*?

Hon. Jean Marchand (Minister of Transport): 1. (a) (b) (c) and (d) Yes.

2. The Department of Transport has no plans at present of replacing or assisting in the replacement of the *MV Bluenose* in this service.

3. Not at this time.

4. (a) 1970, 48 days on annual refit, 2 days off for Christmas 1970; 1971, 28 days on annual refit, 2 days off for Christmas, 2 days bad weather; 1972, 27 days on annual refit, 2 days off for Christmas; (b) Trailers are usually local traffic and as such, vessel limitations are generally

[Mr. Prud'homme.]

known. No record has been kept but there have been occasions when oversized loads have been turned away.

5. In 1972, the total amount spent on *Bluenose* advertising was approximately $55,000. Of this, $30,000 was spent in a joint program with the Nova Scotia government, resulting in advertising worth $60,000. Two ads were used, one for spring and one for early summer. These ads appeared primarily in eastern United States newspapers. Surveys show that these areas are the major source of ferry traffic. The media were the major daily newspapers in Hartford and New Haven, Conn.; Boston, Mass.; Springfield, Conn.; Newark, N.J.; New York, Albany, Buffalo, Long Island, Rochester, Syracuse and Baltimore, New York; and Providence, Rhode Island. In addition, C.N. had its own campaign for the *Bluenose* costing $14,800. This consisted of ads which appeared in papers in Halifax, New Glasgow, Sydney, Truro, Antigonish, Kentville, Bridgetown, Bridgewater, Liverpool, Lunenburg, Pictou, Shelbourne, Windsor and Yarmouth in Nova Scotia, and Portland and Bangor in Maine. This advertising was to generate local traffic. Radio stations in Halifax, Truro, Bridgewater, Bridgetown, Antigonish and Yarmouth were used primarily to reach tourists on the move. A total of 650,000 colour brochures were printed for distribution in 1971 and 1972 at an approximate cost of $10,555. In addition, 350,000 inserts were printed in 1972 with the current schedule and fares. This cost $2,065. There are four (4) permanent billboards advertising the *Bluenose*, two in Maine at Kittery and Brewer, and two in Nova Scotia at Annapolis Royal and Italy Cross. In addition, C.N. was able to obtain the use of temporary billboards in Maine for the promotion of the *Bluenose* service as part of an agreement with a national U.S. magazine. Total cost of the *Bluenose* service for this additional advertising was $50.

FALCONBRIDGE MINES LTD.—JOB RETRAINING PROGRAM

Question No. 280—**Mr. Rodriguez:**

1. How much did Falconbridge Mines Ltd. receive in Manpower retraining grants from the government in each year 1970, 1971 and 1972?

2. In each year 1970, 1971 and 1972, how many persons (a) started (b) completed the job retraining program at Falconbridge Mines Ltd.?

3. From among those individuals who started the job retraining program in 1970 at Falconbridge Mines Ltd., how many are still (a) with the Company (b) in the mining industry?

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): 1. Falconbridge Mines Ltd. received training cost reimbursement as follows: 1970, nil; 1971, nil; 1972, training contract not completed yet.

2. The following numbers of persons started and completed training: 1970, nil; 1971, nil; 1972, 19 persons started training and 15 completed it.

3. No individuals started training in 1970 at Falconbridge Mines Ltd.

Order Paper Questions

DREE PROGRAM—INCLUSION OF SMITHS FALLS AS A DESIGNATED AREA

Question No. 285—**Mr. Cossitt:**

Is the government giving consideration to including Smiths Falls, Ontario as a designated area eligible for grants under the DREE Program?

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): At present there are two designated regions in Ontario. Incentive Region B is scheduled to remain designated until December 31, 1973. Incentive Region C is scheduled to remain designated until June 30, 1973. (Smiths Falls is not in either region.) Prior to the foregoing dates, there will be consultations with the Province of Ontario regarding future designated regions. These consultations will take place over the next few months. No decision will be made regarding any changes in the present designated regions until these discussions have been completed.

CONSTRUCTION OF POST OFFICE IN VILLAGE OF HILLSBURGH, ONTARIO

Question No. 289—**Mr. O'Connor:**

Has the government decided to construct a Post Office in the Village of Hillsburgh, Ontario and, if so (a) what is the legal description of the land purchased or to be purchased (b) from whom was it or will it be purchased (c) what was or will be the purchase price (d) what was or will be the date of completion of the transactions (e) have tenders for construction been let and, if so, when will they be opened (f) what is the anticipated date of completion of the project?

Hon. Jean-Eudes Dubé (Minister of Public Works): Yes. (a) All and Singular that certain parcel or tract of land and premises, situate, lying and being in the Village of Hillsburgh, in the County of Wellington and Province of Ontario, being composed of part of lot 40 on the southwest side of Anne Street and part of Lot Y East side of Main Street according to the unregistered plan of the Village of Hillsburgh filed in the Registry Office for the Registry Division of Wellington as Plan No. 62, the said parts being designated as Part One on a plan of survey deposited in the said Registry Office as Plan No. 61 R-328. (b) Royal Bank of Canada; (c) $3,000; (d) January 31, 1973; (e) Yes, tenders will be opened February 1, 1973; (f) May 31, 1973.

ICEBREAKERS CONSTRUCTION

Question No. 290—**Mr. Allard:**

Is it the intention of the government to order construction of more icebreakers to overcome the apparent lack of such ships in service?

Hon. Jean Marchand (Minister of Transport): The government intends to increase the icebreaking capability of the Canadian Coast Guard by placing an order for the construction of an icebreaker for service on the Great Lakes, the Gulf of St. Lawrence and the St. Lawrence River in winter and for deployment to the Arctic in summer. Construction will commence later this year with delivery expected towards the end of 1975. Under consideration at the present time are plans for the construction of three more icebreakers of a similar class and a decision on this program will be forthcoming in the near future.

Order Paper Questions

HARBOUR FACILITIES, 16-MILE CREEK, OAKVILLE, ONTARIO

Question No. 291—**Mr. O'Connor:**

Is the government considering undertaking a detailed investigation into the adequacy of the harbour facilities at the mouth of 16-Mile Creek in Oakville, Ontario and, if so, is it considering initiating redevelopment of such facilities in co-operation with the Town of Oakville and the Province of Ontario?

Hon. Jean-Eudes Dubé (Minister of Public Works): No. The harbour of Oakville is not a federal facility. It is owned, controlled and administered by the Corporation of the Town of Oakville.

DEPARTMENTAL LOGOS

Question No. 501—**Mr. Schumacher:**

1. By what program and under what authority were the departmental logos changed from the Coat of Arms of Canada to the present logos?

2. What agency or firm was responsible for the redesigning and what remuneration was paid for such services?

3. What was the cost, by department and in total, of the government's program to change logos in departments, on cheques, etc.?

4. Does the government intend to remove the Coat of Arms of Canada from any further locations where it still remains?

Hon. John C. Munro (Minister of Labour): Reply by Information Canada: 1. Federal Identity Program, under authority of the government of the day.

2. Communication Arts Centre of Montreal, $24,000.

3. No separate determination of implementation costs was made. The new logo is applied as old stocks are used up and reprinting is necessary. Therefore no definitive answer to this question can be arrived at.

4. No.

*RCMP—RELOCATION OF THORSBY, ALBERTA DETACHMENT

Question No. 511—**Mr. Schellenberger:**

1. Does the RCMP intend to relocate the Detachment now situated at Thorsby, Alberta and, if so (a) has the RCMP received protests as to the proposed relocation due to Thorsby's proximity to the Pigeon Lake resort area (b) how many objections have been received?

2. Will the RCMP reconsider the proposed relocation in view of these representations?

Hon. Warren Allmand (Solicitor General): Mr. Speaker, the answer to parts 1 and 2 is as follows: the primary responsibility for determining where Royal Canadian Mounted Police detachments shall be located within those provinces policed by the force on a contract basis rests with the Attorney General of the respective province. However, I have been informed that there are no current plans to relocate the detachment now situated at Thorsby, Alberta.

TAX REVENUE COLLECTED ON SOFT DRINKS

Question No. 549—**Mr. Latulippe:**

What revenue did the government collect through the tax on soft drinks in (a) 1970 (b) 1971 (c) 1972?

[Mr. Marchand (Langelier).]

Hon. Robert Stanbury (Minister of National Revenue): We are unable to provide the information requested as all sales tax revenue is recorded in one general account with no distinction as to sources.

CANADA SAVINGS BONDS, FISCAL YEAR ENDING MARCH 31, 1972

Question No. 577—**Mr. Lambert (Bellechasse):**

1. During the fiscal year ending March 31, 1972, what was the total amount of savings bonds issued by the government?

2. What was the amount acquired by the Bank of Canada?

3. What amount of savings bonds was repurchased by the government in the same period?

Hon. John N. Turner (Minister of Finance): 1. Gross sales of Canada Savings Bonds during the fiscal year ending March 31, 1972 were $2,609,860,000.

2. None.

3. Gross redemptions of all outstanding issues of Canada Savings Bonds during the fiscal year ending March 31, 1972 amounted to $704,200,000.

CANADA SAVINGS BONDS—SALES UP TO DECEMBER 31, 1972

Question No. 579—**Mr. Lambert (Bellechasse):**

1. During the current fiscal year up to December 31, 1972, what was the total amount of savings bonds issued by the government?

2. What was the amount acquired by the Bank of Canada?

3. What amount of savings bonds was repurchased by the government in the same period?

Hon. John N. Turner (Minister of Finance): 1. Gross sales of Canada Savings Bonds during the current fiscal year up to December 31, 1972 were $2,012,490,000.

2. None.

3. Gross redemptions of all outstanding issues of Canada Savings Bonds during the current fiscal year up to December 31, 1972 amounted to $626,600,000.

WINTER WORKS CAPITAL PROGRAM—ALLOCATION OF FUNDS TO PROVINCE OF QUEBEC

Question No. 597—**Mr. Laprise:**

Under the Winter Works Capital Program announced by the Minister of Finance, December 6, 1972, has the Government of the Province of Quebec wholly or partially accepted the $113.9 million offer and, if not, has any reason been given?

[*Translation*]

Hon. John N. Turner (Minister of Finance): The Quebec government has accepted in full the amount of $113.9 million which represented its share of the Winter Works Capital Program.

[*English*]

DREE PROGRAM—INCLUSION OF GANANOQUE AS DESIGNATED AREA

Question No. 649—**Mr. Cossitt:**

Is the government giving consideration to including Gananoque, Ontario, as a designated area eligible for grants under the DREE Program?

Mr. Marcel Prud'homme (Parliamentary Secretary to Minister of Regional Economic Expansion): At present there are two designated regions in Ontario. Incentive Region B is scheduled to remain designated until December 31, 1973. Incentive Region C is scheduled to remain designated until June 30, 1973. (Gananoque is not in either region.) Prior to the foregoing dates, there will be consultations with the Province of Ontario regarding future designated regions. These consultations will take place over the next few months. No decision will be made regarding any changes in the present designated regions until these discussions have been completed.

*LORNEVILLE ENVIRONMENTAL IMPACT STUDY

Question No. 784—**Mr. Fairweather:**

Will the Lorneville Environmental Impact Study be released and, if so, on what date?

Mr. William Rompkey (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, the study will be released on February 7, 1973.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

DEPARTMENT OF SCIENCE AND TECHNOLOGY—RESEARCH CONTRACTS

Question No. 119—**Mr. Nystrom:**

1. What was the total amount of money spent in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72 by the Department of Science and Technology on contracts to outside persons and organizations for research, development and other consulting services?

2. What are the names and addresses of these outside persons and organizations and what amounts of money were involved in each contract?

3. What was the purpose of each contract and title of each report submitted?

4. What are the names and addresses of outside persons and organizations who were awarded contracts for research, development and other consulting services in the current fiscal year, what are the amounts of money involved in each case and what is the purpose of each contract?

Return tabled.

NORTHERN MINERAL EXPLORATION ASSISTANCE PROGRAM

Question No. 204—**Mr. Firth:**

1. What were the names of recipients benefitting from the Northern Mineral Exploration Assistance Program (NMEAP) in each fiscal year 1968-69 to 1972-73 to date, and what were the amounts of money involved in each case?

2. What are the objectives of the above program?

3. Has the department conducted any evaluative study of the program and, if so, what was the date of the latest report?

Return tabled.

LIP PROJECTS

Question No. 208—**Mr. Lambert (Bellechasse):**

How many LIP projects were received by the Department of Manpower and Immigration as of December 31, 1972 (a) what was the total amount involved (b) how many projects were approved as of December 31, 1972 (c) for what amount (d) how many projects were approved for the Province of Quebec as of the same date (e) for what constituencies and what was the amount involved in each?

Return tabled.

ORAL QUESTION PERIOD

ENERGY

SECURITY OF OIL SUPPLIES FOR EASTERN CANADA—POSITION OF DISCUSSIONS WITH UNITED STATES ON POSSIBLE AGREEMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Energy, Mines and Resources whether any agreement has been reached with the United States in the one area that the minister has said is under discussion, that is, assurance of a supply of oil to eastern Canada in the event of eastern Canada's sources of offshore oil being cut off?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): No, Mr. Speaker, no agreement has been reached. At the moment we are looking forward to a renewed discussion of this question by officials.

Mr. Stanfield: Mr. Speaker, I should like to ask the minister what the difficulty is in reaching an agreement and whether, before making any such agreement, the United States authorities are seeking a specific assurance with regard to a continued supply of oil and/or gas from western Canada?

Mr. Macdonald (Rosedale): Not a specific assurance, Mr. Speaker.

Mr. Stanfield: Would the minister indicate to the House what sort of assurance the United States is seeking before entering into an agreement with Canada in order that we may have some assurance with regard to the supply of oil for eastern Canada in the event of an emergency?

Mr. Macdonald (Rosedale): Mr. Speaker, as I indicated to the House last week, their concern is with regard to the possible importation of oil, essentially into the mid-continental market.

Oral Questions

JAMES BAY HYDROELECTRIC POWER PROJECT—QUEBEC INTENTION RESPECTING SALE OF POWER TO UNITED STATES

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, would the minister confirm the statement he made yesterday to the effect that the government of Quebec has informed the federal government it does not intend to sell any power from the James Bay power project to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, up to the present time we have had no indication that any part of that power would be sold either to Ontario or outside the country. Our understanding is that the site will be developed for the purpose of the Quebec load itself.

Mr. Hamilton: This understanding, then, is not based on any proposition that the federal government would resuscitate the old idea of a national power grid?

Mr. Macdonald (Rosedale): Mr. Speaker, it seems to me that the question of a national power grid is another question. One of the objectives of an energy policy should be to promote, wherever possible, the interchange of electric power among the provinces of Canada. Specifically, with regard to the James Bay project my understanding is that it is for consumption in Quebec only that the project is being proceeded with.

OIL—AVAILABILITY OF SUPPLIES FOR MARCH, APRIL AND MAY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my question is also for the Minister of Energy, Mines and Resources and arises out of his statement on January 9, found on page 87 of *Hansard*, that "there is apparently no problem in continuing supplies for refinery feed stocks", and his statement in the House on Friday last when in answer to my question he said:

> We are aware of the fact that there is pressure with regard to the oncoming situation in March. At the moment it is not clear whether the industry will be able, as I suggested, to solve the question themselves.

May I ask the minister what factor has intervened in the meantime to alter the situation from what it was on January 9, when there was no question about the adequacy of supplies, so that the situation now is that the minister and the industry are uncertain about the availability of supplies for March and the coming months?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the very sharp increase in the level of demand. As the hon. member will recall, in a statement about ten days ago the president indicated a further increase in the United States quota on the importation of Canadian oil.

Mr. Douglas: In view of the statement by the Minister of Mines and Minerals of Alberta, Mr. Dickie, in which he said that February would be the first month in the history of Alberta when there would be more consumers for the province's oil than it could supply, can the minister now assure the House that there will be adequate oil supplies to meet Canadian needs for the coming months, particularly March, April and May.

• (1420)

Mr. Macdonald (Rosedale): Yes, Sir, I will be glad to repeat that assurance. If the industry shows that it is incapable of meeting the prior claims of the Canadian refineries, the government will take action under the National Energy Board Act to make sure that happens.

Mr. Douglas: Can the minister give us any comparative figures as to the amounts of oil we are exporting and importing? I am not asking for exact figures. Are they in balance, or are we exporting more oil than we are importing?

Mr. Macdonald (Rosedale): Mr. Speaker, I would say that there is an excess in one direction. The figures were roughly in balance last year. I could not give the current monthly figures, but I would say there is a slight excess, on balance, in favour of exports.

Mr. Stanfield: Mr. Speaker, my question is supplementary to that asked by the hon. member for Nanaimo-Cowichan-The Islands and to the question I put to the minister a moment ago when I asked the minister about the nature of any assurances the United States is requiring with regard to supplies of oil or gas in exchange for an assurance relating to the supplying of our market needs. Could the minister not be specific and indicate the nature of the assurances the United States is seeking with regard to the supplying of Canadian oil for the United States midwest?

Mr. Macdonald (Rosedale): Mr. Speaker, I do not think I can be specific as to their position right now. They adopted a certain position in the past which we felt was not in our interest. As I indicated, it would be useful to have another discussion between officials to find out specifically what their objectives are and to see if agreement can be reached.

SUGGESTED AMENDMENT OF OIL AND GAS PRODUCTION AND CONSERVATION ACT RESPECTING CONTROL OF OFFSHORE OPERATIONS

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, may I direct a supplementary question to the minister. In light of the statement made on Friday by the minister that investment in an oil pipeline from western Canada to Montreal could become obsolete in the event of success of an offshore field off the east coast, and in view of the importance of offshore exploration activities at this time, will the minister now consider repealing portions of the Oil and Gas Production and Conservation Act and substituting in their place more comprehensive and concise legislation concerning the operation of controls in offshore regions?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think as an indicator, the activity off the east coast shows that the legislation is no kind of deterrent.

EXTERNAL AFFAIRS

NUCLEAR TESTS PROPOSED BY FRANCE—CANADIAN REPRESENTATIONS—PARTICIPATION IN POSSIBLE ACTION BEFORE INTERNATIONAL COURT

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, may I ask a question on another subject and direct it to the Secretary of State for External Affairs. In view of the fact the government of France is preparing further nuclear tests in the South Pacific, what steps is the government of Canada planning in opposition to these tests beyond belated support of the New Zealand resolution at the United Nations last October 21?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to disabuse the hon. member's mind. Canada was the first to protest about these tests in the Pacific, and we will continue with this policy. We have been leading in the world in trying to bring nuclear testing to an end, whether in the atmosphere or underground.

Mr. Rose: Does Canada plan to join Australia in bringing a case against France before the International Court of Justice on the ground of pollution of the high seas and the temporary interruption of peaceful passage in international waters, as was occasioned last time?

Mr. Sharp: Mr. Speaker, we have not yet had any definite news as to the position Australia will take. However, I can assure the hon. member that we will be joining with other likeminded countries in whatever is the most effective way of stopping the tests in the Pacific.

Mr. Rose: Since Canada did not support a Canadian vessel harassed by France during the previous French test, does Canada plan to provide such support at this time? Also, has there been any reply from France so far relative to the damage caused to Captain David McTaggart's *Greenpeace III* last summer?

Mr. Sharp: Mr. Speaker, on the final question, we have spoken to the French government on behalf of *Greenpeace III*. We understand that there may be a reply shortly but there has not yet been one. We do not plan to put any Canadian vessels into the area that may be affected by the forthcoming test.

* * *

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the hon. Minister of Manpower and Immigration.

Since the local initiatives program provides for an average weekly salary of $100 and some agencies whose projects have been accepted pay only $50 a week, could the hon. minister tell us whether there is an agreement with the department to favour certain people or whether the difference is just remitted to the electoral fund of his party?

[*English*]

Mr. Speaker: The hon. member for Kingston and The Islands.

Miss MacDonald (Kingston and The Islands): Thank you, Mr. Speaker—

[*Translation*]

Mr. Speaker: Order. The hon. member knows that he can give notice of his intention of discussing a matter later, only if it is in order. If the hon. member gives notice, then the Chair determines whether the matter respects the rules of the House, that is, whether it is in order.

* * *

[*English*]

INDIAN AFFAIRS

REQUEST THAT STANDING COMMITTEE BE ORGANIZED TO DEAL WITH NISHGA LAND CLAIM

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is directed to the President of the Privy Council. In view of the confusion and concern with regard to the land claims of the Nishga nation of Indian people, would the President of the Privy Council inform the House whether he is going to use his good offices to arrange immediately for the organization meeting of the standing committee on Indian Affairs and Northern Development so that the committee can deal specifically with this issue?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, the committee can move ahead with the organization meeting just as soon as it has some item of business that will allow it to deal with this matter. I am at present considering with the parliamentary secretary to the minister what the most effective way would be to bring this matter before the committee.

Miss MacDonald (Kingston and The Islands): Would the President of the Privy Council undertake to do this immediately and report to the House tomorrow?

REQUEST THAT ANNUAL REPORT OF DEPARTMENT BE REFERRED TO STANDING COMMITTEE

Mr. Erik Nielsen (Yukon): Mr. Speaker, I have a supplementary question for the President of the Privy Council. As a motion from the New Democratic Party was accepted today by the Minister of Energy, Mines and Resources to examine the annual report of that department, will the minister cause the annual report of the Department of Indian Affairs and Northern Development to be referred to the committee so that it can start to get to work?

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, that seems to be the most direct way of bringing this about, unless we wait a week or so for reference of the main estimates. However, either one will do it.

Oral Questions

SUPREME COURT DECISION IN NISHGA LAND CASE—
SUGGESTED RE-ARGUMENT BEFORE FULL COURT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I wish to ask the Minister of Justice whether consideration has been given to the suggestion I made which, incidentally, has received pretty general support across the country—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Not from members opposite who do not know what we are talking about.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Has any consideration been given to discussing with the Chief Justice of Canada a re-argument of the question so that a final determination can be made, instead of the present uncertainty with three judges on one side and three on the other?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, it is certainly my view that it would not be the role of the government or myself to make such a request in regard to this situation when we are not directly involved. I am sure the parties to the litigation heard the suggestion of the right hon. gentleman, and it might have been open to them to raise the matter in this fashion with the court. I do not know at this stage whether either party has done so.

Mr. Diefenbaker: Was there not a case in the province of Quebec some years ago in which a decision respecting civil liberties had been given by the Supreme Court and am I not right that the Department of Justice then got in touch with the Supreme Court of Canada with a view to having a re-argument of that particular matter? Indeed, on the re-argument the Supreme Court decided quite differently from what the court had decided earlier.

Mr. Lang: Mr. Speaker, I rather think the situation would still be unusual in a case like the present one. Here we have a situation where the government of Canada has not been involved in the argument of the case in any way.

Mr. Diefenbaker: That answer shows the interest the government has in the Indians.

* * *

INCOME TAX

POSSIBLE ALLOWANCE OF COST OF CERTAIN
ADVERTISING BY DOMINION STORES AS DEDUCTION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is for the Minister of National Revenue. In view of the fact that during the past few days Dominion Stores has spent huge sums of money advertising in the press, can the minister advise whether this cost is allowed as a tax deduction, which means that the people of Canada are paying for it, or are we paying for it through increased prices of food?

[Mr. MacEachen.]

• (1430)

Mr. Speaker: Order, please. Will hon. members kindly resume their seats? I always have some doubt whether it is in order to ask a supplementary to a question which is out of order. Perhaps the hon. member for Vancouver-Kingsway would like to rephrase her question.

Mrs. MacInnis (Vancouver-Kingsway): Yes Mr. Speaker. Very simply, can the minister determine whether we are paying for it both ways?

An hon. Member: Explain.

Mr. Speaker: Order, please.

* * *

NATIONAL DEFENCE

INCREASE IN 1973-74 BUDGET

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of National Defence. As the defence budget has, with the exception of provision for a small pre-election pay raise, been frozen for the past five years, is it the intention of the government in the very near future to unfreeze the budget to make possible necessary upgrading of capital equipment to the required standards and allow for an improvement in the effectiveness of the training of our armed forces?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, it is correct that the defence budget has been frozen. It is now the government's intention to unfreeze the defence budget for the fiscal year 1973-74.

Some hon. Members: Hear, hear!

Mr. Richardson: It is true that this is in part to meet capital requirements.

Mr. Hees: We are naturally very glad to get that news. I will ask a further question. Since our defence forces cannot remain effective unless their annual budget is increased every year in proportion at least to the increase in inflation in this country, would the minister bring this important fact to the attention of his colleagues and ask them to stop, in the future, trying to starve our armed forces as has been the Prime Minister's policy for the last five years?

Mr. Speaker: The hon. member for Annapolis Valley.

DECISION ON REPLACEMENT FOR ARGUS AIRCRAFT

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a supplementary for the Minister of National Defence. Can the hon. gentleman tell the House when a decision will be reached concerning the replacement for the Argus aircraft which is long overdue in terms of lead time?

Hon. James Richardson (Minister of National Defence): The government has decided to replace the Argus but we have not yet made a decision as to the type of aircraft to be ordered. We have sent out letters to five airplane manu-

facturers inviting them to make proposals against our specifications and we have requested that these proposals be in our hands by March 21.

Mr. Nowlan: I appreciate the minister's answer up to a point. It is basically the same answer as we have been given for the last one and a half or two years. Is there any way in which the hon. gentleman, who is new to his office, can expedite the assessment of these proposals so that an early decision can be reached inasmuch as the present aircraft is fast getting to a point at which safety is becoming a large factor in its operation? Will the hon. gentleman also make sure that the plan to allow all parts of Canada to share in the replacement of the aircraft will not adversely affect the decision?

Mr. Richardson: I believe I indicated we were moving ahead. We have set a deadline for proposals to reach us from the manufacturers; their proposals are to be in our hands by March 21. We will also be looking at the regional aspects and, hopefully, this major purchase will bring industrial benefit to all regions of Canada.

Mr. Speaker: There are a number of hon. members wishing to ask supplementaries. We shall return to this subject in a moment.

* * *

[*Translation*]

AGRICULTURE

BUTTER—IMPORTS FROM NEW ZEALAND AND OTHER COUNTRIES—MEASURES TO PROTECT CANADIAN PRODUCERS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Minister of Agriculture.

As Canada imported in the last few weeks several million dollars' worth of butter from New Zealand, can the minister tell the House whether he will recommend to the Canadian Dairy Commission that it take more adequate steps to protect our dairy industry in the coming months?

[*English*]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, the import program of the Canadian Dairy Commission does protect the dairy industry, and the dairy industry has been more stable under that program than it has ever been before in the history of Canada. It is my intention to discuss with the Canadian Dairy Commission the program for production this year. I have already had some discussion with them.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, a supplementary. Can the minister tell the House whether, in addition to what it has imported from New Zealand, Canada has also imported butter—and I said "butter"—from other countries?

[*English*]

Mr. Whelan: None that I know of lately, Mr. Speaker.

NATIONAL DEFENCE

INCREASE IN 1973-74 BUDGET—POSSIBILITY OF FURTHER CUTBACKS IN MANPOWER OR BASE CONSOLIDATION—PAYMENT OF MILITIA UNIT PERSONNEL

Mr. J. M. Forrestall (Darmouth-Halifax East): Mr. Speaker, can the Minister of National Defence tell the House in connection with the unfreezing of the armed forces budget whether the extension of the budget is intended to cover capital costs only or whether the government has contingency plans for further cutbacks in manpower or base consolidation to meet annual escalation of costs, the point to which attention was drawn by my hon. friend earlier?

Hon. James Richardson (Minister of National Defence): The figures for the 1973-74 budget will, of course, be revealed when the estimates for the department are tabled. I can only say at this time that the budget is unfrozen. It has been unfrozen in order to meet increasing costs and particularly to provide for new capital equipment. Expenditure on capital equipment will be greater than last year and will also represent a larger percentage of the total budget.

Mr. Forrestall: Would the House permit me to ask the minister whether he has taken any steps in the interim to offset the extraordinary difficulty which militia units across the country have faced in the last month or so with respect to cash on hand to meet payrolls?

Mr. Richardson: We shall perhaps never have all the funds we need in each area, but the unfreezing of the budget is in part to meet that requirement.

SUGGESTED REDEPLOYMENT OF ARMED FORCES ELEMENTS TO NEWFOUNDLAND TO CONSOLIDATE STRATEGY AND PROMOTE ECONOMIC DEVELOPMENT

Mr. Jack Marshall (Humber-St. George's-St. Barbe): In view of the admirable intention of the Minister of National Defence to promote the decentralization of industrial development to assist western Canada, would the hon. gentleman advise us whether he is considering giving attention to the redeployment of elements of the Canadian Armed Forces to the province of Newfoundland in order to consolidate defence strategy and promote economic development where it is most needed?

Hon. James Richardson (Minister of National Defence): I stated in answer to a question a few days ago that I was looking at our search and rescue operation in Newfoundland, but I have nothing at this time to report to the House.

* * *

INQUIRY OF THE MINISTRY

Mr. Steven E. Paproski (Edmonton Centre): Thank you, Mr. Speaker. My supplementary question is for the Minister of Agriculture. In light of the fact that egg prices went up 16 per cent and bacon prices went up 46.5 per cent last year, and in light of the government's food supply policies

last year, has the government shifted its priority from reducing cigarette consumption to forcing people to stop eating breakfast?

Mr. Speaker: Order, please I am not sure what that supplementary is supplementary to.

* * *

EXTERNAL AFFAIRS

GERMAN DEMOCRATIC REPUBLIC—NEGOTIATIONS ON ESTABLISHMENT OF DIPLOMATIC RELATIONS AND DEVELOPMENT OF TRADE

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is for the Secretary of State for External Affairs. Has the government entered into negotiations with the German Democratic Republic with a view to establishing diplomatic relations and developing trade with that country?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker.

* * *

NATIONAL DEFENCE

INCREASE IN 1973-74 BUDGET—AVAILABILITY OF ADDITIONAL FUNDS FOR CADET CORPS

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a supplementary question for the Minister of National Defence. Will the unfreezing of the defence budget be reflected in additional funds available to cadet corps across Canada whose members are no longer permiteed to undertake familiarization flights?

Hon. James Richardson (Minister of National Defence): Not specifically, Mr. Speaker. We are, of course, concerned about the cadet program—it is a major part of our work—but the unfreezing of the budget is not related directly to that program.

• (1440)

Mr. Korchinski: A further supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. Obviously hon. members are asking supplementaries that are not related to the last question. We must try to establish some order. The hon. member for Leeds.

* * *

POST OFFICE

COLLECTION OF POSTAGE DUE ON CERTAIN LETTERS MAILED BY LIBERAL PARTY PRIOR TO ELECTION

Mr. Tom Cossitt (Leeds): Mr. Speaker, I should like to ask a question of the Postmaster General. Did the minister's department succeed in collecting thousands of dollars of postage due because of insufficient postage being placed shortly before October 30, 1972, by the Liberal party of Canada on imitation personal letters from the Prime Minister that were mailed to some 35 constituencies, including the constituency of Leeds?

Mr. Speaker: Order, please. That question should be placed on the order paper.

* * *

NORTHERN AFFAIRS

IMPLEMENTATION OF TASK FORCE RECOMMENDATION THAT NORTHWEST TERRITORIES COUNCIL BE GIVEN GREATER RESPONSIBILITY FOR HOUSING

Mr. Doug Neil (Moose Jaw): Mr. Speaker, my question is addressed to the Acting Minister of Indian Affairs and Northern Development. Would the acting minister tell the House when his department intends to implement the recommendation of a Northwest Territories task force that the housing responsibilities of the Northwest Territories Council be increased?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not the acting minister but I will take that question as notice. The Minister of Indian Affairs and Northern Development has indicated in some public statements that by and large he agrees with the spirit of the task force report on housing issued by the Northwest Territories Council, though he had some reservations.

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

Mr. Speaker: The hon. member for Yukon on a point of order.

Mr. Nielsen: Mr. Speaker, my point of order refers to the question just asked, relating as it does to a question of policy. It has been the practice, experience and tradition of this House that acting ministers are appointed to assume the responsibilities of ministers who are absent for lengthy periods or are ill. While we all regret the absence of the Minister of Indian Affairs and Northern Development, there is ample precedent in this government for the appointment of acting ministers. For instance, the Minister of Energy, Mines and Resources has acted on behalf of one of his colleagues in the past and similar examples can be given throughout the treasury benches. The parliamentary secretary, as able as he is, cannot answer questions calling for information about government policy; he is not a member of the cabinet and is not privy to their discussions. Surely we in the opposition are entitled to have an acting minister answer for the government on questions of policy.

[*Later:*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask a question of the Prime Minister, who indicated the other day, whether intentionally or not, that there was an Acting Minister of Indian Affairs and Northern Development. Would it be too much to ask that the House be told who the acting minister is?

Right Hon. P. E. Trudeau (Prime Minister): I will do that very gladly, Mr. Speaker. The acting minister is the Minis-

ter of the Environment, Mr. Davis; the second acting minister is the Minister of Agriculture, Mr. Daniel MacDonald; and the—

Some hon. Members: Oh, oh!

Mr. Trudeau: I am sorry, Mr. Speaker; he was minister of agriculture in that very excellent government of Premier Campbell. The parliamentary secretary is that very capable Member of Parliament for Kamloops-Cariboo, Mr. Marchand, who will continue to answer for the minister in the House, though of course he does not have the legal power to sign documents on behalf of the minister.

Mr. Nielsen: Nor to answer policy questions.

* * *

ADMINISTRATION OF JUSTICE

FAMILY COURTS—SUGGESTED DISCUSSIONS WITH BRITISH COLUMBIA ON ESTABLISHMENT OF UNIFIED SYSTEM

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question I should like to ask the Minister of Justice. Having in mind the statement made over the weekend by the Attorney General of British Columbia to the effect that that province is considering the possibility of provincial-federal co-operation toward establishing a unified family court system, may I ask the minister whether he is aware of the gravity of these broken home situations, and will he give consideration to the representations of British Columbia?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, we will, of course, be very willing to have discussions with British Columbia or, indeed, with any province about methods of improving the settlement of family problems that become the subject of litigation. The whole question of family law is under consideration by this government as well as by the Law Reform Commission. I look forward to their recommendations which may also deal with the question of divided jurisdiction and the possibility of overcoming some of the problems involved.

* * *

CANADA LABOUR CODE

IMPLEMENTATION OF RECOMMENDATIONS OF JOHNSTON COMMISSION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to ask the Minister of Labour whether it is the government's intention to implement the recommendations of the Johnston commission on the Canada Labour Code?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, if the hon. member is referring to the second part of the recommendations, in terms of general application we are studying the recommendations and the department hopes to come to a decision on the matter within the next two weeks.

Mr. McGrath: In view of the fact the commission's report has been in the hands of the government since December, may I ask the minister when the government proposes to bring in amendments to the Canada Labour Code?

Mr. Munro: Mr. Speaker, we will first have to come to a policy decision whether to act on the general over-all recommendations to which the hon. member is referring. It will then be necessary for the cabinet to approve that decision and legislation might then be placed on the order paper. As to when such amendments will be considered in the House, the hon. member's guess is as good as mine at this stage.

* * *

ADMINISTRATION OF JUSTICE

POSSIBILITY OF AMENDMENTS TO BAIL REFORM ACT AND LEGISLATION ON FIREARMS IN LIGHT OF SHOOTING OF POLICEMEN

Mr. Reg Stackhouse (Scarborough East): Mr. Speaker, I have a question for the Minister of Justice. In light of the shooting down of a third Toronto policeman over the weekend, is the minister prepared (a) to reconsider his views on the need for amendment of the Bail Reform Act, and (b) to consider implementing the suggestions made by the police association regarding the ownership and registration of firearms in Canada?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, it has been the clear view of the government from the time of the last changes in the bail law that we would examine the experience of this law and be prepared to make changes as a need became apparent. Certainly it is not yet apparent that the changes made to the law are the cause of any of the problems to which the hon. member is referring. He should be aware of the fact that many people were at large on bail under the previous law, and indeed it was simply a matter of the poorer people being kept in jail while those with money, whether their own or with the assistance of friends, criminal or otherwise, were at large. Therefore I think it is quite wrong to point the finger at the changes made in the bail law as being the cause of any of these troubles. Notwithstanding that, I believe that with additional experience more can be done to operate the bail system, or the freedom to be at large system, in a way that is more fully consistent with the defence of the subject in our society.

Mr. Stackhouse: May I ask the minister whether there is any possibility of bringing in legislation regarding the ownership and registration of firearms? I would appreciate his answering that part of the question.

Mr. Lang: Mr. Speaker, as has been indicated to the House previously, this is a question which is under consideration by the government. In effect, the problem is that regulations in relation to firearms most certainly interfere with the ordinary activities of a lot of law-abiding citizens, whereas in no way are they certain to interfere with the activities of criminals.

Oral Questions

CONSUMER AFFAIRS

SUGGESTED INVESTIGATION TO DETERMINE WHETHER DOMINION STORES ADVERTISING MISLEADING

Mr. Ed Nelson (Burnaby-Seymour): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. In view of the fact that today's advertising by Dominion Stores claims that Dominion Stores has "spearheaded an industry-wide downward spiral of pricing" at this time, is the minister prepared to investigate this statement in order to determine whether or not it constitutes misleading advertising, as articulated by the Criminal Code?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, I will draw the hon. member's question to the attention of the officials responsible for the administration of this part of the Combines Investigation Act, and we will wait to see what the result of the investigation may be.

* * *

FISHERIES

PROVISION OF INFORMATION ON ICE CONDITIONS, FOREIGN FISHING FLEETS AND LOCATION OF WRECKS AND OTHER OBSTACLES

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Minister of Energy, Mines and Resources. In view of the pressing need for improved ice surveillance in northern fishing waters as well as for monitoring the location and numbers of foreign fishing fleets and the provision of charts showing the exact location of wrecks and other bottom obstacles, has the minister taken any steps to provide this information to Canadian fishermen through the Bedford Institute of Oceanography?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I think I should point out to the hon. member that responsibility for the Bedford Institute, except in one respect, is no longer with my department. I would have to examine the question of to what extent I or my colleague can respond to it.

* * *

• (1450)

AGRICULTURE

HOGS—REPRESENTATIONS FOR FORMATION OF NATIONAL MARKETING AGENCY

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Has he been approached by any sizeable group of pork producers with the idea of forming a national marketing agency for hogs?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I met a group in Manitoba that presented a paper to me. If that is the group of which the hon. member is speaking, we are studying their submission. They agreed

[Mr. Lang.]

that their plan would have to be a national plan and naturally it would be a plan that all hog producers in Canada would have to approve.

Mr. Murta: In view of the fact the minister has stated in various speeches that hog producers have shown an interest in a national marketing agency, is he just echoing his own wishes that this is the kind of thing he personally would like to see?

Mr. Speaker: Order, please.

Mr. Whelan: On a point of order, Mr. Speaker, may I say that the hog producers made their representations to the national marketing council, not to me. They have voiced these views to me.

* * *

GRAIN

POSSIBILITY OF INCREASE IN INITIAL PRICES

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is directed to the minister in charge of the Canadian Wheat Board. In view of the fact that the selling price of grain has been increasing in the past months, is the Wheat Board going to raise the initial price of grain paid to the producer?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the initial prices for wheat, oats and barley were all raised during the month of October.

* * *

CANADA PENSION PLAN

INQUIRY AS TO LEGISLATION TO EXCLUDE OLD ORDER MENNONITES FROM COMPULSORY PAYMENTS

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, in the absence of the Minister of National Health and Welfare perhaps I could address my question to the Minister of National Revenue. In view of the fact that some time ago the government gave assurance that legislation would be introduced to exclude Old Order Mennonites from compulsory payments under the Canada Pension Plan, contrary to their religion, can the minister assure the House that legislation will be presented at this session to put an end to this form of threat to religious freedom?

Hon. Robert Stanbury (Minister of National Revenue): I will be glad to consult with my colleague the Minister of National Health and Welfare and the House leader on this matter, Mr. Speaker.

AGRICULTURE

FARM MACHINERY—IMPLEMENTATION OF RECOMMENDATIONS OF BARBER COMMISSION—ACTION TO INCREASE IMPORTS

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Minister of Agriculture. In view of the fact farm costs have been going up in the last few months, can he tell us what action is being taken by the government to implement the recommendations of the Barber commission in order to bring down the cost of farm machinery and farm machinery repairs?

Hon. E. F. Whelan (Minister of Agriculture): None at the present time, Mr. Speaker.

Mr. Nystrom: In view of the undertaking by the former minister of agriculture that Canada would import more farm machinery from other countries, would the minister tell us what action has been taken to date on that commitment?

Mr. Whelan: I have met with two ambassadors from other countries who are trying to have us educate our farmers to use different kinds of machinery. Our farmers are not indentured in respect of the use of any kind of machinery. It is up to them to buy it if it is available to them.

COST OF FARM MACHINERY—POSSIBILITY OF INCREASE IN AMOUNT AVAILABLE TO FARMERS UNDER FARM IMPROVEMENT LOANS ACT

Mr. Norval Horner (Battleford-Kindersley): Mr. Speaker, my question is directed to the Minister of Agriculture. In view of the high cost of farm machinery, is the government considering increasing the maximum amount of $15,000 now available under the Farm Improvement Loans Act?

Hon. E. F. Whelan (Minister of Agriculture): I met with some of the officials this morning, but no decision has been taken on that at this time.

* * *

AIR TRANSPORT

ADVANCE BOOKING CHARTER REGULATIONS—REVIEW BY MINISTER—REQUEST FOR REFERENCE TO COMMITTEE FOR EXAMINATION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my question is addressed to the Minister of Transport. Has the minister had a chance to examine the regulations proposed by the Canadian Transport Commission regarding advance booking of charters inasmuch as the net effect will be an increase in cost to the travelling public and much more difficulty in making arrangements? There is also the fact that some suggestion has been made that there are inadequate safeguards for the handling of passenger funds. Has the minister had an opportunity to examine the regulations and can he report to the House?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think I have already tried to answer this question. The new regulations were published in the Canada Gazette on January 8. These are entirely new regulations. I should like to have some experience in the implementation of these regulations before we make any change. In the meantime, if the hon. member has any case of abuse I would be ready to look into it to see what can be done.

Mr. Mazankowski: In view of the fact that large numbers of the travelling public have made representations to the Canadian Transport Commission and indeed, I believe, to the minister, would the minister consider having the Standing Committee on Transport and Communications examine the air transport regulations so that witnesses from all sectors of the travelling public could be called?

Mr. Speaker: Order, please. The hon. member is making a representation to be considered by the minister.

* * *

[*Translation*]

HOUSE OF COMMONS

BILINGUALISM—PAYMENT OF BONDS TO MEMBERS OF PROTECTIVE STAFF

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I should like to put a question to the Secretary of State responsible for federal subsidies to bilingualism programs.

Can he tell us whether or not he intends to give subsidies to the members of the security staff of the House of Commons?

* * *

[*English*]

AGRICULTURE

SUGAR BEETS—INTENTION RESPECTING ESTABLISHMENT OF MINIMUM PRICE PER TON AND PAYMENT OF SUBSIDY

Mr. William C. Frank (Middlesex): Mr. Speaker, I should like to address my question to the Minister of Agriculture. Is it the intent of the government to establish a minimum price per ton of sugar beets based on today's sugar prices and, if so, is the government prepared to support such a price by a direct cash subsidy if present market prices decline?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, our present stabilization program is still in force. It has not had to be used in the last two years. As long as the world price of sugar stays with that program we are not really that worried about where it is going to go or what it is going to do. I think this is why so many people are anxious to produce sugarbeets.

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, my supplementary is directed to the Minister of Agriculture. Since the Prime Minister publicly supported the resolution on an automatic surtax submitted by the Canadian Horticulture Council and supported by the Canadian Federation of Agriculture, can the minister

indicate when legislation will be introduced concerning this matter?

Mr. Whelan: No, Mr. Speaker.

Mr. Speaker: Order, please. Before calling orders of the day, perhaps the Chair might be allowed to recognize the hon. member for Mackenzie who has been trying to ask a supplementary for a while.

COURT RULING THAT SASKATCHEWAN HOGS CANNOT BE SOLD IN MANITOBA UNLESS THROUGH PROVINCIAL MARKETING BOARD—FEDERAL INTERVENTION

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, my question is supplementary to that asked by the hon. member for Lisgar. I should like to ask the Minister of Agriculture whether, as a result of a ruling by the Manitoba courts that Saskatchewan hogs cannot be marketed in Manitoba unless they go through the hog marketing board, he intends to intercede on behalf of Saskatchewan producers since this would seem to be in contravention of the British North America Act?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I know of no representations being made to me expressly by the Saskatchewan hog producers at this time.

* * *

BUSINESS OF THE HOUSE

REQUEST THAT MOTION CONCERNING VIET NAM BE CALLED

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a point of order having to do with the House business. I realize that the Secretary of State announced the business for today, but in view of the very great interest shown in the motion brought forward by the Secretary of State for External Affairs dealing with Canada's participation in Viet Nam and in view of the fact the minister has indicated his willingness to vote for the amendment introduced by my colleague, the hon. member for Saint-Hyacinthe (Mr. Wagner), I wonder whether the government House leader would be able to satisfy the desire of the minister by arranging that this matter be brought forward tomorrow? I think we could obtain agreement that hon. members would not participate further in the debate so the motion could be voted on. Would the government House leader consider that request?

Hon. Allan J. MacEachen (President of the Privy Council): Yes, Mr. Speaker. If my hon. friends will dispose of the unemployment insurance bill and the appropriation bill today we will consider bringing that on tomorrow.

Mr. Speaker: Orders of the day.

[Mr. Whittaker.]

• (1500)

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

The House proceeded to the consideration of Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), as reported (without amendment) from the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker: As hon. members know, there are before the House on the order paper at the present time three notices of motion of which notice has been given pursuant to Standing Order (75(5). I have given very serious thought to the many procedural aspects of the three motions. I am not sure what the position of the House would be from a procedural standpoint in respect of these motions and I have the same qualms and reservations about the three motions. But perhaps I might, for the purpose of discussion, put for the consideration of the House from a procedural standpoint the first one which stands in the name of the hon. member for Hamilton West (Mr. Alexander) seconded by the hon. member for Peace River (Mr. Baldwin):

That Bill C-124, an act to amend the Unemployment Insurance Act, 1971 (No. 1), be amended by deleting lines 4 and 5 on page 1 and substituting therefor the following:

"1. Subsection 137(4) of the Unemployment Insurance Act, 1971 is repealed and the following substituted therefor: '(4) The total amount outstanding at any time of advances made under this section shall not exceed nine hundred million dollars except where an advance is approved by a resolution of the House of Commons introduced and passed in accordance with the rules of that House'".

If hon. members have procedural objections to this proposed motion, I will hear them and at the same time of course hear any arguments which might be advanced in support of this motion.

Mr. Alexander: Mr. Speaker, in view of the fact that the motion stands in my name, I think it is only appropriate that I make some submissions with respect to the advisability of accepting the motion as it stands. We are very much aware of the fact that section 137(4) of the Unemployment Insurance Act indicates that there is a ceiling, and if I am not mistaken, that ceiling is set at $800 million. What is occurring at present is that the government, has given any indication of its wish to remove that ceiling. I would say that section 137(4) presently provides that the total amount outstanding by way of repayable advances or loans by the government to the Unemployment Insurance Commission shall not exceed $800 million. If that is self-explanatory, it needs no further comment.

But at the same time, clause 1 of Bill C-124 would give the government the power to make advances to the commission unlimited in total amount. I should like to say at this time that there is a figure which is floating in the air but the government does not indicate what that figure should be. The message and recommendation of His Excellency the Governor General is to the same effect, and the relevant words are "to remove the ceiling on

advances". Amendments No. 1 and No. 2, the first standing in my name and the second in the name of the hon. member for Yukon (Mr. Nielsen), would set a new limit of $900 million. In this regard, I would point out to you for your deliberation and consideration, Sir, paragraph 251(1) of Beauchesne's Fourth Edition, 1958, which reads:

It may happen that the resolution sanctions some expenditure without fixing the maximum amount to be spent. If, for instance, the resolution recommends that adequate salaries be paid a newly constituted body and the amounts of the salaries are fixed in the bill based on that resolution, the committee on the bill has the right to increase those amounts, because, in doing so, it does not go beyond the scope of the royal recommendation.

I respectfully submit that the attitude that the Chair should adopt in discharging its function of protecting the rights of the non-government members with respect to money resolutions, is set out at pages 804 and 805 of May's Parliamentary Practice, seventeenth edition. The paragraph reads:

In view of the way in which the terms of a money resolution limit the scope and extent of the charging provisions of a bill, the Speaker has had occasion to deprecate an excessive amount of detail in the drafting of such resolutions as tending to restrict unduly the power of private members to propose amendments.

In this regard I would say that the right of this House to control supply is the reason for the existence of this House. Against the right of the Crown to demand supply in a specified amount is the right of this House to refuse to grant that supply or to reduce it in amount. To argue that the Crown, simply by asking for an unlimited amount of supply, can defeat the right of this House to refuse or reduce supply is to deny that the right of this House to exist, or, at best, that this House, on its first day of business, should vote the government unlimited supply and then go home for the next five years. I am not saying that facetiously, Mr. Speaker, I am stating this is all sincerity.

I would refer Your Honour to Clement Attlee's writings in the 1930's when he said that this was what the Labour Party in England would do when it took office. On the first day of business, he declared, the government would push a bill through all three reading stages in the House of Commons and the House of Lords, which would provide that the Labour government could do anything it wanted to do by order in council. That would dispose of the opposition and it would dispose of parliament. I respectfully submit that we are going to be placed in this bind or boxed in as a result of a general resolution which we are not given an opportunity to amend, except for the fact—and I know that Your Honour may bring this to our attention—that we would have the right to vote against it.

I think that the matter goes much further than this. I respectfully submit that the proposition which I placed before Your Honour should be treated with understanding, as I know it will be, because, as I stated—and I will not debate this any further—we do not have an opportunity to amend general, nondescript phrases. What the government is doing is removing the ceiling on advances. We are really talking about some limit, but because of the devious nature of the government, we do not get the chance to find out what the limit would be, whether in fact there should be a limit or what type of limit the government has in mind. I respectfully state that in these circumstances a favourable consideration should be given to the arguments that I have put forth with regard to the acceptability of the amendment proposed by the opposition.

Mr. Nielsen: Mr. Speaker, I am not rising at the moment to participate in the debate on the question of order but would draw Your Honour's attention to Standing Order 51 which states that:

Whenever Mr. Speaker is of the opinion that a motion offered to the House is contrary to the rules and privileges of parliament,—

I know Your Honour has not gone that far. You have merely stated some doubts.

—he shall apprise the House thereof immediately—

Which Your Honour has done.

—before putting the question thereon, and quote the Standing Order or authority applicable to the case.

I am wondering, in order that we might have some idea of Your Honour's doubts in this matter, whether the Chair would be prepared at this time to inform the House as to the root of those doubts in terms of which standing order or rule might be offended.

Mr. Speaker: I would think that the hon. member for Hamilton West was himself suspicious as to what the motives would be, and he dealt precisely with the points I had in mind. There are a number of them. Hon. members might like to look through citation 246(3) and also citation 250(4). It is my impression, my fear, that perhaps not only the hon. member's proposed amendment but the others also would suggest the importing of a new principle. I also suggest that they may infringe on the financial initiatives of the Crown. This is the area where I have trouble, and this is the area which the hon. member for Hamilton West (Mr. Alexander) has covered.

• (1510)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I wish to submit that the proposed amendment with which we are now dealing is not in order. I shall take the same position with respect to the other two, and for substantially the same reasons. Therefore I hope that if the debate on amendment No. 1 takes a bit of time, we might not have to repeat the arguments with respect to the other two.

Before I state, as succinctly as I can, my own reasons for regarding this amendment as out of order, may I comment briefly on two things that the hon. member for Hamilton West (Mr. Alexander) has said. In the first place, I think he put himself right out of court in his opening paragraph by referring to the Unemployment Insurance Act as it now stands. He said that as it now stands, it provides in section 137(4) for a ceiling of $800 million. He made it clear that what his party would like to do would be to change that figure to a higher one. The reason I say that I think he has put himself out of court by making that reference is that, in making it, he has admitted that what he is trying to do is not to amend Bill C-124 which is now before us but rather he is seeking to amend the act behind the bill, in other words, the Unemployment Insurance Act itself.

The hon. member also referred repeatedly to the fact that the House of Commons must control supply. He said we must be in charge of expenditures and control those

expenditures or there is no reason for parliament being here. I am sure I could find quotations in my name that would be along those lines, but I wish to point out that this is not a supply bill. This is not a measure in which we are providing supply or money for expenditure at all. This is merely a bill dealing with the question of advances to a commission to enable that commission to carry out a law which parliament has already passed, calling for the payment of unemployment insurance benefits. I submit, therefore, that the general rules about the voting of money and expenditures do not apply, and in that respect that citation 251(1), which he quoted, really has no bearing at all.

Citation 251(1) in Beauchesne's Fourth Edition deals with a measure which has provided for an expenditure, and indicates that under certain conditions—that is, if the Governor General's recommendation were in general terms—it would be in order to increase that expenditure. But we do not have before us a bill providing for an expenditure. Rather we have before us a bill concerned with advances of working capital to enable the Unemployment Insurance Commission to carry out the law as passed by this parliament.

Now, Mr. Speaker, having made those comments on the submission of the hon. member, may I state my own two reasons for feeling that this amendment is out of order, and perhaps I have already stated those reasons by implication in what I have said.

In the first place the amendment of the hon. member for Hamilton West, despite the fact that it is couched in terms of an amendment to Bill C-124, is not an amendment to that bill at all. It is an attempt to amend the act which Bill C-124 seeks to amend. In other words, he is trying to get behind the bill to the act itself. If he is going to bring in a bill to amend the act itself he has to meet the general rules about that, such as notice, getting the Governor General's recommendation, and all of that. I submit that that is a flaw that is almost fatal, the fact that he is trying to amend not Bill C-124 but rather the Unemployment Insurance Act itself.

The other objection to this amendment is of course the one that is brought out by a couple of citations to which Your Honour has already referred, citation 246(3) and citation 250(4), both in Beauchesne's Fourth Edition. Let me read at least parts of those citations. No doubt others who take part in this debate will have to read them as well. Citation 246(3) reads:

> The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the Royal demand of recommendation is attached, must be treated as laying down *once for all* (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

Citation 250(4) reads:

> The fundamental terms of a money resolution submitted to the House with the Governor General's recommendation upon which a Committee of the Whole is set up cannot be amended. Amendments will only be in order if they fall within the terms of the resolution.

Now, the Governor General's recommendation attached to Bill C-124 is very clear. It reads:

> His Excellency the Governor General has recommended to the House of Commons the present measure to amend the Unemployment Insurance Act, 1971 to remove the ceiling on advances under section 137—

There is more to that, but I shall read the rest of it when we are dealing with proposed amendment No. 3. At the moment, we are dealing just with proposed amendment No. 1 which relates to the question of the ceiling, and I submit it is very clear that the recommendation is that there be a complete removal of the ceiling on the amount that the Minister of Finance (Mr. Turner) can advance to the Unemployment Insurance Commission to enable it to carry out its obligation. I submit that an attempt to substitute for that definite removal of the ceiling the reinstitution of a ceiling simply at a different figure is not in order, and I go back to the language of citation 250(4), is not an amendment that "falls within the terms of the resolution."

No matter how one dresses it up, as has been done in both the first and second amendments, by referring to the approval of parliament and so on, the fact of the matter is that the attempt to put in a ceiling is completely outside the terms proposed in the Governor General's recommendation, which is to the effect that the ceiling should be removed completely. Therefore, Mr. Speaker, because this amendment—and I would make the same arguments with respect to the other two, perhaps with some slight additions—seeks to amend the act behind the bill rather than the bill, and because it proposes something that is completely outside the parameters of the Governor General's recommendation, I feel that it is not in order to be presented at the report stage of this bill.

• (1520)

Mr. MacGuigan: Mr. Speaker, since I shall endorse the position which has been put forward by the hon. member for Winnipeg North Centre, I may be able to spare Your Honour a rereading of some of the sections to which he has already directed the attention of the House.

It seems to me that the hon. member for Hamilton West (Mr. Alexander), in making his argument, has not only sought to amend the initial unemployment insurance commission bill but that he has also advanced arguments which relate to the wisdom of the policy which it is proposed to adopt in Bill C-124, rather than to admissibility. He spoke about the need for controlling government expenditure and things of that kind, which I submit are related to the wisdom of the matter before us and not related to the admissibility of the amendment.

There are two reasons it seems to me why these amendments in general, and the first amendment in particular, should be ruled out of order. The first of these is the one which has been so ably presented by the hon. member for Winnipeg North Centre. That relates to the financial initiative of the Crown and is found in the citations which he has already read, citation 246 section 3 and citation 250 section 4. Without reading these, I would just draw to the attention of the House that the principle with respect to any limit on the financial initiative of the Crown is outlined in citation 246(3) which reads in part:

> . . . the objects, purposes, conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge.

It seems to me this is exactly what the amendment proposed by the hon. member for Hamilton West seeks to infringe.

Turning to citation 250(4), it is clearly stated there that the fundamental terms of a money resolution submitted to the House cannot be amended. I believe that is what this amendment seeks to do.

In addition to that argument, I would draw Your Honour's attention to the fact that this amendment is a direct negation of the bill. In its recommendations the bill states very clearly that one of its two purposes is to remove the ceiling on advances. I believe that the amendment which is proposed by the hon. member for Hamilton West, in its substance, directly opposes the removal of a limitation and seeks to place a new ceiling in the act. This fact may be somewhat obscured by the words which are contained in the amendment. If I may direct Your Honour's attention to the amendment, there is what we might call a substantive section which proposes that:

The total amount outstanding at any time of advances made under this section shall not exceed nine hundred million dollars—

This is the substance of the amendment. Then, there is a procedural proposal:

—except where an advance is approved by a resolution of the House of Commons introduced and passed in accordance with the rules of that House.

Mr. Speaker, it seems to me that the words following "except" are purely a procedural proposal and the substance of the amendment is contained in its first clause. That clause is clearly and directly a negation of the purposes of the bill as set out in the recommendations.

If I may draw Your Honour's attention to citation 202 subsection (12). It reads:

An amendment proposing a direct negative, though it may be covered up by verbiage, is out of order.

I would submit with all due respect to the hon. member for Hamilton West that there is verbiage which attempts to cover up the basic contrariety between the substance of his amendment and the bill before the House. Mr. Speaker, these are the reasons it seems to me you ought to rule this amendment out of order.

Mr. Baldwin: Mr. Speaker, we have listened to junior counsel for the government who followed on the heels of senior counsel, the hon. member for Winnipeg North Centre (Mr. Knowles), who made his arguments on behalf of the government, if I may put it that way.

Mr. Turner (Ottawa-Carleton): Now, we are getting the paralegal service.

Mr. Baldwin: I see that the hon. members opposite do not like the hon. member for Winnipeg North Centre to advocate their point of view. I am amazed at that. While he is not always right, and he is not this time, he very often is. I think the government needs a procedural expert to make arguments on their behalf from time to time.

Mr. Speaker, by simple process of *reductio ad absurdum*, which is the first point I am making to Your Honour—

Mr. Turner (Ottawa-Carleton): You are good at that.

Mr. Baldwin: —I hope to ask you to eliminate all this nonsense we have heard. If one examines the transcript of the proceedings before the committee in a case the government made when we were examing this bill in the House, the government was saying over and over again that what they were attempting to do by the first clause in this bill which my hon. friend from Hamilton West (Mr. Alexander) is seeking to amend was in no way to deal with ways and means, in no way to deal with the amount of benefits of unemployment insurance but with the extent to which there may be a debit or credit position at the end of each fiscal year. They are simply saying, "Because we made such an awful mess of this act, and our estimates as to expenditures were so out of kilter, we found that this $800 million ceiling to provide for advances was no longer valid. Therefore, we are removing that ceiling." What remains, then, is ceiling unlimited—no limit at all on the ceiling or the extent to which the government may make advances. I would still argue that as strongly if what the government was attempting to do was to deal with the situation which related to the actual payment of benefits. But it is not that at all, Mr. Speaker.

If my hon. friend from Hamilton West, instead of moving this amendment, had simply moved to delete the clause in question, then Your Honour has already held that would be a valid amendment. But if that were the case, then what would the situation be? If the House saw fit to approve the amendment, we would then be back to the ceiling set in the original act of $800 million. If we can do that, then I submit we certainly can do what we are now attempting to do, that is place some hobbles on this spendthrift government and say to them "not an unlimited ceiling but a limited ceiling".

I dismiss out of hand, of course, the argument of the hon. member for Winnipeg North Centre, that the hon. member for Hamilton West is attempting to deal with the Unemployment Insurance Act, 1971. He is only attempting to restrict the government's capacity to make advances. This is not a money spending bill. The argument of the government, and they have repeated it ad nauseam, is that it is a question of making advances. If they asked for the right to make unlimited advances we would refuse, but would place a limit on what they could advance. Surely, that is the purpose of the amendment. If Your Honour rules us out of order, then he is saying, in effect, that all we can do is vote against the bill. That is the effect, as I see it. We are not interfering in any way with the actual expenditure of money.

I come back to this because I think it needs to be made plain to my friends opposite that we are saying there must be a limitation, for a number of purposes which I do not need to deal with now but will deal with if we get into the amendment. If not, then I will be compelled to deal with it on third reading. I say if we are deprived of this opportunity the opposition is then restricted to voting against the bill. I agree that we should move to delete clause 1.

• (1530)

The government has seen fit, if one accepts the argument made by the hon. member for Winnipeg North Centre and his assistant, to place an unlimited ceiling on the fund. That is what it wants to do. But we, on the other hand, want a limited ceiling. We want less, not more. If the

government were to say, "We will limit the ceiling to $900 million," and if we were then to move a motion at the report stage to delete that clause and provide for a higher ceiling than the one the government wanted, we should probably be doing what the hon. member for Winnipeg North Centre has argued should be done. So, on that basis I say we are really not dealing with the payment of moneys for a specific government purpose. We are dealing with the question of loans, and I ask the Chair to look at my argument in that light.

The citations mentioned so far have dealt with moneys being spent or bills which have been brought in to deal with actual expenditures by the government. I think the hon. member for Hamilton West (Mr. Alexander) mentioned Citation 251. May I mention Citation 270(1), which reads:

A private member may move that certain specified taxes be readjusted and that the scope of tax exemptions be enlarged . . .

That seems to me to involve not the same principle, but to permit a similar situation in that there may be a change in the incidence of certain measures proposed by the government. Citation 276(4) reads:

The House can make amendments which diminish the amount of reduction of taxation, or postpone the day when the reduction takes place, . . .

If the House can, without calling upon the government to take the initiative first, move an amendment which diminishes the amount of taxation, I argue by analogy that we can also move an amendment which diminishes the actual amount which the government seeks to use as advances.

Under the government proposal the government would, if the bill were to pass in its present form, be able to advance in the next year $3 billion; judging from the way things are going, that is a very plausible figure. In other words, the government could well advance $3 billion to the unemployment insurance fund. We say, no, not that much. We ought to come back to parliament and debate the matter if we want to lift the ceiling that has been set. I fail to see how that action would in any way interfere with the initiative of the Crown and, within the meaning of Citation 246(3), interfere with the rule that a bill such as the one brought in by the government deals once and for all not only with the amount involved but also with the objective for which that amount is provided. We are not interfering with that objective. We are not interfering with its purposes; we are not interfering with its conditions and we are not interfering with its qualifications. We are saying that the ceiling should not be as high as proposed until the matter has come to this House and been approved. If we are denied that right, I submit there is not much use in this House dealing with measures of this kind.

Mr. Nielsen: Mr. Speaker, I want to deal for a moment with the points raised by the hon. member for Winnipeg North Centre (Mr. Knowles). Either the hon. member has been here too long, or he is restricting his usually lucid arguments on the rules to give comfort to the government. I am not suggesting he has done this deliberately; but, really, he distorted the submission of the hon. member for Hamilton West (Mr. Alexander) when he accused him of trying to amend the Unemployment Insurance Act by means of the amendment that he put before the House. He said that he tried to do this by increasing the limit now existing under the Unemployment Insurance Act from $800 million to $900 million. I say, not at all, Sir. If the hon. member for Winnipeg North Centre were seeing things clearly, he would see that the attempt of the hon. member for Hamilton West is directed entirely, exclusively and solely at amending clause 1 of Bill C-124 which removes entirely the ceiling from the existing act. The hon. member for Hamilton West is not trying to increase the limit under the existing act but to limit the limitless ceiling with this amendment involving section 137. All this will become clear as I go along.

The hon. member for Winnipeg North Centre has tried to erect a straw man when comparing the amendment and bill before us with a supply bill. He tried to knock down the amendment on the basis that it might be proper if it related to a supply bill but that it is not proper with respect to the bill before parliament. The hon. member for Hamilton West tried, as he made clear in his argument, through his amendment to retain that parliamentary control over appropriations, which would disappear entirely if the ceiling of $800 million were allowed to be lifted, as proposed. This is what will happen if Bill C-124, in its present form passes. If C-124 passes in its present form without amendment, there would be no ceiling and there would be no parliamentary control. Actually, that would be putting a blank cheque into the hands of the government, and would permit the Minister of Finance (Mr. Turner) to make as he pleases advances from time to time to the fund. There would be no restrictions whatsoever on the hundreds of millions of dollars or, indeed, billions of dollars, potentially, that could be advanced without a yea or nay from parliament.

The hon. member for Winnipeg North Centre asserts that the bill in its present form enables the government to give effect to the law now on the statute books concerning unemployment insurance by giving the Minister of Finance power to make the necessary advances and make available unemployment insurance benefits. That is what the hon. member asserts. I say, Sir, that Bill C-124 as it now stands goes far beyond the position asserted by the hon. member for Winnipeg North Centre. It does not merely enable the government to carry into effect the provisions of the act as that now stands; it enables the government to go to limitless horizons in supplying moneys for the purpose of paying unemployment insurance benefits.

My hon. friend from Winnipeg North Centre referred to Citation 251(1) and cites, in support of his argument, the fact that we do not have a bill before us to provide for expenditures. Those, I believe, are his words paraphrased. Actually, there is before the House a bill to provide for expenditures. We have before us a bill to amend the Unemployment Insurance Act and that bill, if passed, would authorize the government to make limitless expenditures for the purpose of carrying into effect the provisions of the act for making certain payments. We have heard, in two standing committees, of those variables that can occur and that can increase the demands made upon the Minister of Finance to supply advances under section 137.

• (1540)

The hon. member for Winnipeg North Centre made two points. The first was that the mover of the amendment, the hon. member for Hamilton West, is attempting to go behind Bill C-124 and amend the Unemployment Insurance Act. I suggest to you, Mr. Speaker, that that argument is not deserving of any merit at all because the amendment deals directly with clause 1 of the bill and attempts to limit the authority of the Minister of Finance to make advances under that section.

The second point made by the hon. member for Winnipeg North Centre was that the resolution which recommends the bill to the House cannot be amended. Of course, that is the general rule, but he states it very loosely. I find this rather surprising coming from the hon. member for Winnipeg North Centre because normally he is very precise in advancing this type of argument to the Chair. We should look at it in some detail because, I suggest, that is the only real point of substance which Your Honour must consider.

I dismiss at once the argument raised by the previous speaker that the amendment is a negative. It is no such thing. It would be if the hon. member for Hamilton West had advanced an amendment that would have had the effect of negativing the bill, but this has not occurred. Citation 246(3) of Beauchesne's reads, and I quote:

> The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal demand of recommendation is attached, must be treated as laying down *once for all*—

As pointed out by the hon. member for Winnipeg North Centre, those last three words are in italics.

> —(unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

Those latter categories have been dealt with by the hon. member for Peace River (Mr. Baldwin). I draw Your Honour's attention to the use in that citation of the words "not only the amount of a charge". The citation is very specific on that point. The use of those words compels one to an inference that an amount of a charge must be set. In BillC-124, we are dealing with an unlimited amount. There is no stipulated amount. In fact, there is no ceiling at all.

With regard to citation 250(4), I think it would help to review that with Your Honour. I quote:

> The fundamental terms of a money resolution submitted to the House with the Governor General's recommendation upon which a Committee of the Whole is set up cannot be amended. Amendments will only be in order if they fall within the terms of the resolution.

In my submission, they do fall within the terms of the resolution. I think this point will be made even stronger by subsequent citations from May which I intend to draw to Your Honour's attention.

> The procedure in committee on those resolutions follows in principle the procedure of the Committee of Supply, and amendments are out of order if they are proposed with a view to substituting an alternative scheme to that proposed with the royal recommendation.

In my submission, this is not an alternative. If it were, the hon. member opposite, who argued well but weakly, would have been correct in urging Your Honour to find a negative, if it were a negative, but it is not. In support of my submission, I want to quote some citations from May to show that it does not offend the rule with respect to offending the resolution introducing the bill. I wish to cite first from page 514 of May's 18th edition under the subheading, Proceedings upon Italicized Words and Privilege Amendments. I quote:

> It has already been explained ... that any clause or part of a clause which imposes a charge is printed in italics. Italicized words cannot be considered by the committee, unless a money resolution authorizing them has been agreed to by the House. By S.O. No. 47 no question is put for inserting words already printed in italics, and, if no alteration has been made in such words and no amendment has been made elsewhere, the bill is reported without amendment. If it is desired to alter the italicized words, an amendment can be moved in the ordinary manner, provided that it falls within the scope of the money resolution; but any increase or extension of the charge authorized by the italicized words is only in order to the extent to which the scope of the money resolution exceeds the scope of the italicized words.

We do not follow the practice here of italicized words, but the important submission I have to make with respect to this citation is that this amendment, by inference, can be moved in the ordinary manner if it falls within the scope of the money resolution. I submit that the limitation of an unlimited authority falls within the scope of the resolution. Again, it sets out a negative position in that citation, "but any increase or extension", which the hon. member for Hamilton West does not seek to do, namely increase or extend the charge authorized. May states that any increase or extension of the charge authorized by the italicized words is only in order to the extent that it falls within the terms of the resolution.

Page 694 of the same edition of May, under Bills and Financial Resolutions, reads:

> In the eighteenth and the first half of the nineteenth century, the royal recommendation under the Standing Order of 1713 was given to petitions, clauses of bills, instructions and motions moved in the House itself. Now it is only given to motions either relating to a particular bill or referring a particular matter to the consideration of the House. Here all that need be said is that the latter, which is the earlier form, is adapted to a generalized statement of the purposes of expenditure initiated by the Crown, and leaves a measure of discretion to the Commons; while procedure for financial resolutions relating to bills can be used to draft a motion, sanctioning expenditure recommended by the Crown, in almost as complete detail as the provisions of the bill which lay down the conditions under which this expenditure is to be administered. By this method the principle of the financial initiative of the Crown can be turned into a means of restricting the power of the Commons to amend financial legislation almost as completely as the form of the estimates restricts their power to adjust administrative expenditure.

I make this point to bolster my submission to Your Honour that by amending clause 1 of the bill to limit the authority sought by the bill, the amendment falls within the meaning of the phraseology in this citation of May, namely that the financial initiation of the Crown is not impaired if the amendment sought does not seek to limit or restrict the clauses in the bill.

• (1550)

Lastly, from page 750 of May under the subheading Proceedings on Financial Resolution:

> Debate on a motion for a financial resolution is confined to the terms of the resolution itself and must not be extended to the related bill nor to the merits of matters excluded from the resolu-

tion. The function of the House in financial matters being restricted to the approval or the reduction of the expenditure under consideration or an increase in the stringency in the terms and the conditions of the charge thereby created, amendments are restricted to these objects.

So, in substance the suggestion by the hon. member for Winnipeg North Centre that we are interfering in any way with the financial initiative of the Crown falls to the ground in the light of these citations. The amendment which my hon. friend from Hamilton West puts forward does not seek to expand the terms of the resolution; it does not seek to extend the authority requested by the government under the bill. Rather, it seeks to limit; it seeks to reduce. In bills with an appropriation aspect, such as this one, it has always been in order for hon. members to introduce amendments which seek to limit or reduce expenditure.

I agree readily with the argument that no amendment can be accepted which seeks to extend or expand expenditure. But this is not what is being done here. In these circumstances, I submit that none of the earlier arguments which have been placed before Your Honour in this discussion either by the hon. member for Winnipeg North Centre or others, have any merit. I strongly submit on the basis of the citations I have put forward that Your Honour should find these amendments in order.

Mr. MacEachen: It is likely that none of us arguing the case against the hon. member who has just resumed his seat would qualify on the grounds of merit or substance in any of the arguments we might put forward. But we are arguing, hopefully, with an eye to the Chair rather than with an eye to the reaction of the hon. member and his friends. I found it difficult, really, to disentangle the politics from the procedure in the comments which have been made from the other side of the House. Hon. members can complain as loudly as they like about the fact that the ceiling is to be removed by the bill. They can argue that this is bad policy, and they are entitled to do so. They did so in the committee, and they failed to convince members of the committee that it was bad policy. Now, they have come back to the House, and in the guise of a procedural argument they have restated the same policy arguments against the proposal contained in the bill.

I believe that in some cases when a point of order is being argued in the House there can really be strong differences of opinion. But in this case it seems to me the inadmissibility of the amendment is crystal clear, not least on the ground that the royal recommendation is entirely explicit in stating that the bill is to remove the ceiling. Surely, when an hon. member comes forward with an amendment saying that the ceiling shall not exceed a particular figure of $900 million, the gist of the Royal recommendation is being very seriously challenged. This appears to me to be a conclusive argument against the amendment.

We are now engaged upon the report stage of the bill, a relatively new stage for this House of Commons, a new procedure. And we must bear in mind that what has passed earlier has a bearing on what can be done in the House at the present time. In a sense, the report stage, inasmuch as it enables members to deal with amendments to clauses of a bill with the Speaker in the chair, is an assimilation of the Committee of the Whole. This is probably only an argument by assimilation, but, certainly, whatever happens on the report stage must take into account the approval in principle which was given to the bill on second reading. It was clear at that time that the main principle of the bill was that the ceiling be removed. If there were any principle in the bill, if one could find a major conclusion, it certainly was that the ceiling on advances to the unemployment insurance fund be removed.

I refer to Erskine May's Parliamentary Practice which is constructive and helpful on this point. It states at page 550 in the discussion of admissible amendments—admittedly in committee but there is nevertheless similarity to our situation here, because in both cases the second reading stage has been concluded:

An amendment which is equivalent to a negative of the bill or which would reverse the principle of the bill as agreed to on second reading is not admissible. Where the scope of a bill is very restricted it is not always easy to grasp the full effect of this rule.

I make no aspersions in the direction of hon. members opposite. Two examples are given of the application of this rule. The first is as follows:

The scope of the Parliamentary Elections Bill, 1880, being restricted to the repeal of a section in a statute, an amendment which proposed the continuance and extension of that section was ruled out of order. The Chairman stated that, though the committee had full power to amend, even to the extent of nullifying the provisions of a bill, they could not insert a clause reversing the principles which the bill, as read a second time, sought to affirm.

Surely, what the second reading confirmed was that a ceiling of any kind was eliminated or removed. Any attempt, in my humble submission, to restore the existence of the ceiling would certainly reverse the principle adopted by the House on second reading. This same argument, if I might say so, would apply even more directly to the amendment in the name of the hon. member for the Yukon (Mr. Nielsen). The final amendment, proposed by the hon. member for Peace River (Mr. Baldwin) is really a total rejection of that very clause that he seeks to amend. He is asking us to regard the vote as an appropriation, though the bill asks us to regard it as an advance, and instead of voting against the clause which he dislikes so much, he bothers the House by this kind of silly amendment.

Mr. Baldwin: The trouble is you are afraid to vote on the amendment.

Mr. Speaker: I thank hon. members for their very interesting comments. As I indicated earlier this afternoon, I have given very serious thought to these several amendments. They have caused me a good deal of concern. I reviewed them, looked at May and Beauchesne and Bourinot and, of course, Standing Orders, hoping that I could see a ray of light which would make it possible for the Chair to allow them and hoping, also, that hon. members could convince me that these amendments were acceptable and would be a vehicle for discussion of this important legislation under Standing Order 55.

In spite of the arguments which have been advanced this afternoon, I find it very difficult to accept that these amendments are in order. I want to insist on the fact that I have gone out of my way to study the arguments that have

been brought forward by those who have taken part in this debate in support of the acceptability of the amendments. I was particularly impressed by the argumentation of the hon. member for Yukon (Mr. Nielsen). In citing the precedents he did, I had the impression that, were I sitting on the bench, I would have come to the conclusion that he has worked very hard to advance very cogent arguments in favour of what, basically, was a very weak case.

• (1600)

I think the hon. member will have to recognize, as will any member who takes an interest in precedents and in procedure, that these amendments are not even borderline. I would find it extremely difficult to reconcile my judgment of such matters with accepting the amendments. I was hoping that perhaps some accommodation could be reached, but as I say I would find it difficult to countenance accepting the amendments.

My objections to them are those that I indicated when, at the suggestion of the hon. member for Yukon earlier in the discussion, I voiced my reservations about them. Arguments in opposition were brought forward and the hon. member for Yukon quoted a very interesting citation taken from chapter XXVII of the 18th edition of May. My impression is that what he referred to is more historical than anything else. He, himself, recognized that part of the citation to which he referred dealt with the procedure that existed in the 18th and in the first half of the 19th centuries.

This very interesting paragraph im May illustrates the evolution of the control of the treasury. Obviously, anyone reading these paragraphs will come to the conclusion that this control has not evolved in the direction that might be indicated by the first paragraph, but rather has gone the other way. The first paragraph reads as follows:

> When the increasing frequency of such amendments had familiarized the House with the nature of the machinery for expressing the financial initiative of the Crown, and it was appreciated that the terms of the financial resolution recommended by the Crown decided once for all the limits of amendment to the bill itself—

Then, later on:

> This change in procedure has not been accepted without protest by the House.

I can well understand that hon. members may want to protest developments over the centuries, but I find it difficult to accept the argument put forward philosophically by the hon. member for Hamilton West (Mr. Alexander) to the effect that the Chair in some way should disregard or forget the rules so as to permit hon. members, as defenders of the rights of members against the Crown, to initiate amendments and to propose legislation which in some way infringes on the financial initiatives of the Crown. The hon. member for Hamilton West has put a very attractive suggestion to the Chair, but I am wondering whether the Speaker would end up, as Speakers in past centuries have, by having his head chopped off if it were accepted.

May I refer to one of the arguments made by the hon. member for Peace River (Mr. Baldwin) which I thought very interesting. He contended that the Chair had recognized in the past the acceptability of an amendment that deleted a clause. That is, of course, quite so, but it does not necessarily apply to a bill that consists simply of one clause, and that clause seeks to delete a section from the statute being amended. I think hon. members will recognize that at the point it becomes extremely difficult, if not impossible, to find an amendment that is procedurally in order.

I suggest to the hon. member for Peace River that, his argument might be acceptable in a case where there is more than one clause and the amendment seeks to delete but one of them. In a case where the motion, in effect, seeks to negative the bill entirely the situation is somewhat different. In this regard, I go to page 550 of May's seventeenth edition, which was quoted by the President of the Privy Council (Mr. MacEachen). That provision reads as follows:

> An amendment which is equivalent to a negative of the bill or which would reverse the principle of the bill as agreed to on second reading is not admissible.

I am afraid that that is an objection which is very difficult to overcome.

I doubt whether it is necessary for me to read once again the citations already referred to in Beauchesne, but I propose to refer to the first part of paragraph (3) of citation 246, which reads as follows:

> The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal demand of recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

The hon. member for Yukon brought to my attention that the citation refers to the fact that an amendment cannot alter or amend the amount of a charge. However, the citation refers not only to the amount of a charge but also to its objects, purposes, conditions and qualifications; these too cannot be changed. So even when there is no question of amount, I think the House is still bound by the principle that an amendment cannot be brought forward which in some way changes the objects, purposes, conditions and qualifications of the Royal recommendation.

Paragraph (4) of citation 250 was also referred to by hon. members. It provides:

> The fundamental terms of a money resolution submitted to the House with the Governor General's recommendation upon which a committee of the whole is set up cannot be amended. Amendments will only be in order if they fall within the terms of the resolution.

I have the impression that the amendment proposed by the hon. member does not fall within the terms of the resolution. Indeed, it seems to me contrary to the resolution in that it appears to introduce an entirely new principle. I think it should be pointed out that, in addition to the words in the first part of the hon. member's amendment, the later words bring in an additional principle:

> —except where an advance is approved by a resolution of the House of Commons introduced and passed in accordance with the rules of that House.

This would be entirely outside the reference to the Royal recommendation and would appear to be a principle going beyond the principle of the bill itself, as agreed to by the House of Commons on second reading.

With respect to all hon. members, fully conscious of the importance of this matter and taking into account the very strong arguments put forward by various hon. members, I still do not see how I can in conscience, respecting my obligations to the House, accept amendments which might have made it a little easier for the House to consider the points made by hon. members. It is my hope that this will be done when we reach a later stage of the bill. Hon. members will then have every opportunity to move amendments which I hope will be in order. If we do eventually move on to third reading of the bill, and amendments are moved which will make it possible for the House to consider the very interesting aspects of the matters incorporated in such amendments, then I shall certainly look at the amendments objectively and, if they are within the rules, allow the House to consider them.

I regret very much that I have to reach this decision. It has caused me much anguish and pain, and I hope all hon. members will appreciate the difficult position in which the Chair is placed in such circumstances.

• (1610)

Mr. Andras moved that the Bill be concurred in.

Mr. Baldwin: I rise, on a point of order, Mr. Speaker. We were addressing ourselves directly to the first amendment in the name of the hon. member for Hamilton West (Mr. Alexander) and Your Honour in the course of your address, I won't say disparagingly but without too much enthusiasm, expressed your sorrow about the matter. I am equally sorry, possibly even more so. I think possibly the remarks of Your Honour were particularly appropriate to the amendment of the hon. member for Yukon (Mr. Nielsen) but I believe there might have been some debate in respect of the first amendment and my amendment.

Mr. Speaker: The point raised by the hon. member for Peace River (Mr. Baldwin) is well taken. I felt that the same difficulties applied, unfortunately, in respect of the three amendments. I did not intend to deprive hon. members who might wish to do so of the opportunity to submit arguments in support of the other motions. I believe the hon. member for Peace River will appreciate that. I did pause a moment before I proceeded with the next step of procedure in the expectation that someone might take up the other point relating to the other proposed motions. Without prejudice in respect of their acceptability, I would have no objection if hon. members would like to speak to these other motions. I am sorry I did not appreciate that the hon. member for Peace River wished to do so.

Mr. Baldwin: I think, Mr. Speaker, I would be inclined to agree that the remarks you made are applicable to the second amendment in the name of the hon. member for Yukon. However, I think there is this additional comment which might be made. I think we might examine the philosophy under which the new rules were brought forward. Let us look, for example, at clause 2. If we were in Committee of the Whole the clauses would be put by Your Honour one by one. If clause 2 were put, surely it would be within the competence of the members of the Committee of the Whole to vote against clause 2. They could vote for clauses as they saw fit, but could vote against clause 2. Your Honour will see the predicament in which the House is placed by the decision which has been made. Having examined very closely the decision of the Chair in respect of reasoned amendments, as I construe the situation it becomes virtually impossible for members of this House to deal with a bill in which there are two clauses which are completely separate and independent. Certainly, no one I am sure can argue that clauses 1 and 2 have any relation to each other. Members are placed in an unfortunate position. We have indicated our willingness to accept changes with regard to the ceiling, although we disagree with the government concerning the amount. However, we say there may be a need to establish some ceiling.

Then, we say we do not like what the government is attempting to do in clause 2 and we want an opportunity to explain our position and indicate our objection to clause 2. Certainly, in Committee of the Whole we could have done this. We might take as an example the amendment which stands in my name. Let us say that we eliminate the second part of it. Your Honour will observe that the amendment provides that we amend the bill by deleting lines 6 to 27 inclusive on page one and substituting therefor the following. Let us say that the substitution had not been included in the amendment and I had simply moved that we delete lines 6 to 27 which are, in effect, the entirety of clause 2. Then, we would have had a chance to challenge the government and give members of this House an opportunity to divide on this issue of the second clause. We do not like what the government is attempting to do. We say we may have to be prepared to accept the change in the Unemployment Insurance Act, 1971 which does something in respect of the ceiling, but that we do not like what the government is doing in respect of this other matter and we want an opportunity not only to speak to it but also to vote our opposition to it.

In the light of what Your Honour has ruled on other occasions we are deprived of the opportunity to voice our opposition. I know it is not for Your Honour to correct the defects in the Standing Orders, but I submit there is an ancient practice that in a situation of this kind the Chair should be vigilant in trying to find an opportunity for hon. members to have their voices heard and their votes noted. With respect, I suggest that this is a very serious matter. No matter what Your Honour may say about our opportunities during third reading, any opportunity to present a meaningful amendment in respect of this repugnant clause would not only be limited but would be eliminated. All through the course of this debate the government has been saying that this is not an appropriation but is an advance. The government is attempting to say it is an advance under clause 137 of the bill. Of course by so doing it is declaring that it never was an appropriation. If it had been declared to be an appropriation, certainly all we would need to do would be to vote against that clause, but we lose that opportunity because we would have to vote against the whole bill.

I submit to Your Honour, with a strong sense of urgency, that as ingenious as we might be it would be very difficult for us to find an amendment at third reading which would permit this House to divide on the question of the impropriety of what is proposed in clause 2 of this bill. I ask Your Honour to consider that particular suggestion.

Mr. MacGuigan: Mr. Speaker, the only difference between this amendment and the other two is the fact that this relates to clause 2 of the bill and the others relate to clause 1. With all due respect to the procedural knowledge of my hon. friend from Peace River, I may say that his talents have been much better employed on other occasions. In this case he has not attempted to make an argument in terms of rules or citations. He has rather made his argument in terms of "might have been". He is suggesting that if the rules had been different the result might have been different, or that if Your Honour's ruling had been different the result might have been different, or even that if his own amendment had been different and were not phrased the way it was but were phrased differently, the result might have been different. All those "might-have-been" arguments are interesting to listen to, but they contribute very little to the procedural discussion on this point. I would suggest that the ruling which you have already given applies in its entirety to this amendment.

• (1620)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I take it that when you were last on your feet you ruled out of order amendment No. 1 and that it is generally accepted that the same ruling applies to amendment No. 2. However, we are now discussing amendment No. 3. I would like to put in a word for the thousands of readers of *Hansard* who will be devouring the pages of this afternoon's debate to point out that thus far amendments No. 2 and 3 have not been put on the record. I think that at some point, either they should be read from the chair or some indication be made so that readers of *Hansard* will know what it is all about.

I wonder if I may comment briefly on the sad position in which the hon. member for Peace River (Mr. Baldwin) says that he and his colleagues find themselves, namely, that they have no opportunity to vote directly on clause 2 of the bill. I am really amazed. All he needed to do was to file an amendment last Friday which would stop after the words "page 1" in the amendment that is now before the House. In other words, if he had simply said that Bill C-124, an act to amend the Unemployment Insurance Act, 1971 (No. 1), be amended by deleting lines 6 to 27 inclusive on page 1—

Mr. Nielsen: That is negative.

Mr. Knowles (Winnipeg North Centre): Just a moment. Your Honour has already declared that if a bill has only one clause it is difficult to see how it is possible to put forth a report stage amendment to delete that one clause. It is just a negative of the proposition itself. But, Sir, you have allowed many times amendments to a bill at the report stage deleting individual clauses where a bill had more than one clause. If I may, for example, remind hon. members of the long debate we had on the Criminal Code amendments a few years ago where some of the clauses were offensive; we had votes on individual clauses simply on that kind of a motion, that clause such-and-such be deleted. Since there are two clauses and since, as the hon. member has said, they are different, they are not attached to each other, he could have done it that way.

If he missed that opportunity, and is a member without much experience in drafting such amendments, I can tell him that even today he can still draft an amendment when we get to third reading. I suggest that he can still draft an amendment which says that Bill C-124—is the hon. member taking this down—be not now read a third time but that it be referred back to the Standing Committee on Labour, Manpower and Immigration for the purpose of reconsidering clause 2. If he moves that amendment, he will get in the House, if he wants to, a recorded vote expressing the views of hon. members on clause 2. So I do not think we should waste too much sympathy on the hon. member being in a difficult position simply because he did not know how to draft his amendment.

With respect to the amendment itself—and I think we can be brief on it—I submit that it has the same flaws that amendments No. 1 and No. 2 had in that it goes beyond the bill to the act and that it goes beyond the confines of the Royal recommendation. When I was on my feet before, I read the first part of the Royal recommendation but I did not read the latter part because I was waiting until we reached amendment No. 3. The latter part of the recommendation reads:

> . . . and to provide that the amount authorized under Manpower and Immigration Vote L30a of Supplementary Estimates (A) 1972-73 shall be deemed an advance under that section and not an appropriation described in paragraph 133 (b) of that act.

That is a very clear recommendation. How you can propose an amendment that suggests the very opposite and say that that is within the terms of the Royal recommendation is really beyond me. So there are two points: first, that it goes beyond the bill to the act, and second, that it is outside of the terms of the Royal recommendation.

I submit that there is a third problem. My friend, the hon. member for Peace River, is still only a private member of this House. Things can change around here. He might be over on the other side some day, you know, but how can a private member move something that involves an appropriation—and that is what he is doing—asking that some $450 million which at the moment represents only a loan, be an appropriation charged to the Consolidated Revenue Fund? I submit that if he is going to do that, he has to have the Royal recommendation, but I do not think that he has as yet the authority to announce that he has the Royal recommendation. So, I think that this amendment is even more out of order than the other two and that the Chair should not be influenced by the plea that there is no way for members of the Official Opposition to show their displeasure with one or the other clause of the bill. It takes only a little ingenuity to achieve that situation.

Mr. Nielsen: I will not be making any submissions of length to you, Mr. Speaker, except to reserve a position which perhaps should be raised at this time so that on third reading I am not met with the same argument that I was met with on second reading before the bill went to committee. I refer to the resolution and its terminology and the clause in the bill itself and its terminology, the use in the first line of clause 2 of the word "authorized". Clause 2 uses the language of the resolution. It reads:

Unemployment Insurance Act

The amount authorized for the purposes of the Unemployment Insurance Act, 1971 in the fiscal year ending on the 31st day of March, 1973, under Manpower and Immigration Vote L30a of the Supplementary Estimates A 1972-73 tabled in the House of Commons on the 8th day of January, 1973 shall, notwithstanding any other provision of the Unemployment Insurance Act, 1971 . . .

The resolution uses the term "authorized" and Your Honour will recall that I raised the argument at the time that the bill was anticipatory of the work of the committee and that since the committee had not yet authorized the estimate, the bill could not be dealt with. On deeper reflection, I believe that the terminology used goes beyond the authorization which was granted on division in the committee and goes to the appropriation bill itself. I believe that the resolution which accompanied Bill C-124 contemplated that the authorization of which it spoke in the resolution was an authorization by the appropriation bill. In that sense, I believe that the consideration of this clause at this time is anticipatory and consequently out of order.

I raise the matter at this time because of something that the hon. member for Winnipeg North Centre (Mr. Knowles) said. He said that the amendment of the hon. member for Peace River directed itself toward the Unemployment Insurance Act, when nothing could be further from the truth because what clause 2 of the bill seeks to do is to reverse the effect of section 23 of the Financial Administration Act, and this has nothing whatsoever to do with the Unemployment Insurance Act. I raise the matter now, Your Honour, simply because when third reading comes along I do not want to be confronted with the admonition by Your Honour that it should have been raised at an earlier point.

• (1630)

Mr. Alexander: Mr. Speaker, in support of the submission made by the hon. member for Yukon (Mr. Nielsen) on the point of order which he has now placed before the House, there can be no question but that this matter was dealt with earlier on second reading. At that time there was a certain hesitation displayed by many of us arising from a reading of Bill C-124, in particular of clause 2, which in effect anticipated the ending of something which was then occurring in another place, namely, the Miscellaneous Estimates Committee.

At that time the matter was dealt with in a very general way. As I recall, there were several cogent arguments placed before Mr. Speaker, both pro and con, with the ultimate result that there was no disposition of the matter.

As I say, at that particular time several arguments were placed before Mr. Speaker for his consideration, one of them coming from the hon. member for Winnipeg North Centre (Mr. Knowles) who, in his wisdom, indicated that the bill could be proceeded with on second reading, be dealt with in committee, returned from committee and be dealt with on report stage. However, there was some question in his mind, as there is still in my mind at this stage, as to whether we could approach third reading of the bill while we were still seized with the dilemma with respect to something occurring in another place.

Mr. Nielsen: That is what he said.

[Mr. Nielsen.]

Mr. Alexander: I do not want to take the hon. member's words out of context. I am paraphrasing his contribution, but I think that he would say I am doing it correctly. The problem we are faced with here is quite simple. The Miscellaneous Estimates Committee did sit, and it dealt with many other votes—

Mr. Speaker: Order, please. I shall allow the hon. member to continue, if he wants to, in a short while, but my understanding is that the hon. member for Yukon (Mr. Nielsen) was raising this matter by way of a caveat, at the moment, so that he would not be stopped from raising this very important and interesting point when we reach third reading, which we have not yet reached.

My understanding is that at this point we are considering arguments either for or against the procedural acceptability of the third motion under Standing Order 75, the one which stands in the name of the hon. member for Peace River (Mr. Baldwin). When we dispose of it and go to third reading, that is the point at which we would want to hear the arguments now being put forward by the hon. member for Hamilton West in support of those which, I assume, will then be placed before us by the hon. member for Yukon. If the hon. member agrees, I think we might proceed on that basis.

Mr. Alexander: Mr. Speaker, I shall certainly follow your suggestion, but I just wished to emphasize the point of order raised by my colleague as a caveat. In any event, I believe it was couched in such language that it could be interpreted as a point of order. I agree that we are now dealing with arguments with respect to the admissibility of the amendment standing in the name of my colleague from Peace River.

Mr. Speaker: Again I thank hon. members for their assistance to me in reaching a decision in relation to the motion which stands in the name of the hon. member for Peace River. It was my thought, as indicated a moment ago, that many of the comments and reflections put forward addressed themselves to all three motions.

I have the same difficulties, basically, in relation to the motion of the hon. member for Peace River, which is why I had assumed that I could at that point go ahead with the seeking of concurrence on the part of hon. members. I have heard the additional arguments suggested for the guidance of the Chair, and I would have to rule that what I said before in relation to Motions Nos. 1 and 2 also applies to the third motion.

Essentially, the motion of the hon. member for Peace River is a new proposition which he is submitting for the consideration of the House. I would quote citations 246(3) and 250(4), to which allusion has been made earlier, and an additional reference could be made to paragraph (5) on page 509 of May's eighteenth edition where it is stated:

An amendment which is equivalent to a negative of the bill, or which would reverse the principle of the bill as agreed to on the second reading, is not admissible.

This is in relation to the principle of the bill. There are also the difficulties relating to the royal recommendation, to which I referred earlier, and which, it seems to me, still face use squarely.

I would like to suggest to the hon. member for Peace River that there is at least something to what has been said by the hon. member for Winnipeg North Centre regarding the possibility of having this very important point considered on third reading. As I said before, I would certainly hope there is that opportunity. I would think it should be consistent with the rights of the House that we find, through our procedures, a method to have this matter put to a vote and I would hope that in the course of the third reading stage, whenever that is reached, a method will be advanced by hon. members.

This could be done by an amendment which would be acceptable to the Chair procedurally, which would make it possible to have debate on that specific point, and a division of the House, if that is what hon. members seek. For the moment, to make sure that everything is at least half clear, I will refer to motions Nos. 2 and 3 so that they can be placed clearly on the record.

Motion No. 2 stands in the name of the hon. member for Yukon. Mr. Nielsen, seconded by Mr. Wagner, moves:

That Bill C-124, An Act to amend the Unemployment Insurance Act, 1971 (No. 1), be amended by deleting lines 4 and 5 on page 1 and substituting therefor the following:

[*Translation*]

"1. Subsection 137(4) of the Unemployment Insurance Act, 1971 is repealed and the following substituted therefor:

'(4) Notwithstanding the provisions of section 23 of the Financial Administration Act, the total amount outstanding at any time of advances made under this section shall not exceed nine hundred million dollars.'"

[*English*]

Motion No. 3 is as follows: R. Baldwin, seconded by Mr. Wagner moves:

That Bill C-124, An Act to amend the Unemployment Insurance Act, 1971 (No. 1), be amended by deleting lines 6 to 27 inclusive on page 1 and substituting therefor the following:

[*Translation*]

"2. Such amount, if any, as may be authorized for the purposes of the Unemployment Insurance Act, 1971 in the fiscal year ending on the 31st day of March, 1973, under Manpower and Immigration Vote L30a of the Supplementary Estimates (A), 1972-73, tabled in the House of Commons on the 8th day of January, 1973, shall, notwithstanding any other provision of the Unemployment Insurance Act, 1971, be deemed to be an appropriation described in paragraph 133(b) of that Act.".

I suppose that it is now clear that these three motions, namely Motions Nos. 1, 2 and 3, were deemed out of order, and that the House is now proceeding to the next stage, that is consideration of the motion of the Minister of Manpower and Immigration.

[*English*]

Mr. Andras moved that the bill be concurred in.

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

Some hon. Members: Agreed.

Motion agreed to.

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

Some hon. Members: Now.

Mr. Andras move that the bill be read the third time and do pass.

Mr. Alexander: Mr. Speaker, without being repetitious I believe I laid the groundwork with respect to a caveat, and I should like to enter it now. I notice that in terms of height and personality, the occupant of the Chair has changed but I think that the wisdom that comes from the Chair is still with us. We now have a Speaker who was not in the chair about five minutes ago, but since it was he who dealt with this matter of the bill being anticipatory, we are glad to see him. I would remind Your Honour of the problem we brought to his attention on January 25 when we commenced second reading of the bill. At that time, a point of order was raised that we on this side of the House found some difficulty in proceeding with the bill. Arguments were presented, which Mr. Speaker followed in his usual courteous manner, to the effect that Bill C-124, in clause (2), deals with a matter which was before the Miscellaneous Estimates Committee as Vote L30a. We all know what it is about.

• (1640)

Notwithstanding that the Vote was dealt with in committee, I submit it has not been authorized yet, that is the authorization of $454 million by way of Governor General's warrants which the government now wants to call an advance rather than an appropriation. I respectfully submit that until such time as Vote L30a is authorized, not only coming from the miscellaneous estimates committee by way of a division but authorized by way of the Appropriations Act, we are faced with a very peculiar situation. Apparently in error—I do not know whether it is in error or not—the government thought that this would be an excellent way of having the House deal with a bill which anticipates. I cannot see how we can go into third reading now unless a bill has been passed, of which I have no knowledge, which would then bring the word "authorized" into full play and acceptability. I respectfully state that the word "authorized" must have some meaning at this particular time. The proper interpretation of the word is that the appropriation bill has been passed; it is in order; that what is supposed to have occurred somewhere else has already occurred. I submit that it has not.

I am pleased to note what my friend the hon. member for Winnipeg North Centre (Mr. Knowles)—whom I like to quote now and again because I say one should give credit where credit is due—said on January 25 as reported in *Hansard* in the right hand column of page 652. He made a very cogent argument—

Mr. Nielsen: Try where he starts wracking his brain.

Mr. Alexander: I see the hon. member has already found it.

Mr. Knowles (Winnipeg North Centre): I told you where to look.

Mr. Alexander: There is one thing, Mr. Speaker, that we have not forgotten. We believe that when an argument is based upon wisdom, experience and knowledge of the House rules, one should never forget it. The hon. member was dealing with the problem he knew we would have to

face because it seems to me that we cannot deal with an anticipatory bill and he said:

> Mr. Speaker, with regard to the point as to whether or not we should proceed with this bill, I confess I have been wracking my brain trying to recall something that has happened in this area but I am sure that the gentlemen at the table will be able to find it. I believe there have been rulings that would support the contention of my hon. friend to this extent—

With all due respect, I think he was not talking about me at this particular time. I have no expertise so I think he was talking about others who have the expertise, the hon. member for Peace River (Mr. Baldwin) and the hon. member for the Yukon (Mr. Nielsen).

Mr. Baldwin: He says I have not got it.

Mr. Alexander: Mr. Speaker, the hon. member continued:

> —that it would not be procedurally correct for the House of Commons to give the bill third and final reading—in other words, not possible to pass the bill finally—if it contained in it a reference to something that was not at that point a fact. I do not think we could give third and final reading to the bill until the House had authorized the supplementary estimate referred to therein.

What august thought do we have in this regard? He said it is questionable that we should even deal with it, much less pass it. I see my hon. friend is now wracking his brain, wondering how he could have made such a mistake.

I belabour the point, Mr. Speaker, but I think it is one of some importance. I do not want to get mean or nasty, but at times there have been some devious interplays taking place around here with respect to this and other bills and it is time this matter came to a head. Surely, we cannot deal with this bill when nothing has happened in terms of the final disposition or authorization Vote L30a. One has to admit being subject to error, but I do not think I am in this regard. With proper anticipation I can come to no other conclusion than that Bill C-124, clause 2 refers to the amount authorized. My point is that the amount was not authorized and we are estopped from dealing with this bill at this time, unless we can agree to sever it and deal with the part that eliminates the ceiling. There is some difficulty in reaching a consensus on whether there should be a ceiling or not but that can be dealt with easily. An easy way to get around this legal dilemma is to agree that we deal with one clause at a time until such time as we know that Vote L30a has been passed.

Mr. MacEachen: Mr. Speaker, I have tried to follow the argument made by my hon. friend, but I must say that the more I listen to lawyers in the House of Commons the more I wonder why they go to law school.

Mr. Baldwin: Who is your counsel over there? Who is the dean?

Mr. MacEachen: I, of course, do not include you in that, Sir. I want to make it absolutely clear that I would not cast any reflections on any member of the legal profession. In this argument my hon. friend said that we are confronted with an anticipation. It is said that there are two bills—actually there are not two bills. There are notices of motions on the order paper and they have been considered by a standing committee of the House. They relate to the supplementary estimates. That is one proceeding to which my hon. friend referred. The second proceeding is the bill now before the House at the report stage. The argument of my hon. friend is that the bill now before the House anticipates the matter that is to be legislated following approval of the motion.

• (1650)

Mr. Nielsen: What motion?

Mr. MacEachen: The motion that constitutes the supplementary estimates. They are in the form of motions now, and will be concurred in as motions.

Mr. Nielsen: You hope.

Mr. Baldwin: The government already has that guarantee, has it? It has already worked out that deal?

Mr. MacEachen: The supplementary estimates are filed as motions. If they succeed in passing, they form the basis for an appropriation bill. At the moment they are in the form of motions.

Erskine May's Seventeenth Edition deals with the rule of anticipation. Page 399 of that authority reads:

> A motion must not anticipate a matter already apppointed for consideration by the House . . . whether it be a bill or an adjourned debate upon a motion.

Mr. Baldwin: But Erskine May did not contemplate a government like the present one.

Mr. MacEachen: If that wording makes any sense at all, it must mean that the motion which anticipates will produce the same legislative effect. If it is to have any meaning, it must mean that and nothing else. In other words, it cannot have a different legislative effect.

Mr. Baldwin: Better talk to Otto.

Mr. MacEachen: In my opinion, that is pretty sound logic, because the legislative effect of the motion that was passed for the supplementary estimates was not that of defining an advance or appropriation; the effect of carrying that motion was that of providing certain sums of money, nothing more and nothing less than that. That is what happened in that committee. What this bill is seeking to do—

Mr. Nielsen: It has not happened yet.

Mr. MacEachen: But it happened in the standing committee.

Mr. Nielsen: Yes, but it has not happened here yet.

Mr. MacEachen: Not here, yet. What is proposed in this bill is merely to make it absolutely clear that that legislative effect in the standing committee will be defined as an appropriation rather than an advance. In other words, it is a clarifying and defining statement.

I simply say that the matters are not the same. They are different although related, of course. What matters in the legislative process are not related? Of course they are related, but they are not matters already appointed for

consideration by the House and cannot be anticipated by a motion. I simply say they are different matters.

If I am to have really sound authority for validating my argument, I ought to go back to the ruling made from the Chair recently. That relied on the following words found at page 399 of Erskine May's Seventeenth Edition:

> ... the rule against anticipation ... is that a matter must not be anticipated if it is contained in a more effective form of proceeding than the proceeding by which it is sought to be anticipated ... but it may be anticipated if it is contained in an equally or less effective form.

It is obvious, if one goes that distance and concludes that the same matter is dealt with in both proceedings, that one must conclude with Mr. Deputy Speaker that a bill is a more effective form of proceeding that a motion. Certainly, that is my position and that is the gist of the conclusion arrived at by the Chair a few days ago.

Mr. Nielsen: Mr. Speaker, I do not rise to add anything further of substance to the point I raised on January 25 and again today. I do, however, want to comment on something the President of the Privy Council said. The more he listens to lawyers in this House, the more he wonders why people go to law school. Sir, the more I listen to the minister and the interpretations he places on May, Beauchesne and other authorities, the more I see the need for more lawyers to understand those interpretations.

Mr. MacEachen: Touché.

Mr. Nielsen: I believe the hon. member for Winnipeg North Centre owes the House the obligation of participating in the debate of this point of order if for no other reason than that of explaining the position he took on January 25. I would think it has not changed, although perhaps between that time and the present there may be some results from that brain wracking he was doing when he made his remarks.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, it is not often that one is so warmly invited to take the floor. I am happy to respond to the invitation. May I say that the hon. member for Hamilton West (Mr. Alexander), when he quoted my remarks, quoted them in full and did not take any of them out of context. What he said I said, I said.

Mr. Nielsen: But?

Mr. Knowles (Winnipeg North Centre): And, there it is.

Mr. Nielsen: But?

Mr. Knowles (Winnipeg North Centre): However, I point out that I made those remarks conditionally and, in particular I asked Your Honour to put the gentlemen at the table to work in trying to find the precedents I could not recall when wracking my brain, to repeat the phrase I used on January 25.

I must say, Sir, that since that date I have given this matter more thought and concluded that there were one or two flaws in my argument. For example, if it is true, and Your Honour may so find, that we cannot pass Bill C-124 because the estimate referred to has not been authorized, it means not just that the bill authorizing that estimate has to pass third reading in this House, but that it must also be dealt with in the other place and be given Royal Assent by His Excellency, the governor general, or his deputy. I think, if one were to push the things I said on January 25 that far, that would be the position, and it does raise certain questions. I am still convinced that there have been occasions on which we have had to stop something because of something else, and I was hoping that the gentlemen at the table might find them. Hence I am leaving this matter for Your Honour to rule on it.

Further, there is this point to be raised: the language of clause 2 of Bill C-124 refers to an amount authorized pursuant to supplementary estimates. Supposing we were to pass this bill, and supposing those supplementary estimates are never authorized. In that case this bill, even if it becomes law, would not have any effect. That must be a point Your Honour ought to take into consideration. I freely admit I said those things recorded in *Hansard* of January 25, although I submit they were said mainly to help us over the hurdle at that point, namely, the difficulty over proceeding with second reading. However, I think the matter must be given further consideration by Your Honour before Your Honour renders a final decision.

Mr. Deputy Speaker: Do other hon. members wish to make a contribution to this debate? May I have some indication whether other hon. members wish to contribute, before we proceed to our five o'clock business? I see the parliamentary secretary will participate. A decision will be rendered thereafter as to which comes first, the chicken or the egg, hopefully without the Chair laying the egg.

An hon. Member: Five o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—Veterans Affairs—Disability pensions—Request for statement on steps to expedite decisions on applications; the hon. member for Comox-Alberni (Mr. Barnett)—Harbours—Transfer of administration of small craft harbours to Department of the Environment; the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Beatty)—Communications—Bell Canada rate increase application—Inquiry as to opposition by government.

It being five o'clock, the House will proceed to private members business, namely, notices of motions.

• (1700)

Mr. Bell: Mr. Speaker, in order to be helpful, if you stand them all until item 13, this will meet with the approval of the House.

Mr. Deputy Speaker: Is this agreeable to the House?

Some hon. Members: Agreed.

PRIVATE MEMBERS' MOTIONS

PUBLIC SERVICE

APPLICATION OF FAIR EMPLOYMENT PRACTICES PROVISION OF LABOUR CODE

Mr. Walter Baker (Grenville-Carleton) moved:

That, in the opinion of this House, the government should introduce amendments to the Public Service Employment Act, the Public Service Staff Relations Act and the Canada Labour Code to ensure that all the provision of the Canada Labour Code relating to fair employment practices will apply to the public service of Canada.

He said: Mr. Speaker, in rising to speak to this motion, I am mindful from reading the Canada Labour Code of the progression of history in labour relations that is evident from the pages of the Statutes of Canada, a history that began when there was no Labour Code or no such legislation, but carried itself through the years until the passage of this statute in the 1966-67 session of this House and its subsequent approval and coming into force.

The purpose of that statute was to govern equitably the relationships between employers and employees in this country, particularly with respect to those areas of jurisdiction which were within the competence of this parliament. In so doing, I think it commanded the respect of both employers and employees. As a result, it is fair to say, with some exceptions, that in so far as the statute applies, this is a reasonable Labour Code. It constitutes a reasonable step along the road to the point of perfection which all of us would like to reach and toward which all of us strive.

Section 2 of the statute is important. It defines the categories which are deemed by the statute to be federal words, undertaking or business. The unfortunate thing about the definition section is that nowhere is it specifically defined that employees of the government of Canada who are subject to the Public Service Commission are covered by the very worthwhile provisions relating to fair employment practices in the statute.

Section 5 is the next important section. It deals with what is generally called prohibited employment practices. It reads:

No employer shall refuse to employ or to continue to employ, or otherwise discriminate against any person in regard to employment or any term or condition of employment because of his race, national origin, colour or religion.

The next important section deals with equal pay. This is Part II of the statute. There is a provision in section 14 to establish a fair wage officer. The section on application is important. It applies to, and I quote:

(a) employment upon or in connection with any federal work, undertaking or business;

(b) employers engaged in any federal work, undertaking or business;

[Mr. Deputy Speaker.]

(c) employees employed upon or in connection with any federal, undertaking or business; and

(d) employment of employees by any corporation established to perform any function or duty on behalf of the Government of Canada;

In effect, it says that within all those matters within the jurisdiction of the federal government, even to that type of business which is done on behalf of the government by agencies of the Crown, the Crown corporations are covered by the Provisions of the Section but the Public Service of Canada is not so covered, at least with respect to equal pay.

Section 7 of the statute establishes penalties. The statute goes on to deal with hours of work, minimum wages, annual vacation, general holidays and all other matters.

I want to deal specifically with Part II of this statute which has to do with equal pay for female employees. Nowhere does this appear to apply to the Public Service of Canada. Section 16(1) reads, and I quote:

No employer shall employ a female employee for any work at a rate of pay that is less than the rate of pay at which a male employee is employed by that employer for identical or substantially identical work.

Section 16(2) deals with the criteria for deciding what work is, in fact, equal and how one would decide what work is substantially identical. There are exceptions, however, which do not apply to the matter before us.

Section 17 of the statute provides an important protection with respect to the discharge or some other form of discrimination against any person because that person has made a complaint, given evidence, or assisted in any way with regard to the initiation or prosecution of a complaint under that section of the act which is meant to protect with respect to equal pay. There is an adequate enforcement procedure set forth in section 18.

Section 23 permits the minister to make certain orders in an appropriate case for the establishment of equality in that particular field. With respect to the question of equal pay, the statute provides an admirable procedure for the protection of female employees of the government of Canada, but the application of Part II of the statute is very limited as I have said. It is limited because of the limitation contained in the definition section. I have searched to see whether there is some portion of the Public Service Employment Act in which this protection would apply to public servants and I am sorry to say I have failed to find any. I am satisfied it is not an omission which has been perpetrated for any bad purpose, but it is nonetheless an omission which is important for those who seek employment in the public service of Canada.

• (1710)

I had occasion when considering the matters we were about to discuss to review the report of the Royal Commission on the Status of Women and the impact of women in terms of numbers, output and ability on the public service of Canada. It is interesting to note that at the time of the publication of this report—no doubt the figures have changed since then—27.3 per cent of the public service was made up of women, a very high proportion. Approximately 42 per cent of these women were single, 43 per cent were married and 15 per cent were widowed,

separated or divorced at the time of the Report. Of those women who were married, 55 per cent supported one or more children.

The government of Canada is the largest employer of women, and, indeed, the largest employer in Canada. At the time of the report there were some 475,000 persons employed by the government of Canada of whom 25 per cent were located in the national capital area, part of which I have the honour to represent. There is a statement in the report of the Commission which I believe to be extremely important. It sets forth more clearly than I could ever do the importance of women in the scheme of things for the government of this country. The following appears at page 105 of the report:

> The position of women employees in the Government of Canada deserves close examination, not only because the government employs a large number of women in a great variety of occupations but because government employment practices should demonstrate its principles. Since Canada has officially subscribed to principles recognizing women's rights to equality of opportunity, the Canadian government must ensure that its employment laws, policies and practices reflect and implement these principles. The government should also make its own adherence to principle conspicuous to other employers.

I am sure there is no one in this House who would disagree with that statement. I believe there is no better way of doing as the Royal Commission suggested than by the government making its adherence to principle conspicuous to other employers by establishing within the statutes governing employment, that at least as far as women are concerned there should be no discrimination on the basis of sex or any other aspect. Some may say provision for this is already in the statute. But I have examined the Public Service Employment Act, and I find that though there is some statement with respect to the question of discrimination on the ground of sex it is not as embracing as I think all of us would like it to be.

I am referring specifically to sections 10 and 12 of that statute governing the appointment and selection standards of the public service. It is stated that appointments within the public service shall be based on selection according to merit "as determined by the Commission and shall be made by the Commission at the request of the deputy head concerned." And so on. Section 12 gives the Commission the power to set selection standards. It reads:

> The Commission may, in determining pursuant to section 10 the basis of assessment and merit in relation to any position or class of positions, prescribe selection standards as to education, knowledge, experience, language, age, residence or any other matters which in the opinion of the Commission are necessary or desirable . . .

Then, with respect to selection, subsection (2) reads:

> The Commission, in prescribing selection standards under subsection (1) shall not discriminate against any person by reason of sex, race, national origin, colour or religion.

These are good phrases. But my point is that they only apply to one field of legislative protection, that is, in relation to selection. There is nothing in the act with respect to men or women in relation to sex, national origin, colour or religion to give them protection in carrying on their duties in the particular positions to which they are appointed.

There is, as well, in section 10 a bald statement that questions with respect to merit should be determined by the Commission. While I am prepared to say that the Commission ought to have the authority to employ reasonably, I am not prepared to say in the same breath that the employees of that Commission and the employees of the government of Canada generally ought not to be given the reasonable protection which is provided by the Canada Labour Code, protection which has proved effective on the industrial side, protection which is accorded in most of the provinces of Canada and which should be granted to women and to others in the public service of Canada. As I say, as the largest employer in the country, the government should be expected to provide leadership.

I recognize that this is a question which has been subject to some debate. I think its importance has been crystalized in the growing concern that has centred on the concept of delegation of authority. Section 31 of the statute deals with this matter. It reads:

> Where an employee, in the opinion of the deputy head, is incompetent in performing the duties of the position he occupies, or is incapable of performing those duties—

The section goes on to outline what may happen in that event. Mr. Speaker, justice can vary with the length of the chancellor's foot, so to speak and many instances of this unfortunate variation have come to my attention. With respect to this matter and many others, there should be incorporated into the statute the protection which is afforded under the Canada Labour Code. The statutes considered and passed by this parliament, as opposed to regulations which we as Members of Parliament never see, ought to be the basis for the rights I want to see protected, confirmed and advanced. I proposed this motion because I believed that the government should always be in the van of labour-management relations. It should always be pointing the way to the industries and other undertakings in Canada so that these industries and undertakings can look to the federal government for leadership and for example. I believe that by establishing in the acts set forth in the motion the fair employment practices as suggested by the motion the government would be providing this leadership.

• (1720)

Mr. Hugh Poulin (Ottawa Centre): Mr. Speaker, it is significant that I rise following the learned speech of my colleague and friend from Grenville-Carleton (Mr. Baker), who in his opening address to this House a few weeks ago was pleased to state that in one sense I am a constituent of his. And, indeed, that is so; but in another and very real sense the hon. member for Grenville-Carleton is a constituent of mine. He comes to this chamber every day to perform his parliamentary duties, and in so doing comes into the riding I am very pleased to represent.

On many occasions in the past, the hon. member and I have practised our profession in a friendly or adversary way in this community, and I am sure that during our joint careers in this House we will have the same opportunity to engage in this type of friendly debate. It is the kind of debate that is designed for all hon. members of the House, and on this occasion seeks to provide for the public service of Canada the best possible fair employment practices.

The motion of the hon. member for Grenville-Carleton reads as follows:

That, in the opinion of this House, the government should introduce amendments to the Public Service Employment Act, the Public Service Staff Relations Act and the Canada Labour Code to ensure that all the provisions of the Canada Labour Code relating to fair employment practices will apply to the public service of Canada.

The hon. member is referring, I submit, primarily to part I of the Canada Labour Code, which is that part of the statute that deals specifically with fair employment practices. He has, of course, also referred to other parts of the act to which I shall briefly make reference. However, at the moment I should like to review the existing fair employment practices that are in fact now available to all public servants through the provisions of the Public Service Employment Act, the Public Service Staff Relations Act, and the board and commission set up under those acts to see that the acts are fairly and justly administered in the interests of all public servants across this country.

In addition to the acts I have mentioned, there is an order in council dated November 9, 1972. The intent of this Order in Council was to remove any vestiges of discrimination which might have theretofore existed with respect to employment practices within the public service. The order in council, P.C. 1972-2569, reads as follows:

His Excellency, the Governor General in Council on the recommendation of the President of the Treasury Board and the Secretary of State, pursuant to paragraph 5(f) of the Public Service Employment Act, is pleased hereby to assign to the Public Service Commission, the duty to investigate any complaint of alleged discrimination on the grounds of sex, race, national origin, colour or religion in respect of the application or operation of the act.

The order in council to which I have referred, together with the Public Service Employment Act and the Public Service Staff Relations Act, indeed provide to the public servants of Canada and ensures to them fair and just hiring practices; and, after hiring, fair and just labour relations practices that are as good or better than those applicable to any other public service in North America.

Having said that, I believe, as the hon. member for Grenville-Carleton has said, that no system is perfect, that we must strive to find perfection. We must continually scrutinize all our legislation to ensure it meets the needs of a rapidly changing society.

As a matter of fact, Mr. Speaker, today there was a release by the Public Service of Canada with respect to that specific order in council. The release stated that the Public Service Commission of Canada had recently been authorized to investigate complaints of alleged discrimination on the grounds of sex, race, national origin, colour or religion in respect of the application of the Public Service Employment Act. The public service of Canada is not covered by the Fair Employment Practices Act administered by the Department of Labour, and consequently the commission was assigned to this duty by the order in council which stipulates that the commission shall perform such other duties and functions with reference to the public service as are assigned to it by the Governor in Council.

The Public Service Commission has in fact established an investigation branch to carry out these responsbilities. The branch is autonomous and its officers will carry out their investigations wherever and however they consider necessary. The investigation branch will not, however, process complaints received from personnel employed within the Public Service Commission itself; such complaints will be investigated and dealt with by investigators from outside the commission who will act independently.

The responsibilities of the appeal branch of the commission remain the same and will not be replaced by those of the investigation branch. Where a person alleges that his or her failure to be selected for promotion, or that the decision to have him or her released or demoted, was due to discrimination and this person has the right of appeal under section 31 of the Public Service Employment Act, an appeal should be filed with the commission's appeal branch.

The appeal board established to conduct inquiries into such allegations will be able to call upon the investigation branch to investigate and report upon the matter. Upon receipt of the report of the investigation branch, the appeal board will render its decision on the basis of all the evidence available. Inquiries or complaints concerning the announcement that was made today may be addressed to the investigation branch of the Public Service Commission here in Ottawa.

This indeed provides additional investigatory powers so that those items of discrimination which might be termed unfair labour practices can be investigated by a body that has no allegiance to the employer or the employee, thereby ensuring that discrimination, or any act that may appear to be discrimination, is examined and the proper remedy applied.

It is a recognized fact that the passage of the Public Service Staff Relations Act and the Public Service Employment Act in 1967 was a major step forward in the general field of hiring practices and labour relations with respect to public servants in Canada. Indeed, it has been recognized and examined as a model to be followed by many other countries who have sent delegations to Canada to examine the workings of these two acts. This legislation has attracted international attention, and it is my understanding that the delegates who have examined the operation of these acts in Canada have in almost all cases commented favourably upon them as being bold, imaginative and progressive legislation.

However, the Prime Minister (Mr. Trudeau) recognized, as he stated on October 21, 1972, that during the five years since these acts were passed much valuable experience has been obtained in a relatively short period of time. The Prime Minister (Mr. Trudeau) stated:

• (1730)

In the light of that experience, many comments have been made about the strength and the weaknesses of the present system.

He went on to assure the public servants of this country that the government is prepared at all times to reconsider any legislation on the basis of experience.

I would like now to briefly examine the existing legislation I have referred to from the point of view of the objectives of that legislation and the manner in which those objectives are implemented on a day to day basis by the commission or the board set up under the respective

acts. The Public Service Employment Act, which establishes the Public Service Commission, provides by section 8:

—the commission has the exclusive right and authority to make appointments to or from within the public service—

This includes the appointment, appraisal, promotion, demotion, transfer, lay-off or release of employees. The commission by legislation is under specific direction that it shall not discriminate against any person by reason of sex, race, national origin, colour or religion.

In addition to the mandatory obligation of the commission not to discriminate on the grounds I have just mentioned, order in council 1972-2569 has imposed upon the commission the additional obligation to investigate any complaint brought to the attention of the commission where there is an allegation of discrimination on the grounds of sex, race, national origin, colour or religion relating to the appointment, appraisal, promotion, demotion, transfer, lay-off or release of employees. Furthermore, any allegation of any discrimination resulting in disciplinary action may be the subject of a grievance, and if the employee's grievance has not been dealt with to his satisfaction he may refer the grievance to adjudication under the Public Service Staff Relations Act if the disciplinary action resulted in discharge, suspension or financial penalty.

Where any such grievance is referred to adjudication, the adjudicator is obliged to give both parties to the grievance an opportunity of being heard which, of course, includes the right of the grievor to be represented by counsel. After consideration of the grievance, the decision of the adjudicator is final and binding upon both parties. It may be trite to say, Mr. Speaker, that the adjudicators are completely independent of the employer or the employee and are appointed by the governor in council. Such appointment is made by the governor in council on the recommendation not of the employer but of the Public Service Staff Relations Board.

Therefore, Mr. Speaker, the legislation presently covering fair labour practices under the Public Service Employment Act and the Public Service Staff Relations Act provides all of the fair employment practices that are defined in the Canada Labour Code and to which the hon. member for Grenville-Carleton has referred. Therefore, the adoption by this House of the motion presently under debate would not provide any additional protection to employees of the public service with respect to fair employment practices, but would only serve to add confusion to an already complex situation.

If the motion were to be carried by this House it would add a conflict whereby a minister of the Crown, namely, the Minister of Labour who administers the Canada Labour Code, could find himself in a difficult position were a dispute to arise within the Department of Labour. Then the Minister of Labour who is charged with the administration of the Canada Labour Code would be charged with the additional responsibility of investigating the complaint where he or his department may be named as a defendant.

For example, a grievor may say he was unjustly dismissed from the Department of Labour. He might at that point name as defendants the Department of Labour and the Minister of Labour. The grievance might be such that it would be subject to investigation and examination by the investigators in the Department of Labour who are answerable only to the Minister of Labour. The Minister of Labour might also at this time be a defendant in the grievance procedure, in which case the Minister of Labour would be the investigating body which would have jurisdiction over the tribunal which would hear the grievance and might at the same time be a defendant himself.

Such a patent and obvious conflict of interest would cast suspicion upon the just administration of the Canada Labour Code in relation to the public service, and thus could bring into disrespect a system of fair labour practice presently existing within the public service without providing any additional benefit to the public service by implementation of the Canada Labour Code in relation to the Public Service of Canada. Such an obvious conflict of interest is clearly unacceptable and cannot be permitted to exist.

In the previous parliament this government proposed additional protections against discriminatory practices in the areas of marital status and age. This bill, unfortunately, died on the order paper. This proposal is one which I would support. I hope that the government would bring it in at the earliest opportunity, together with other amendments which in the light of experience would be advisable at this time. The bill presented in the previous parliament to which I have referred was Bill C-206 which provided for the following amendment:

The commission, in prescribing or applying selection standards under subsection (1) shall not discriminate against any person by reason of sex, race, national origin, colour, religion, marital status or age.

This, in effect, would add marital status and age which are not presently contained in the legislation. This would be a specific direction that the commission should not discriminate on these grounds. I would hope that that bill would be brought in again by this government. In addition, some improvement could be made to these acts by making other matters subject to arbitration. This House was advised in the Speech from the Throne as follows:

You will be asked to amend the Public Service Staff Relations Act and the Public Service Employment Act.

The President of the Treasury Board (Mr. Drury) has stated publicly that there will be proposals made to parliament for amendment to the Public Service Staff Relations Act. He has stated that experience gained since the inception of the act has indicated that there are a number of subjects which cannot be arbitrated now but which in his view should be. There are some specific items that are not now subject to arbitration but which should be examined further to determine whether they should properly be made subject to arbitration under the Public Service Staff Relations Act. The proper time to discuss the specific changes is when the government brings forth the legislation referred to in the Speech from the Throne.

Many items that have general application across the public service are referred, with the consent of both the union and the employer, to the National Joint Council for thorough examination and a recommendation is made by the NJC often leading to improved benefits or policy

across the public service. This joint consultation has been a very satisfactory means of settling matters which would be extremely difficult to resolve at 80 bargaining tables. The recent medicare and hospitalization premium improvements are an excellent illustration of the product of effective and joint consultation.

• (1740)

I fully agree with the hon. member for Grenville-Carleton that there should be no discrimination on the basis of sex or marital status within the public service. However, I would submit that at the present time there is no discrimination on the basis of sex or marital status within the public service under the existing legislation. Coming, as I do, from a house full of women, I am very conscious of the fact that there should be no such discrimination. Indeed, if I were to advocate or support it I would be in trouble in my own home.

Recently I had the opportunity as a member of the Standing Committee on Miscellaneous Estimates to witness at first hand the excellence of the Canadian public service. Supplementary estimates were brought before that committee by many government departments. The Department of Agriculture provided information to the committee through senior public servants with respect to crop loss to farmers in eastern Canada as a result of adverse weather conditions. Their in-depth knowledge of the affairs of the department was of great help to me and to all who were sitting on that committee and it is indeed reassuring to know that the policies of this parliament are being executed by public servants of such high calibre.

The same can be said of the public servants who provided factual information to the committee with respect to their department, whether the Department of the Environment, the Department of External Affairs, the Department of Finance, the Department of Manpower and Immigration, the Department of National Health and Welfare; indeed, all of the departments which had supplementary estimates to be considered at the most recent sitting of the committee. On many occasions the public servants who were witnesses were subject to in-depth probing and cross-examination by members of all parties who were on that committee as well as other Members of Parliament who asked questions.

It was my observation that the public servants in all cases showed a mastery of the particular field in which they were interested and provided the committee with useful and factual information with respect to their particular subject. What I witnessed recently in that committee confirms again the true excellence of our public service. Such a public service should, indeed, have the benefit of fair and just personnel relations policies.

Although many of those who testified before the miscellaneous estimates committee were senior public servants and therefore not within the bargaining unit, I am sure they would be the first to acknowledge with me that they would be unable to do their job as efficiently or as well without the assistance of the majority of public servants who are within the bargaining unit.

In summary, therefore, it would appear from a review of the legislation respecting labour relations practices within the public service that amendments to these two acts to incorporate the provisions of the Canada Labour Code would, in fact, add no significant benefits to the public servants that do not already exist and are available to them under the Public Service Staff Relations Act and the Public Service Employment Act, but that amendments such as suggested by the hon. member for Grenville-Carleton would only add, as I have indicated earlier, confusion to what is already a complex field of labour relations. They might, in fact, detract from the benefits now enjoyed under these acts and the order in council referred to and presently available to the public service.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, before I begin my contribution to this afternoon's debate I would like to congratulate the hon. member for Ottawa Centre (Mr. Poulin) on his maiden speech. I suggest that he gave us a very scholarly defence of the status quo; nevertheless, it does not take away from the kind of intelligence he put into the preparation and the presentation of his remarks.

I support the motion put before us by the hon. member for Grenville-Carleton (Mr. Baker). I would like to say, also, that I was impressed by the kind of detailed information, deep thought and study that he has demonstrated before us this afternoon. We have had an afternoon in which we have been treated to the fascination of procedural debates which are a little like chamber music; they are great for the participants but sometimes they are hell to listen to. Nevertheless, I would say that this is not the first time I have interested myself in the concerns of public servants not only in the capital area but also in my own riding.

I can report with some accuracy, I think, that the morale of the many thousands of public servants we have in Canada is probably not at its greatest apex or peak, and this has been true for the last four or five years. I think the concern is real enough and it should be apparent to the government that the loss of three Ottawa seats last October 30 indicates that perhaps all is not well, as some of us may have been led to believe by the words of the hon. member for Ottawa Centre, because these Ottawa ridings have heavy populations of civil servants.

While it is convenient, perhaps, to lay the blame on the loss of these three seats on some racist demagoguery of some candidates—I hasten to add that probably in the heat of the campaign some hasty and unfortunate statements were made—as one who supported, and still supports, the bilingual policy and the bilingual legislation behind that policy I think it is as accurate to say that there has been a heavy-handed implementation of that policy which has but added to the already massive frustration and uncertainty felt by many public servants.

If we as employers desire to be more civil to civil servants, we must be more sensitive to the legitimate aspirations of public servants and their demand for stable and enlightened treatment by the largest employer in the country—the government of Canada. In fact, the government of Canada has an obligation in my view—not just the responsibility, but more than that; an obligation—to be a model for the country on labour and management relations. This has not been the case in the past. It is responsible for the large amount of resentment which festers among an otherwise excellent group of public

employees and causes them, I think, to perform in a less positive manner in many cases than if their sensitivity to some of the other problems that face them has been recognized by the government.

I think the hon. member for Grenville-Carleton was fairly accurate in pointing out at least what some of these problems might be. There is a good deal more behind the declining morale of public servants than the uncertainty caused by the bilingual program. I refer to the words related to the treatment of women within the public service dealing with promotional opportunities, which most times we can say are dubious at best.

I think we can also say that the hon. member's points related to equal pay and opportunities to proceed without the kind of male-female discrimination that abounds are well taken. We should recognize that discriminations exist. This is one of the reasons a woman was appointed not long ago to be one of the three commissioners; it was recognized that the opportunities for women in the public service were not equivalent to those of men, despite the fact that approximately one quarter of the government's employees are women.

However, I think there is much more to the problem than is stated in the motion and there are a number of other areas with which we should examine apart from the specific details cited as one act that relates to this act which relates to some other act. I think perhaps it is insufficient to get to a legal interpretation and hang one argument on one clause and then move to another clause. I am probably presenting this kind of defence because I am not prepared to do otherwise this afternoon. I do not, however, think that is the matter before us. Both hon. members have outlined the pros and cons and the details of the problem, one mildly defending the government and the other mildly attacking it.

• (1750)

There are a number of more general questions: for instance, reclassification has been going on since 1967 and has not yet been completed to date. Naturally, the delay creates a certain amount of unrest and instability among members of the public service. Even among members of the professional institute alone there is a tremendous reclassification backlog, stretching over a period of almost six years. We should not ignore delays like that. I repeat that I do not think we can lay the blame for all the uncertainty that faces public servants solely on the bilingualism act: that attitude is superficial; it is merely looking for an easy way out along the road toward some kind of bigotry and I do not think it is necessarily the case at all.

We must also face the question of bargaining rights. The dispute over clause 7 of the Public Service Staff Relations Act has gone on for years and years. For the sake of hon. members who do not know what clause 7 implies, I will read it. It provides:

> Nothing in this act shall be construed to affect the right or authority of the employer—

That is the government.

> —to determine the organization of the public service and to assign duties to and classify positions therein.

What kind of bargaining rights are those? Doesn't this place massive power in the hands of the government to control almost everything in the public service, everything related to decent kinds of employment practices and fair employment practices and leave virtually little of importance to the public servant? What happened recently in the postal dispute? In my view the government was unable to settle that dispute as quickly as possible because the arbitrator in his recommendations went beyond the terms of clause 7. As a matter of fact, he recommended that certain matters which had previously been completely within the prerogative of the government should henceforth be negotiable.

It seems to me that if parliament is going to give these awesome powers to the government to determine the organization of the public service, to assign duties and to classify positions, and after some time say that the crucial things are not negotiable, then the government can get away with murder. And it does. It gets away with such things as allowing for arbitration to provide for a raise in salary at a particular level and then a few weeks later reclassifying the position concerned so that the employee in effect gets a salary raise and a cut at the same time. This has happened in the corrections branch and in a number of other agencies of government. Such behaviour adds to the over-all uncertainty and resentment of many public servants.

The controversial clause 7 is a subject which I have raised previously, Mr. Speaker. I first raised it on December 7, 1970. At that time the answer was, "We are considering amending this." Surely the government should have reviewed this question a long time ago. I spoke again on the subject on February 22, 1971. At that time I tried to reconcile the statement of the President of the Treasury Board (Mr. Drury) that the Public Service Staff Relations Act was under review, which he made on November 27 of the previous year, with the statement of the Prime Minister (Mr. Trudeau) in a letter to the professional institute some time in December saying it was not under review. It simply could not be under review and not under review all within a matter of weeks. But after being around this place for four years I can readily understand the confusion that sometimes exists between the Prime Minister and other members of his cabinet.

Apparently that review was pursued later. On November 16, 1971, about six months later, I learned that indeed a review had taken place. But, Mr. Speaker, now it was an internal review headed by Mr. Bryden, a man who has and deserves the respect of a great many people. As a result, his report was preserved as an internal document. I submit that whenever the government wants to get credit for something, it becomes public; but if the government wants to check on something that is really "dicey", it goes to the extremes of furtiveness. For example I cite the case of the Bryden report. As I have said, I learned about it on November 16, 1971. Now here we are in February of 1973. Where is the Bryden report? It is still secret. This is the kind of procedure that contributes to the morale-shattering mood of too many public servants. That is why the appeals to public servants and why promises made to them fall on deaf ears. They have heard that song before.

There are a great many other problems related to the public service, but I notice the time is nearing six o'clock and I have no intention of talking-out the hon. member's motion. I want it to come to a vote. I am certain there is not anyone on the government side who wishes to stand up and talk it out. But, Mr. Speaker, I see the hon. member for Hull (Mr. Isabelle) getting ready over there, and his readiness destroys my confidence in him. He is an excellent medical man but on the matter of the public service I am afraid he is going to protect the government, as usual. At any rate, he is listening to the debate.

As I say, there are many other problems in the public service. There was the matter of the back-to-back casual employment in the postal service whereby casuals in many post offices in 1968 and 1969 outnumbered the permanent employees. In addition, tremendous lethargy has been displayed with respect to the superannuation act and improving pensions, particularly with the 2 per cent cost basis for benefits.

The Speech from the Throne promises reviews and amendments. I do not know what these will be but I would point out, in dealing with discrimination and other problems within the public service, that I have on the order paper a private member's bill which anticipates a separate appellate body. I have found that if an employee questions the decision of a superior in the public service, the matter goes right back down the line to the person who made the decision in the first place, so that there cannot be a fair and impartial hearing of a legitimate grievance within the public service.

When these matters are rectified we will develop better attitudes and morale in our public service which even now is recognized as one of the greatest in the world. And when matters of which I have spoken are rectified the Canadian public service will function unquestionably as the greatest public service in the world.

[*Translation*]

The Acting Speaker (Mr. Boulanger): Order. The hour appointed for the consideration of private members' business having expired, I do now leave the chair until eight o'clock.

[*English*]

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

The House resumed consideration of the motion of Mr. Andras that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), be read the third time and do pass.

[Mr. Rose.]

Mr. MacGuigan: Mr. Speaker, on January 25 of this year a point was placed before you which is almost identical to the point which you have now to consider. It would appear that the only substantial difference between that point and the one which you now have to deal with on the question of anticipation is that a different stage of the proceedings was in question. We were then at second reading stage of Bill C-124, and now we are considering a similar point at third reading stage.

The ruling which you gave at that time appears at page 661 of *Hansard* of that date, and makes the point that there is a descending order of values for matters in the parliamentary process. It was this conception which I believe you used at that time to enable you to decide that the most effective form of proceeding before the House then was Bill C-124 rather than the estimates. Mr. Speaker, I believe that is still the case. Although the estimates are now before the House, they have not been considered by it. This bill is in a more advanced stage and I believe this would still be considered to be the more effective form of proceeding before the House.

I would therefore suggest, Mr. Speaker, that the basis for your decision of January 25 is still a valid basis; that the principle of descending order of values and of a more effective form of proceeding still applies. In light of this principle I believe Your Honour's ruling should be to the same effect today as it was at that time. It would be difficult indeed to see how this question could go any other way because the two proceedings are tied together, each is dependent upon the other and each could be said in a sense to anticipate the other. If we were not to establish one as having priority over the other, one could go to an infinite regression in attempting to decide with which one we should begin. I am sure that would not be the wish of Your Honour or the parliamentarians of this House.

The hon. member for Winnipeg North Centre (Mr. Knowles) placed before us, I believe, the question of the state of the bill in the case that the estimates which are before the House would not subsequently be approved. In that case, Mr. Speaker, on the assumption that this bill is passed, but taking the hypothesis that the estimates would not subsequently be approved, we would have an act of parliament in proper order which would be entirely valid but one of the sections of the act might be rendered inoperative as a result of the fact that the estimates had not passed.

I think we have to read the second clause of this bill with a close eye to the grammar therein. There is no verb before the word "authorized". It is not a verbal phrase, it is a participle, and it would seem that the best way to understand this wording would be in the sense of "the amount when authorized" or "the amount if authorized". In other words, it is a clause which is dependent upon another happening, which is conditional upon it.

Mr. Nielsen: It does not say that.

Mr. MacGuigan: But one has to start somewhere; one has first to approve either the estimates or the bill. We are

dealing with the bill, and on the basis of the principle which Your Honour elaborated at an earlier time the bill is to take precedence.

Mr. Nielsen: It does not say "if authorized".

Mr. MacGuigan: I know what the bill says, Mr. Speaker.

Mr. Nielsen: Don't put an "if" in, then.

Mr. MacGuigan: Hon. members may have their own ideas of what the bill says. The hon. member for Yukon (Mr. Nielsen) has been giving his interpretation and putting in words, now I am giving my interpretation of what the clause means. I am suggesting there is no contradiction between the estimates and the bill; the two work together. There is no other way in which the two could work together. It is a simple question for the Chair to decide which has priority.

Mr. Speaker, in light of the principle which you have established I suggest that the bill which is now before us ought to be given priority, and the point of order raised by the hon. members opposite should be found to be invalid.

Mr. Deputy Speaker: The hon. member for Yukon (Mr. Nielsen) on the point of order.

Mr. Nielsen: There are just two points I should like to discuss, Your Honour. The hon. member opposite has spoken of a descending order of values in his attempt to equate what is happening now with your ruling of January 25. He has advanced to Your Honour the argument that the bill is a more appropriate instrument for dealing with the matter than is an estimate.

• (2010)

The point I made on the point of order, which he apparently fails to appreciate, is that the whole matter turns on the word "authorized". That has to do with the authority of this House which comes into effect upon passage of the appropriation bill that comes in with the estimates, and it has nothing to do with the estimates themselves. So we are dealing with two instruments that are equivalent, a bill which is an appropriation bill coming in with the estimates and, on the other hand, the bill now before us. There can be no choice about any descending order of bills when there are two bills to deal with.

An hon. Member: Not at all.

Mr. Baldwin: Why do you not deal with both together?

Mr. Nielsen: Mr. Speaker, as I did not hear that interjection I cannot deal with it. Also, one clause of Bill C-124 might be inoperative if the estimates fail to pass, as has been suggested. That argument bolsters what I have been saying, that the bill before us anticipates the appropriation bill being brought in with the estimates; that appropriation bill is an essential prerequisite before the bill presently before the House can be dealt with.

I urge strongly upon you, sir, the idea that Bill C-124 anticipates an authorization that has not yet been given. The resolution itself uses the word "authorized". The use of the word "authorized", regardless whether it is used as a participle, presupposes that the appropriation bill will authorize the expenditure of funds in a manner in which this bill seeks to do, namely, to change those expenditures from an appropriation to an advance. Therefore I submit that my hon. friend and the government are trying to put the cart before the horse. This is a totally irregular procedure and would cast doubt entirely upon the validity of Bill C-124, if it should ever pass in its present form.

An hon. Member: Right on.

Mr. Lambert (Edmonton West): Mr. Speaker, further to the point of order, we have reached the point in the debate this evening that was anticipated in the second reading debate on this bill.

An hon. Member: Keep talking. We can wait until Christmas.

Mr. Lambert (Edmonton West): At that time I indicated to Your Honour, in speaking on the point of order raised in the earlier debate by the hon. member for Yukon (Mr. Nielsen), that the language of this bill, particularly with regard to clause 2 dealing with an item in the estimates, is total nonsense and an abuse of language in any way that one can reasonably consider it. With the objective of rescuing the government from its ineptitude with regard to unemployment insurance, some hon. members in the House are trying to hide behind the backs of the thousands of recipients entitled to unemployment insurance and, as a result, we have been taken to the brink of disaster because of that unconcern for the people.

The government, however, has chosen this method of asking the House for carte-blanche with respect to ceilings on loans or advances from the Minister of Finance. Having taken action through governor general's warrants, and having followed the requirements of the Financial Administration Act to convert those items which appeared on the governor general's warrants into advances—

Mr. Nielsen: Seduction with intent.

Mr. Lambert (Edmonton West):—the government has introduced this bill before the appropriation bill has come in, and the appropriation bill has not been passed by this House. I say this is a nefarious bill because it claims, in so many words, that this House has already authorized those advances. That is the point.

An hon. Member: True.

Mr. Lambert (Edmonton West): That is what the bill says.

An hon. Member: No.

Mr. Lambert (Edmonton West): There has not been any authorized advance under any appropriation bill.

An hon. Member: Go back to law school.

Mr. Lambert (Edmonton West): No appropriation has been put through and therefore no advance has been authorized by parliament.

An hon. Member: No.

Mr. Lambert (Edmonton West): It has not been announced by parliament.

An hon. Member: Right on.

Mr. Lambert (Edmonton West): And yet the government simply says—

An hon. Member: Tell that to your constituents who want to collect benefits.

Mr. Lambert (Edmonton West): If hon. members opposite have dined well, perhaps they could go elsewhere and enjoy themselves.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): In that connection there was a great deal of argument in committee.

Some hon. Members: Oh, oh!

Mr. Lambert (Edmonton West): There was argument on that particular point. I know that hon. members opposite who find this situation amusing have not even looked at the proceedings before the committee. They have not even bothered to inquire. They want to be able to say as they used to, "Mr. Speaker, we want to pass this bill." But the bill must make sense, and it does not.

I invite Your Honour to consider the arguments we proposed the other night on a point of order. We were then told that perhaps we were anticipating something, but now is the moment of truth. I invite Your Honour to consider carefully the language of the bill and the language of the item in the estimates which will form part of an appropriation bill, because neither the Chair nor any member of this House can guarantee that the appropriation bill will come forward soon or next month. Actually, there is no indication that the appropriation bill will be brought forward at all.

Some hon. Members: Hear, hear!

Mr. Baldwin: Or the Senate could turn it down.

An hon. Member: It will be introduced next.

Mr. Lambert (Edmonton West): In short, we are asked to approve language saying that a certain item authorized in the appropriation bill shall be deemed to be an advance within the meaning of section 137 of the Unemployment Insurance Act. That part is an abuse of language and is totally out of order.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. I thank hon. members for their contributions. Earlier today, when Bill C-124 was called for third reading, the hon. member for Hamilton West (Mr. Alexander) raised a point of order to the effect that Bill C-124 could not be proceeded with at this time. It was the hon. member's contention that since certain moneys were to be provided under vote L30a, and since that money could not be authorized until the passage of a supply bill incorporating vote L30a, the wording of clause 2 of Bill C-124 was meaningless and invalid. The hon. member suggested that the word "authorized" as used in clause 2 of Bill C-124 meant authorized by an appropriation act. While the Chair dealt in a preliminary way with the point of order on January 25, as will be found at page 661 of *Hansard*, it should be said that the question of considering concurrent or interdependent bills, if that phrase may be used, has been raised on other occasions in recent years.

On April 20, 1970, as recorded in *Hansard* at pages 6046-7, the hon. member for South Shore (Mr. Crouse) raised a point of order relating to Bill C-204, an act to amend the Fisheries Act. He contended that it was defective inasmuch as that bill incorporated, by reference, certain provisions of two statutes which did not then exist, namely, the Canada Water Act and the Northern Inland Waters Act. The hon. member went on to say that presumably those references related to Bill C-144, an act to provide for the management of the water resources of Canada including research and the planning and implementation of programs relating to the conservation, development and utilization of water resources, and Bill C-187, an act respecting inland water resources in the Yukon Territory and Northwest Territories, both of which were before standing committees of this House for clause-by-clause consideration.

• (2020)

"We cannot be asked," he said, "to assume that these bills will come out of committee unamended or pass through the necessary further proceedings in this House and in the other place unamended. We cannot even assume that the similar provisions in this bill and the other two bills will come out in the same legislative form. They will be dealt with by three different committees; the Standing Committee on National Resources and Public Works, the Standing Committee on Indian Affairs and Northern Development and the Standing Committee on Fisheries and Forestry. Until these other two bills are in perfect shape as statutes, this bill must be considered to be in imperfect shape". That is the end of the quotation from the argument of the hon. member for South Shore. It was suggested on that occasion by the Chair that the hon. member's point of order was very interesting and not without merit but, as suggested, it might have been premature. The matter did not arise again.

I might also refer hon. members to *Hansard* for July 30, 1958, at page 2872 to 2874 wherein a discussion is reported in relation to other companion bills, that is, bills with interdependent provisions. On that occasion, bills to amend the Excise Tax Act and the Customs Tariff Act were being considered, and while no decision was made by the Chair it would be fair to suggest, I think, that it was felt at that time that it was not a question of order but, rather, a matter of how best to achieve logical progression of companion or interdependent bills through the House.

There is little doubt in my mind that many examples could be found where companion bills were being considered concurrently by the House. For example, I am sure that interrelated provisions can be found almost annually in the budgetary taxation bills. Other recent examples would be the bills in 1967 relating to the revision of the Bank of Canada Act, an act respecting banks and banking, and the Quebec Savings Banks Act were being con-

sidered concurrently by the House at one stage or another.

In the same session, bills in relation to the Public Service Employment Act, the Public Service Staff Relations Act, the Financial Administration Act and the Statute Law (Superannuation) Amendment Act, all with interdependent provisions, again were being considered concurrently by the House. In that regard, I suggest that reference be made to the Minutes of Proceedings and Evidence of the Joint Committee on the Public Service of Canada in the 1966-67 session. In the 1968-69 session, reference might be made to amendments to the Financial Administration Act and an act respecting the organization of the government of Canada, both of which received royal assent on March 28, 1969.

I have spent some time on these examples because I was asked to do so by the hon. member for Winnipeg North Centre (Mr. Knowles) and I know other hon. members share his interest.

It could have been suggested that the bill and the related estimate, which in fact form an integral part of the preliminary stage in the passage of a supply bill now before the House, were not considered by the same committee and that substantive provisions of one of them could be or could have been altered or amended so that one would not have been consonant or consistent with the other. That question, I suggest, is one that could and must be resolved at the committee of the whole or report stage on the second bill to reach either stage.

What would be the alternative? It would be, surely, to set aside consideration of this bill and take in all its stages the item in the supplementary estimates. This would not only involve the approval of the estimate as it now exists as item 5 at page viii of today's Routine Proceedings under "Notice of Motion Pursuant to Standing Order 58(4)(a)." This would also in effect mean the amendment of a statute of parliament through an item in the estimates. This procedure in the past has always been vigorously resisted by members of the House of Commons.

That is, in effect, what the Chair was trying to say on January 25, as reported at page 69 of *Votes and Proceedings*—and I gave earlier the reference to the page in *Hansard*—when I stated, in part, "that the authorizing bill must become law before the authorization of the relevant estimate by the Appropriation Act". May I draw attention to the use of the words "authorizing" and "authorization" as used in that citation which was taken from May's eighteenth edition at page 731.

Given the choice, I feel that members of the House would expect that the Chair would favour the method that members themselves have advocated consistently on past occasions. The Chair has always agreed with this position, and it is to be consistent with past rulings that I suggest that the procedure now before us is the desirable one. Accordingly, the third reading will proceed.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: The hon. member for Hamilton West (Mr. Alexander).

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I thank you for the opportunity of leading off this debate. Incidentally, we are all very pleased to see that the minister is back in harness. I understand that he had been affected by the flu. I am sure I speak for all hon. members when I say that we are very pleased to have him back in our midst.

Some hon. Members: Hear, hear!

Mr. Alexander: Having said that, I want to know why the usual custom of the minister who is carrying the load is not being followed, that is, his making the necessary submissions in which he could perhaps discharge the heavy onus that is upon him as a result of requiring these changes.

I think it is quite irresponsible for the government to bring in this bill, have second reading, at which time the minister did speak, and take the bill to committee without making available the responsible minister. I do not blame him for that; we all understand that he was sick. The government brought in the Minister of Justice (Mr. Lang). If the minister is not quite up to it at this time perhaps we should have the Minister of Justice here to again give us his wisdom which most of us in committee, except for those on the other side, did not accept.

Many questions were raised during the committee stage which have been left unanswered by the fast-footing of the Minister of Justice who was sincere in his fast-footedness. We expected the minister to look at the proceedings to find out the several questions that we asked. Perhaps he thinks they were not asked correctly. I am at a loss to understand why the minister is not putting forward the position of the government at this time. Be that as it may, I do not see anyone jumping up to accept my challenge. I assume he does not wish to speak. If the minister wished to speak, he would have put a little something on the record so that the nation would know he is back, healthy and prepared to support this bill. I will certainly defer to him for as long as he wants. I will sit down, Mr. Speaker. I hope that as a result of my charity the Speaker will not look upon me as having lost my place. If we cannot have it that way, the minister can speak later.

The Acting Speaker (Mr. Laniel): Order, please. I should bring to the attention of the hon. member that following the rules and practices of this House, in moving third reading the minister is deemed to have spoken. That is the interpretation of the rule. As no one is entitled to speak in reply on third reading, the hon. member should complete his speech or give the floor to another hon. member.

• (2030)

Mr. Baldwin: We understood this. This is why my hon. friend suggested the House would give unanimous consent to the minister to answer the thousand-and-one questions which the people of Canada are waiting to hear answered. We are prepared to give unanimous consent to the minister to speak now and deal with this matter. I think he should.

The Acting Speaker (Mr. Laniel): Order. We all know the House is master of its own rules and that the minister may speak by unanimous consent. But the Chair could not

permit, as suggested by the hon. member, some kind of an interrogation to take place on all subjects. If the minister wishes to speak and unanimous consent is given, the Chair is ready to recognize him; but I will find it difficult to allow all kinds of questions to be asked.

Mr. Baldwin: That is not my suggestion at all.

Mr. Andras: On a point of order, Mr. Speaker. I rise to say I accept the hon. member's kind remarks about my return to the House after a bout of 'flu. I regret the inconvenience which has been caused to hon. members of the committee. But I did present myself, with my officials, during two meetings of the committee for some six hours, for some six hours. Also, and a great deal of effort has been put forward this evening to establish that the subject matter which was then considered is somewhat relevant to that which is under consideration now, with which I agree. We did present ourselves for six or seven hours and I understand there were a further dozen hours or so of questioning. I suggest that if opposition members ask questions for between 12 and 18 hours on a bill which contains only two clauses—

An hon. Member: Why not answer them?

Mr. Andras: I have read the transcript and I have not seen anything in the questions which would suggest there was anything to be gained by rising now and speaking on the motion for third reading.

Mr. Nielsen: On the point of order to which the minister has just spoken, I wish to point out that there were 19 members on that committee and the minister is accountable to the House of Commons, not to a standing committee. The very fact that he was absent for three or four of those meetings prevented us asking him many of the questions we wanted to ask as members of the opposition, so he cannot take refuge in the device of saying he cannot find anything intelligent in the committee proceedings. Again, perhaps this was because of his absence.

My second point is this. I was under the impression that my hon. friend from Hamilton West (Mr. Alexander) was speaking on a point of order directed to calling attention to the ordinary custom in this House, that the minister make an opening statement when he presents a motion for third reading of a bill. Surely we are entitled to such an opening statement. The hon. member for Hamilton West will be our lead-off speaker after Your Honour has disposed of the point of order. I request that the minister make that opening statement.

The Acting Speaker (Mr. Laniel): The hon. member for Yukon (Mr. Nielsen) might wish the Chair to rule on the point of order he has raised. First, as to what took place in a committee, as far as the Chair is concerned it is not in a position to take into account such procedures or the absence of hon. members from committee meetings. Were it otherwise, we would get very deeply involved indeed. The fact that the minister may not have appeared in the committee to the satisfaction of hon. members—possibly for a good reason—or the fact that he does not elect to make an opening statement on third reading does not constitute grounds for a valid point of order.

[The Acting Speaker (Mr. Laniel).]

Mr. Reid: Why not listen to the hon. member for Hamilton West? He might have something to say.

Mr. Alexander: Yes, my dear colleague, I shall have something to say. There is one thing you cannot do in this place; you cannot prevent us from speaking, as you tried to do in the standing committee, by moving closure in an effort to prevent Members of Parliament doing their jobs.

This bill was supposed to be a panacea to cure all the ills of the original Unemployment Insurance Act. This was to have been the means of ensuring legislation which would work to the advantage not only of the government but of everyone else involved in the structure of the unemployment insurance scheme. We were led to believe that his was the answer; this was what the government had attempted to do with its former bill, Bill C-229. Who would have imagined that we would find ourselves in the terrible dilemma we face today?

The act was supposed to bring benefits of administration. Events have proved otherwise and the heartlessness of the government has brought frustration to many thousands of Canadians. In the last analysis it is obvious that the bill has not turned out to be a panacea as we were led to believe. Responsibility for the dilemma now confronting us can be placed squarely on the shoulders of the government. If we were to believe what we were told, the structure of the fund would maintain equilibrium provided unemployment was less than 4 per cent. In these circumstances there was a responsibility upon the government to develop the economy; to ensure that the economy reached full employment, if we can accept this phrase as being meaningful. In this case the contributions made by the government would beat the lowest figure.

What happened? The government attacked inflation by bringing about high unemployment. Hon. members opposite have since confessed that this was wrong. The Prime Minister (Mr. Trudeau) sat in his high chair and said, "I will go to 6 per cent."

Some hon. Members: No, no.

Mr. Alexander: Mr. Speaker, it is amazing that they should say "No, no" I say this is what he said. He said he was prepared, in order to cure inflation, for unemployment to reach at least 6 per cent. In doing so he caused a degree of frustration among thousands of Canadians which citizens of a civilized country should not have to endure. High levels of unemployment meant that the unemployment insurance scheme was hopelessly handicapped.

I notice the Minister of Finance (Mr. Turner) realizes, at last, that it is necessary to produce a target figure for unemployment. After much prodding he has finally admitted that the government's goal for 1973 is a rate of less than 6 per cent. It is quite a challenge. We hope the government will accept the challenge, because if it is overcome there is no need for us to worry about huge advances being made to the unemployment insurance fund; we will not have to worry about a large amount being taken from the consolidated revenue fund as part of the government's share. This should be the government's goal. It should have been its goal in the first place, but it abdicated its responsibilities in this regard.

• (2040)

I am pleased that the minister made a small interjection, which was his speech. He said that he could not understand how such a small bill could create so much confrontation, so much debate. That shows that the minister does not really realize how devastating is the bill. I admit that it is a short bill: it has only two clauses. But their effect is devastating inasmuch as the consequences of the two provisions mean the removal of parliamentary control. I see the minister shake his head. The government are not only removing control but at the same time are asking us to give them a blank cheque.

Mr. Andras: No.

Mr. Alexander: I have heard the government say no before. Let hon. members opposite not get confused over advances, appropriations, funds and accounts.

Mr. Baldwin: They don't know the difference.

Mr. Alexander: No, they do not know the difference, though I will be charitable and say that a few may. The government is asking for a blank cheque so far as advances are concerned. They were limited at one time to advances of $800 million as working capital. This was money put at the disposal of the Unemployment Insurance Commission in the event that the premiums paid by employers and employees were insufficient to carry on on a month to month basis.

Mr. Andras: And what else?

Mr. Alexander: The government said, "Let us put a ceiling on it of $800 million".

Mr. Andras: But what about the government's share?

Mr. Alexander: When the government brought in these amendments, firstly to remove the ceiling and secondly in an attempt to make legal that which was not legal in the first instance under clause 2 they assumed a tremendous onus to discharge the matter satisfactorily, not only as far as Members of Parliament are concerned but also the people of Canada. Hon. members on this side went to the committee sincerely, hoping, that for some reason or other the government would tell us that the reason they needed to remove the ceiling was so-and-so.

Instead, the reasons we were given were unacceptable; they were the same reasons the government had given for imposing the ceiling in the first place. These reasons stem from 1971, at which time the reasons were satisfactory to the government and should have been satisfactory to us and to the nation. And we bought those reasons, Mr. Speaker. But what we bought was one of the biggest messes this country has ever seen in terms of government expansion. At the same time, the workers attached to the labour force and who are entitled to these payments were not given a break.

The government are now asking us to buy a pig in a poke; we are being asked to give them a blank cheque. I resent this type of thinking. Surely, if someone wants me to buy something they have to give me a price, some sort of figure. Not one member of this House at this time knows what this scheme is going to cost during 1973, despite the excruciatingly persistent cross-examination of the officials in committee. Surely the minister should not come to the House with this bill unable to project what the scheme will cost. That fact alone means he is in trouble, at least as far as we on this side are concerned.

I know the government is able to make a projection because it did so with the governor general's warrants. The government between October 5 and February 8 projected two significant amounts; I believe the first warrant was for $234 million and the second was for $220 million. This covered a period of four months. We are now asking the government to make a projection for the future, but the government says it cannot be done.

What bothers me when we talk about money is that to this government any sum is just a drop in the bucket. The former minister asked, "What's $220 million?" and said it was only a drop in the bucket. Amazingly, the same minister said that the people of Canada did not care how much it cost so long as the unemployed got their money. I do not know where he developed this kind of reasoning, because I should like to tell him that the people of Canada do care. Certainly they are concerned about their tax dollars. and rightly so. Whether the government likes it or not, one of our duties is to be the watchdog of the public purse.

I hear one member over there laugh at that. I should like to know what his thinking is with regard to this matter. The role of the opposition is to criticize constructively.

Some hon. Members: Hear, hear!

Mr. Alexander: That is what I am doing. I am trying to make the government behave.

Mr. Breau: Who supported the bill? You did.

Mr. Alexander: My hon. friend across the way says I supported the bill. If he recalls, we supported the bill on division after such haranguing and harassing in terms of bringing in meaningful amendments. I will tell him about one right now, and that was the eight weeks attachment to the labour force. Why does the hon. member not talk about the amendments that we tried to bring in? There were several and various amendments that we said would make the bill much more acceptable, which would make it a true unemployment insurance bill. For example, we talked about attachment to the work force. Now the government is being subjected to all kinds of criticism.

Mr. Andras: This is only a short bill, you know.

Mr. Alexander: The minister had his opportunity to make a speech. His great contribution tonight now seems to be to try to interject, to talk about amendments that his government did not accept, and did not accept for reasons which even now I cannot accept. It seems to me that anything the government says about the bill just cannot be believed. What they said previously could not be believed; time has shown that. The government has given us no reasons for believing them now. I agree it is a short bill, but the minister does not understand why we are talking about it. We are talking about it because we were sent here to talk about it. I recall that during the last

election campaign people asked me what was going on with regard to the Unemployment Insurance Commission.

• (2050)

The government said in 1972 there would be something in the order of $1 billion in terms of employee benefits. We know what it is now. It is almost $2 billion. Yet we are told that we do not have the right to probe into that matter and ask questions about it. Are we being told that we should be as irresponsible as members opposite have been and still are? As I have said, one of the prime functions of the opposition should be that of a watchdog on the public purse. We must not forget that. They may not like what we are doing, they nay not think it is necessary, but I say they must take their lumps. The minister said they must take their lumps. Certainly they do, because they were wrong then and are wrong now in attempting to remove this ceiling. In effect they are removing parliamentary control and are emasculating the supremacy of parliament in doing so. I say that no one should vote in favour of this bill without carefully considering the paramountcy of parliament in respect of government spending. Where are we going? Are we being told that the matter of spending should be left to the whims and fancies of cabinet? Surely that is not what this great institution is all about.

An hon. Member: What about the committee?

Mr. Alexander: The committee does not mean a thing when the government is still insistent on maintaining the principle of removing the ceiling. Should spending be at the whim and fancy of cabinet, or should it be on the direction and approval of parliament? I suggest it should be the latter.

The Minister of Justice, as a matter of fact—who played some role before the committee—indicated he agreed with the proposition that moneys which are appropriated from the consolidated revenue fund should be appropriated in accordance with the terms set out by parliament; he agreed with that. But for some reason or other he says that is what he would say in any other circumstance, but in this circumstance this is not needed and that they will do it on their own.

The former Minister of Labour, in one of his more exciting contributions when involved in this matter, said the opposition was not needed, that they could do it themselves without us. However, I say they need us to check them. I do not want anyone to make any mistakes. There are some members over there who are confused. What we are talking about are the advances, the working capital. It seems to me that in 1971-72 the working capital, or the advances were under control. We endeavoured with all our wherewithal to ascertain from this government why it had the control in the first place or why it had the limit in the first place. There was much speculation. The Minister of Justice, speaking on behalf of the minister who was ill at that time, said he thought it was useful, convenient and desirable. He did not say, however, that it was needed. I respectfully say that it was not only useful, convenient and desirable but that section 137(4) was needed on the basis of the information they had received from either the minister of National Revenue, the Minister of Finance, the Department of Manpower, or the Unemployment Insurance Commission and all the statistics that could be gathered together.

They decided they should be careful and place a limit in order to have some control. The Minister of Finance said he could not be paying out money helter-skelter at the whim of cabinet, but must have some control. What came out of all that? Here we have it. This was the bible at the time: it is a document giving facts and figures on unemployment insurance in the seventies. What a snow job that was! Now they discount it. They tell us to throw it away because they did not mean to say what is contained in this document. As a matter of fact, I believe the Minister of Justice said that it was sort of a guess. I remember that the unemployment insurance hierarchy indicated that under every circumstance which they could possibly bring forward, including consideration of all the variables, the amount that would be sufficient for the advances was $700 million. But they went one step further. They thought they would toss in another $100 million.

Is it not amazing that at that time they were so sure? They were absolutely positive that a ceiling was necessary in the new panacea for the ills of the Unemployment Insurance Act. What do we have now? We have the old flip-flop, the U-turn. As I look at this government, "U-turn and flip-flop" would seem to be its new name. When this government wants me to buy this nonsense, I say I am not buying it. They came to us in 1971 and asked us to believe them. We said we could not because we had figures which showed they were wrong. Then they told us not to believe our figures because they were wrong. They said that they had the expertise, the bureaucracy and the knowledge.

An hon. Member: And the computer.

Mr. Alexander: Let us not get involved with the computer. I say that controls are needed. I was convinced about this in the first instance. I say this is needed so that the people will have some indication of what is going on in terms of their money. This is the only protection the people have. We say that the government should come to parliament. We are not saying that the government cannot have any more money, but we are saying that it should come to us when it wants money. This is our responsibility; that is what section 137(4) is all about. Every conceivable argument was raised to have that provision included at that time. Now every conceivable argument is being projected in order to take it out. We cannot accept this flip-flop philosophy. It is not only unacceptable, it is irresponsible. It brings into question the competence and integrity of this government in enacting any of its policies, and especially its policy on unemployment insurance.

• (2050)

I am not saying that they did this deliberately, but perhaps they should get rid of all that staff because now we are questioning the government's intelligence. Perhaps they are the ones who should have gone. I see that a few of them are still around but I do not want to mention names. I will leave the poor former minister alone because he has been my friend over the years. He was sold a big bag of goods and he had to defend this bill for all its worth knowing that perhaps, as he said, he should

have come to parliament and let us know earlier of the situation of the fund. He wondered whether perhaps he was not wrong in this regard.

The hon. member for Winnipeg North Centre (Mr. Knowles) says that the government was wrong and stupid, but he goes along with them—he a man who cherishes the paramouncy of parliament.

An hon. Member: Come on.

Mr. Alexander: An hon. member in the rear has made a remark. I do not know what his problem is. He has not had a chance to speak since January 4. This is his maiden speech.

Mr. Rowland: Not quite.

Mr. Alexander: The reason that they give now for removing the ceiling is the constantly changing situation. There is one thing about it—

An hon. Member: Oh, oh!

Mr. Alexander: I have heard the hon. member speak before but I have not heard him speak off the cuff. He reads his typed speeches word for word. If there is one thing that he should learn to do it is to rise and take part in the debate as Members of Parliament should. I am not mentioning any names but I am referring to the hon. member in the red shirt over there. If he wants to rise on a question of privilege, let him stand up and the whole nation will know who I am referring to when I speak about the hon. member who reads his speeches in the House of Commons.

Mr. Knowles (Winnipeg North Centre): There are two members with red shirts over there.

Mr. Alexander: I am referring to the one with the loud mouth. Mr. Speaker, one would hope that this debate would be treated seriously and that we could score more serious points. But when you have buffoons interrupting you every five minutes it is not possible to have any continuity of thought.

Mr. Reid: You could not sustain it.

Mr. Alexander: I am still right on the road and I am speaking to the minister in charge of housing. We are waiting to hear from him. I am sure he has another panacea for the people of Canada. I know we will have to get involved with that matter sooner or later, and I hope he will not be smiling then as he is now; I hope he is deadly serious, because we are concerned about housing for low income people and I hope his bill will have some answers.

Mr. Basford: It has some of them.

Mr. Alexander: As I was saying, the reason which they give for removing the ceiling is based on constantly changing and unpredictable factors such as national and regional unemployment rates, constantly changing average earnings and the growth of the work force, in other words, the added participation in the work force, as well as the length of the benefit period. All of those factors were known in 1971.

Since then we have solved these problems; we have reached our conclusions after deliberation on all those matters to which I have just referred. However, they were absolutely adamant that there should be a ceiling. What do they say now? They say that it does not matter what they did in 1971, they just do not have the competence to project. I do not know whether they are referring to the incompetence of the Department of National Revenue in their projections, the incompetence of their economic advisers, the incompetence of the UIC, the incompetence of the Department of Manpower and Immigration or the incompetence of the Department of Finance.

I cannot for the life of me understand why at one time they were able and willing to bring forth projected costs, but now in 1973 they say they cannot do it. Yet they expect us to buy this bill, this pig in a poke. We cannot do that. We would be irresponsible if we did. The government should tell us how much this is going to cost in 1973. If they could do it in 1971, they can do it in 1973. Not a soul throughout this great land of ours knows now, or will know until such time as this government wants them to know, how much this scheme will cost. This is irresponsibility at its worst.

I wish the government could take this matter seriously, because they have not discharged their responsibility. They stated that they are able to project costs for four months, but when it comes to projecting costs in order to satisfy the public with respect to their money they say they cannot do it. Not only do they say that they cannot do it, but they will not do it. The minister says that he cannot hazard a guess. No one is asking him to guess. We say to the government that they should put their economic advisers to work in the departments which I mentioned so that they can come up with a figure, because if they do not do so the Canadian public will not be satisfied that there is a necessity to remove the ceiling. I want the government to believe that. The public wishes to know what the scheme will cost.

We should know in fact whether the bill is worded in such a manner as to meet the administrative problems and the problems that will arise as a result of the financial situation, keeping in mind that control should be in the hands of parliament. We know that under section 133 the money comes from the premiums paid by the employer and the employee as well as from the appropriations. The minister can get more money at any time with the approval of parliament. Even though there is a ceiling under section 133(b), it is not as if there was no possibility of obtaining more money. Although you needed more money, you did not have to do anything as devious as asking for governor general's warrants rather than come to parliament. All the government had to do was to look at section 133(b) which reads:

> any other amounts provided out of the consolidated revenue fund for any purpose related to unemployment insurance that is authorized by an appropriation by parliament and the administration of which falls to the commission.

There is a ceiling, and if the government needs more money they can get it from parliament. If parliament is not sitting, they can apply for governor general's warrants

so long as they do not make projections and resort to a devious scheme such as the government did and then attempt to have clause 2 of the bill passed. I see that the President of the Treasury Board has a perplexed look on his face. We said it before and we say it now; the government knew on August 15 that this fund was in trouble. If you didn't know, you should have known; and if you did know and did not attempt to pursue it further, then once again I say you were incompetent and irresponsible, because legal counsel for the Unemployment Insurance Commission had a meeting with the minister's officials shortly thereafter and met with a number of legal counsel for several departments, the names of which have not been revealed. I suspect that meeting was to determine how you were going to face that problem without telling parliament. That was the devious scheme; and finally someone said, "Let us grab them by governor general's warrants."

• (2110)

Some hon. Members: Oh, oh!

Mr. Alexander: They are oh-ing and ah-ing over there. This was your devious scheme to bypass parliament. And you expect us to stand here quiet, shackled and helpless. There is a parliamentary secretary laughing now.

Mr. Basford: Your own fellows are laughing too.

Mr. Alexander: There are four reasons why we need a ceiling. First, we need a ceiling because then the government will be so involved with the scheme, in terms of unemployment, that its whole fiscal and monetary policies will have to be directed to the development of the nation in order to reduce unemployment. A ceiling would give the government some impetus to work toward reducing the unemployment rate. I do not hear anybody questioning that so I suppose it is accepted.

Mr. Basford: If we interject, you criticize. If we don't interject, you still criticize.

Mr. Alexander: The second reason for a ceiling is to give some impetus to the Unemployment Insurance Commission in terms of administration. If you don't have a ceiling, who will care? There can be haphazard administration or no administration at all. As long as officials know there is a ceiling and they cannot grab a buck every time they turn around, this will make the commission think of what it should be doing to tighten up the administration, to eliminate abuses and to make the scheme work at the cheapest cost to the Canadian taxpayer. The Canadian taxpayer does not mind paying money when he sees it going for a good cause. But when he sees it going down the drain and is told it is only a drop in the bucket, then he becomes worried.

The third reason for having a ceiling—I think this is also of some importance—is that we must maintain parliamentary control, no matter who sits on the government benches. I would speak the same way if I were sitting on that side of the House, Mr. Speaker; and that is something we in this party will be doing in the very near future. We must give some semblance of strength to the House of Commons. Without that we might as well all go home right now. We might as well give up if we are simply going to spend money at the whim and fancy of cabinet without the consent of parliament.

I cannot understand how members of the government had the nerve to bring in this bill. The fourth and most important reason for having a ceiling is that the government has not given us any indication of what the cost of this scheme will be.

Mr. Basford: The money isn't for the government; it is for the unemployed.

Mr. Alexander: You say the money isn't for the government? I beg your pardon. You won't tell us how much the scheme is going to cost. We have a right to know. All of us were out on the hustings recently. We promised we were going to find out what was going on here. But I do not think many hon. members on the government side promised that. They don't give a damn. As a result, they are displaying the same old arrogant attitude. I thought they had learned a lesson.

The Acting Speaker (Mr. Laniel): Order, please. Is the hon. member for Waterloo (Mr. Saltsman) rising on a point of order?

Mr. Saltsman: Would the hon. member for Hamilton West (Mr. Hamilton) permit a question?

Mr. Alexander: Mr. Speaker, not on your life. The hon. member can get up in debate and do all the questioning and answering that he wants. I have given four reasons why I think it is necessary to have a ceiling in this bill. I have never been more serious in my life than when I stand here now and try to convince hon. members, both in front of me and to my left, that it is necessary to have a ceiling in the bill.

Clause 2 also bothers me. I know other hon. members will become involved in this argument. I listened to the Minister of Justice explain it in terms that he believed would be acceptable to the House and to the nation. Once again he did not leave us with anything we could grab on to, and all I can say is that clause 2 came about as a result of section 23 of the Financial Administration Act.

The government went to the Minister of Finance and to the President of the Treasury Board and said, "Let us get an appropriation." It was an appropriation then, and in my respectful submission this meant it was a grant coming from the consolidated revenue fund. But now the government says, "Oh, no. Even though we took it under section 23 and the following section, we don't mean that to be a grant. Even though most of it is our fault because of high unemployment, we are going to call it an advance so that it can come within the provisions of the Unemployment Insurance Act and be paid back from premiums contributed by employees and employers."

I do not know what is wrong, but any time I see the words "deemed to be an advance" under section 137 of that act, something smells. Something smells when it says it shall be deemed to be this and not the other. It leaves me with the impression that in the first instance it was an appropriation. In order to clear up that ambiguity the government now introduces this bill, asking us to approve this type of nonsense that it has been projecting ever since

October 5 last. If we pass clause 2, then we approve what the government has done in terms of governor general's warrants even though we argued for two days about the illegality of that. As a matter of fact, someone said it was one of the most unique situations, right on the border of illegality. We are being asked to give overt approval to something that we believe was definitely and drastically wrong.

If we approve this, it is also putting an added burden on those who contribute to the scheme, the employees and employers. The minister shakes his head.

Mr. Andras: You just don't understand.

Mr. Alexander: If it is going in as an advance, it has to be paid back on such terms and conditions and in such a manner as the Minister of Finance may prescribe. That is quite obvious. Whereas, Mr. Speaker, if this matter is left as a grant it takes on a different complexion entirely, because then it is out of the consolidated revenue fund; that is where it stays and the whole program is shared by the taxpayers, generally speaking.

• (2120)

In conclusion, Mr. Speaker, I am most surprised that a bill which I had thought would be meaningful and would solve the ills of the unemployed has led us into one of the most elite debates that I have encountered in my four and a half years in this House. It is a debate that I think we should all be very much aware of; we should all be cognizant of what this government is attempting to do in two areas. First of all, they are trying to remove the control of parliament on government spending and, secondly, they are trying to make us accessories after the fact. We do not appreciate either of these gestures, Mr. Speaker, and we do not endorse them. Accordingly, as on second reading, we take a very dim view of this bill.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when the hon. member for Hamilton West (Mr. Alexander) was condemning the government for its failure to solve the problem of unemployment, and indeed for its deliberate policy of creating unemployment as its answer to inflation, I was with him 100 per cent.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): In fact, Mr. Speaker, I wish he had spent more time dwelling on the way in which this government has let Canada down these last few years by its failure to come forward with policies that would produce full employment.

Mr. Woolliams: Well, you are supporting them.

Mr. Knowles (Winnipeg North Centre): As the hon. member for Verdun (Mr. Mackasey) has pointed out on a number of occasions, the real scandal of this government is not with respect to its administration of the Unemployment Insurance Act; the real scandal of this government is unemployment itself.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): If there is anything that we should be doing in this session of this parliament, we should be bringing home to the government the urgent necessity of dealing with the problem of unemployment. I wish my hon. friend from Hamilton West would use his debating skill and his loud voice not to flog a dead horse but to try to get the government to face up to what is the real scandal.

Mr. Woolliams: If I ever saw a dead horse, we have one now.

Mr. Knowles (Winnipeg North Centre): I join with the hon. member for Hamilton West in his assertion that there are a number of weaknesses in the Unemployment Insurance Act. It may be that we would disagree about those weaknesses, however. I suggest that there are places where he would like to tighten the administration of the act, whereas some of us are more concerned that the people it covers really get the rights to which they are entitled.

The hon. member says that his party supported the Unemployment Insurance Act on division. Mr. Speaker, that statement shows that they are trying to have it two ways. When someone in this House, in response to a motion, says "On division" it does not mean that he is half for it and half against it; it means that he is against it but is not forcing a recorded vote.

Mr. Speaker, we found fault with the Unemployment Insurance Act, but on balance we felt it was an improvement over the previous act; that it was worth a try and that having tried our best in committee to get it improved, we should give it a chance. The trouble is that this Unemployment Insurance Act was put to a test by a level of unemployment far beyond anything that the government had contemplated and far beyond anything that we had considered when we had the bill before the committee. Let me say, at the risk of repeating myself over and over again, Mr. Speaker, that the scandal which erupted during the election campaign, and the scandal that is still with us, is not a monetary scandal, is not a case of misappropriating or over spending money; the scandal is unemployment itself.

Some hon. Members: Hear, hear!

Mr. Andre: Let's turn them out, then.

Mr. Knowles (Winnipeg North Centre): The entire opposition of this House, including my friends of the Progressive Conservative party, should be insisting on policies that will do something about unemployment itself.

Mr. Speaker, even after we have isolated the real issue, namely the scandal of unemployment, and even after we have pointed to some of the weaknesses in the present Unemployment Insurance Act, the fact is that Bill C-124 is here for one reason only. I suggest that it is the responsibility of the grown up members who sit in this House of Commons to acquaint themselves with what this bill is all about. This bill has nothing to do with the terms and conditions under which unemployment insurance benefits are paid; this bill has nothing to do with paying a deficit on the unemployment insurance account; the purpose of this bill is simply to cope with the fact that as the bill was

set up certain working advances were required because unemployment got out of hand. The amount of working advances so required was greater than the $800 million ceiling that was put in the act. We are not talking about paying a debt of $800 million or a debt of $1,250 million, which is what the figure has grown to as a result of the governor general's warrants; we are talking about advances that had to be made so that the Unemployment Insurance Commission, as it was required to do, could carry out the law imposed upon that commission by this parliament.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): My hon. friend keeps saying that he is for the poor, that he is not anxious to interfere with the payment of unemployment insurance benefits; but, Mr. Speaker, if this bill is defeated or is not passed within the next two or three days, the payment of unemployment insurance benefits will halt.

Some hon. Members: Oh, oh!

Mr. Andras: Twenty-four hours.

Mr. Knowles (Winnipeg North Centre): The responsibility will be on my friends to the right.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Andras: By Wednesday!

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, at the risk of sounding like a school teacher, which I am not—

Mr. Woolliams: Take a chance.

Mr. Knowles (Winnipeg North Centre): In any case, after the demagogic display we have had from my hon. friend from Hamilton West—

Some hon. Member: Hear, hear!

Mr. Knowles (Winnipeg North Centre): —I think it is necessary ônce again to do a bit of what the hon. member for Verdun did when we were on second reading. May I therefore explain how the Unemployment Insurance Act now operates. There are paid into the unemployment insurance account premiums by employers and employees and, provided unemployment is under 4 per cent, something the Liberals know nothing about, that is all that goes into the account. But, if unemployment exceeds 4 per cent, and it has been away above that for a long time, when the calendar year is over and the computation can be made there must be credited to the unemployment insurance account an amount equal to the total amount of the unemployment insurance paid out because unemployment was above a 4 per cent national average. We do not yet know what that amount will be that the federal government must put into the unemployment insurance account for the calendar year 1972.

• (2130)

An hon. Member: Why?

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): That, really, is an irrelevant question. The fact is we do not know the total of the payments that will reach the unemployment insurance account from the Department of National Revenue and reflect the premiums that have come in from employers and employees.

It is in that interim period, when it has not been possible to credit the government's contribution that is required because unemployment is above 4 per cent, when it has not been possible to compute what the total premiums are for employers and employees, that the Unemployment Insurance Commission requires a working advance so that it can do that which it absolutely must do, pay benefits to the unemployed people of this country as required by the law of this parliament. We provided for that in the act, so that in this interim period when the books are not completed, when the moneys are not all in, the unemployed will not have to wait for their payments. The working advance is used for that purpose.

That is what the $800 million fund was for. That is why the government, when parliament was not in session, had to obtain money through governor general's warrants. It required a total of $1,250 million to finance the payments. But that does not mean, as my hon. friends on my right have tried to make out, that there is a deficit of $800 million or $450 million or $1,250 million in the fund. We will not know what the deficit is until the bookkeeping for the whole year has been completed. I understand that it may not be completed for some weeks or even months. So we are talking about a period in which all we are concerned about is working advances.

Conceivably, and I put it that way because I know that it will not work out that way, once the money and the accounts are all in there might be enough money to pay back the full $1,250 million, but I do not think there will be enough to pay it all back.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): Certainly, the amount of deficit at that point will be a lot less than $1,250 million.

If I may continue for a few moments longer in a school teacher's vein, what happens if after the bookkeeping is done for the calendar year it is determined that there is a deficit? Is the treasury called upon at that point to make an appropriation? No. In the meantime the Unemployment Insurance Commission has had the obligation to adjust the rates that it charges to employers and employees, in the hope that in the succeeding year or succeeding two or three years that situation will be overcome.

It is quite conceivable that in a run of two, three or four years the unemployment insurance account, as now established, could come out even steven. There is no guarantee of that, but that is the way it works. To talk of there being a deficit at this point, of there being a charge against the treasury or about the necessity for an appropriation, is to fail completely to understand how this act works. How could my hon. friends who have talked about the hours that they sat on the various committees still display such ignorance as to how this fund works. That really amazes me. We are not talking about a deficit; we are not talking

about something that has to be charged to the consolidated revenue fund; we are not talking about something that needs to be paid for by the taxpayers of Canada.

Mr. Nielsen: Oh, come on!

Mr. Knowles (Winnipeg North Centre): We are talking about a working advance that is needed because the money is not all in.

Some hon. Members: Hear, hear!

Mr. Nielsen: And about short falls.

Mr. Knowles (Winnipeg North Centre): We are talking of a scheme that runs in terms of a three or four-year cycle.

Mr. Nielsen: We are talking about short falls as well; the minister said so himself.

Mr. Knowles (Winnipeg North Centre): There is a short fall of revenue at the moment.

An hon. Member: And who is going to pay it?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, do I have to go over all this again?

Some hon. Members: No, no.

Mr. Knowles (Winnipeg North Centre): This afternoon I was invited to take the floor, whether I wanted to or not. Now I am getting the opposite advice.

An hon. Member: Some cannot understand the law, or will not.

Mr. Knowles (Winnipeg North Centre): This is a simple operation and is easy to understand if anybody really wants to understand it. I suggest that my friends of the Progressive Conservative opposition who continue to talk about this as if somebody was defrauding the treasury, or as if somebody was imposing an extra burden on the taxpayer, are misunderstanding completely or failing to understand how the present Unemployment Insurance Act works.

There are some other remarks I wish to make. I was not too happy—

An hon. Member: But you are happy now.

Mr. Knowles (Winnipeg North Centre): —over the arrangement whereby employers and employees were required to pay the whole shot up to the 4 per cent rate of unemployment. I wanted the government to come in from the first dollar, as was the case under the old scheme where the formula provided for a sharing on a basis of 50-50-20; but that was overruled and the present act was put on the statute books.

I think we are under the obligation to give the Unemployment Insurance Act in its present form a fair trial. I do not think my hon. friends of the Progressive Conservative party want to give it a fair trial.

Some hon. Members: Oh, oh!

Mr. Gilbert: Right on.

Mr. Knowles (Winnipeg North Centre): They say they are concerned about the poor. I say they are yielding to the backlash against welfare and the backlash against the Unemployment Insurance Act. I can read editorials in the newspapers, too, but I hold that the idea of unemployment insurance for covering people who are without income because they are out of work is a social principle of the highest order. This parliament has supported it since 1940 and it was advocated for 20 or 30 years before that. I submit that any individual or party that stands in this House and tries to downgrade the principle of the unemployment insurance scheme does not deserve to be listened to at all.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Let me say a few more words about this.

An hon. Member: I think the government had better listen.

Mr. Knowles (Winnipeg North Centre): I want to talk about this extra money that is supposed to be available as a working advance. I think the government was stupid for putting the ceiling in there in the first place. There is no reason why it was put there, and I think it is to be commended for admitting that was a mistake. Actually, the Minister of Justice (Mr. Lang), speaking for the Minister of Manpower and Immigration (Mr. Andras), before the standing committee used the term flip-flop. He said, "Yes, we made a flip-flop", and I commend him for his admission. As I say, the ceiling should never have been put there in the first place.

We have old age security in this country. We have an act which says how much our senior citizens are to be paid.

An hon. Member: It is not as good as it ought to be.

Mr. Knowles (Winnipeg North Centre): My hon. friend says it is not as good as it ought to be. That is correct; and it had better be a lot better soon, or else.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): But there is nothing in the Old Age Security Act which says—

An hon. Member: But there soon will be.

Mr. Knowles (Winnipeg North Centre): —that if a certain level of money has been paid out, no more may be paid.

Mr. Basford: The Tories will put that in, if they can.

Mr. Knowles (Winnipeg North Centre): That legislation happens to be comparable to the act we are considering because there is an old are security account to which certain moneys are credited. If that fund is in the red, do old age security payments stop? No. The Minister of Finance makes the necessary advances. Similarly, we have a Family Allowances Act in this country: it states that children up to certain ages get a certain amount of money. We have a Youth Allowances Act as well. Do we have anywhere any provision that if the number of chil-

dren gets so large that the total cost exceeds a certain amount, that it be stopped? There is no such thing at all. Why, then, do my friends to my right want to impose a ceiling on the amount that is available to unemployed people as long as they are getting their benefits under the provisions laid down under the act?

• (2140)

We have veterans pensions and veterans allowances. When veterans meet the conditions and pass the tests of the Canadian Pension Commission, they get the pension that is in the schedule. Nobody says, "Oh, but there must be parliamentary control. There must be a limit to how much we can pay out". We have war veterans allowances. If veterans meet the conditions of the War Veterans Allowance Act, they get their money. There is no Tory saying, "We must have parliamentary control. We must have a limit." Not at all.

The Canada Assistance Plan works much the same way. In that case the federal government even underwrites what the provinces do. As long as the provinces meet certain conditions laid down in the Canada Assistance Plan, they can pay supplements to their pensioners, get various programs under way in the social welfare field and collect 50 per cent of the cost from Ottawa. Nowhere is there any ceiling or provision that says they cannot get this when they exceed a certain amount of money. What is it that is wrong with unemployed people, in the minds of my friends to the right, that they must be pilloried in the way they are being pilloried in this House tonight and being told that they cannot get their money?

Some hon. Members: Oh, oh!

Some hon. Members: Shame!

Mr. Knowles (Winnipeg North Centre): My hon. friends to my right do not like the reference to their not getting their money. They know that if this bill is not passed in the next two or three days, the money which the Unemployment Insurance Commission now has for the payment of unemployment insurance benefits will run out and there will be a cessation or a hiatus in the paying of unemployment insurance benefits.

A few years back there was a crisis with regard to unemployment insurance. Our friends in the other place held up a bill that had some extra money for the unemployment insurance fund of those days. They held it up for the weekend, that is all. The result was that some payments were delayed for a day or two. At that time I was able, as I have seldom been able in all the years that I have been in this House, to get unanimous consent to a motion to debate my bill to abolish the Senate. Why? Because this House was furious that the Senators took action that delayed the bill over a weekend which held up for a day or two the payment of unemployment insurance benefits.

The members of the official opposition are now taking a stand the result of which can be the cessation of the payment of benefits on Wednesday or Thursday of this week certainly until February 15, if not longer. I suggest this is an irresponsible position to take. It puts this House in the position where we ought as soon as possible to say that this bill is justified, it ought to be passed and the same principles that we apply to the payment of old age pensions, family allowances, veterans benefits, and so on, should apply here.

We are not giving the unemployed a chance to dip their fingers into any till. We are just saying that this sovereign parliament of Canada passed an Unemployment Insurance Act that states when unemployed people meet certain conditions, they shall get their benefits.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): No responsible Member of Parliament has the right to take a stand which interferes with those benefits. For these reasons we feel that this bill should be passed at this time. We will not lose parliamentary control. Parliamentary control was written into the Unemployment Insurance Act itself. Although my hon. friends may not know it, the Department of Finance has to report on these matters all the time. It reports appear in the Canada *Gazette*, part I, every month. These reports include the state of loans and advances that are made. These things are not done in secret. We know the state of the loans. We know the state of the old age security account. These things are all public. At budget time, the Minister of Finance (Mr. Turner) has to give a full accounting. We have control over supply. We have control over the government. We have far better control if it is done this way than the sort of blind and secret $800 million that the minister was able to use. I think that was a mistake and it is time for it to be put out.

In view of what happened this afterooon I thought my hon. friend was going to move an amendment to state their opposition to clause 2 of the bill. I even drafted it for him when I was speaking on a point of order earlier today.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): He did not move the amendment but he called upon the House to reject clause 2. I really become astounded at the way these people can go both ways. They talk about this whole business as though it is a monetary financial scandal. They say, "We don't know the cost. The people of Canada are having to pay for it." Yet when the government comes in with a proposal that the working capital necessary to keep the fund in balance should be an advance only, they say, "Oh, no; make it an appropriation." That would put it back on the taxpayers of Canada. I do not know what the *Globe and Mail* and some of the other papers would say then. They would probably wonder what happened to their Tory friends.

Let us give this new piece of legislation a decent trial. To take the Tory line would be not only to interfere with the unemployed getting their benefits but would bring an end to this fair trial. I think the position my friends to the right are taking is completely irresponsible.

I am as much for parliamentary control over the public purse in a real way as anybody in this House. I am for an Unemployment Insurance Act that is better than this one, but we have a particular and immediate situation. We have an act that is in trouble because unemployment got

too high. All that is needed is that there be sufficient working advances so that the government can carry it. For the members to my right to block it is utterly irresponsible. It is not worthy of them. For our part, we believe in unemployment insurance. We believe the unemployed people of this country have their rights and that is why we are supporting this bill.

Some hon. Members: Hear, hear!

Hon. Bryce Mackasey (Verdun): Mr. Speaker, I do not intend to get sidetracked too much by the remarks of the hon. member for Hamilton West (Mr. Alexander) who is using the word flip-flop as part of his vocabulary now. I do not think anyone in the House of Commons has done as many flip-flops as that hon. member has in the debate in recent weeks on unemployment insurance.

Some hon. Members: Hear, hear!

Mr. Mackasey: I am more interested in getting on to the impression that the hon. member and other hon. members of this House have left, namely, that the worker of this country is lazy, that the plan has been abused and that there is some type of stigma about unemployment insurance. I think that the following facts, hopefully to be reported by the press and arising out of the evidence before the miscellaneous estimates committee and given to me by the present minister, will put to an end once and for all the concept that Canadians have abused this plan flagrantly.

• (2150)

In 1972, the year just completed—that is the first year under the new act—we had the concept of universality, which meant that over 7,150,000 workers out of close to nine million members of the work force paid into the unemployment insurance fund and were therefore eligible for benefit under certain conditions. In 1970, the last full year under the old plan, when we did not have universality, when coverage was restricted—as hon. members know, there were no school teachers, hospital workers or casual workers contributing—there were only 4,900,000 covered by the unemployment insurance plan. In 1972, 7,150,000 people were paying into the unemployment insurance scheme, and despite the high rate of unemployment there were 2,099,000 claimants.

In 1971, there were 2,092,000 claimants and in 1970, out of a work force of about 5 million, there were 2,049,000 claimants, a drop of only 50,000 compared with those drawing unemployment insurance this year despite the fact that the plan of two years ago required 30 contributions for eligibility and this year only eight were required. Where are the abuses that the people across the way are so prone to talk about?

Some hon. Members: Hear, hear!

Mr. Mackasey: The hon. member for Winnipeg North Centre (Mr. Knowles) has said it much more eloquently than I can. The hon. member for Hamilton West (Mr. Alexander) knows as much about the Unemployment Insurance Act as the present minister or the former minister. Yet he has found it convenient to disown the very act he was so proud of—convenient to disown the steel workers of Hamilton.

Some hon. Members: Shame.

Mr. Mackasey: —and play up to the reactionary forces in this country in the most flagrant manner I have ever heard in debates in this House in recent years. He is responsible, intentionally or otherwise, for the distortion which has gone on in this debate about the $800 million.

The hon. member for Winnipeg North Centre has drawn attention to the fact, the minister has drawn attention to the fact and it has been stated ad nauseam before the various committees, that the $800 million is nothing more than a method by which the government lends money to the commission for day to day financing. And when it is accounted for in April, hon. members will find that the government owes all but $159 million. The rest is owed by employers and employees, and the act provides that the backlog must be picked up through increased contributions. And they will be picked up. There is no mystery about this. The hon. member for Hamilton West understands it. You see, he loves to walk along a tightrope, appearing to be a friend of the steelworkers on the one hand and passing as a great lawyer on the other. But he cannot have it both ways all the time and constantly be on both sides of the fence in Hamilton.

I know something about that city, as the hon. gentleman is aware. I can remember walking through Gage Park in the thirties. The unemployed were lined up in rows, passing a single newspaper from one to the other. We in this party don't want to get back to those days.

Some hon. Members: Hear, hear!

Mr. Mackasey: Only once did the hon. member get on the right track. That was when he said the government had the responsibility to bring unemployment down to an acceptable level. In the interval, those who were unemployed through no fault of their own should not be forced, by the reactionary tendencies of the party opposite, to forgo benefits which are properly theirs.

Some hon. Members: Hear, hear!

Mr. Mackasey: The defeat of this bill, as the hon. member who is a prominent lawyer knows, would make it impossible for the Unemployment Insurance Commission to pay to the innocent victims of unemployment their benefits next week, or the week after, or very soon. How it is wrong to have a ceiling of $800 million, and then propose an amendment that it should be $900 million when he says that $800 million is much too high—

Some hon. Members: Oh, oh!

Mr. Mackasey: —is a technique I cannot possibly follow. He comes in with an amendment that it should be $900 million. That is a piece of logic I cannot understand.

Mr. Alexander: I rise on a question of privilege, Mr. Speaker. I do not mind the ravings and rantings of the former minister, but I do not want him to put words into my mouth which have not been uttered by me.

Some hon. Members: Question.

Mr. Alexander: Just a minute.

Mr. Crouse: How about a little order, Mr. Speaker?

Mr. Alexander: All I would like to say is that I think the minister is very dishonest.

Some hon. Members: Oh!

Mr. Alexander: He is less than honest.

Some hon. Members: Order.

Mr. Alexander: He is less than honest when it comes to interpreting my remarks to suit his own political expediency. My main point is that there should be a ceiling in this act—

Some hon. Members: Order.

The Acting Speaker (Mr. Laniel): Order. It appears to the Chair the hon. member is simply making an argument now. He has made his speech and I do not think a question of privilege arises.

Mr. Baldwin: With great respect, Your Honour—

Some hon. Members: Order, order.

Mr. Baldwin: Would you ask the menagerie to be quiet? I simply say it is permitted under the rules, when an hon. member objects on the ground that another hon. member has attributed to him words he did not use, for the member who feels he has been misrepresented to rise and say so. That is all. It may simply be a misunderstanding. But this is the only opportunity available to my hon. friend from Hamilton West (Mr. Alexander) to put the record right. He is entitled to make the statement he did.

The Acting Speaker (Mr. Laniel): I do not disagree with the point made by the hon. member, but neither do I think hon. members should take advantage of questions of privilege to make a second speech. The hon. member for Verdun (Mr. Mackasey).

Mr. Mackasey: I regret it if my words were offensive to the hon. member, but I do know that an amendment was moved today—

The Acting Speaker (Mr. Laniel): Order, please. I regret to interrupt the hon. member, but it is ten o'clock.

PROCEEDINGS ON ADJOURNMENT MOTION

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

[Mr. Alexander.]

VETERANS AFFAIRS—DISABILITY PENSIONS—REQUEST FOR STATEMENT ON STEPS TO EXPEDITE DECISIONS ON APPLICATIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I have raised this question out of concern for the backlog of applications by Canadian war veterans and their rights under the amendments to the Canada Pension Act to reapply for disability pensions.

• (2200)

On January 9, as reported at page 88 of *Hansard*, I asked the Minister of Veterans Affairs (Mr. MacDonald), who today was referred to as the minister of agriculture, in view of the fact that the number of applications was increasing rather than decreasing, what steps he was taking to control the build-up in the backlog of applications, particularly in view of the fact, as I have said on many occasions, that the expected lifespan of Canadian war veterans is getting shorter and shorter as the years go by. The minister indicated in his reply to me that in a matter of days we would know what steps are being taken to rectify the situation and that pretty soon the trend would be reversed.

Subsequently, under questioning in the miscellaneous estimates committee the chairman of the pension commission said that while he realized these problems are of great concern across the country, he was rather pleased to say that the commission was making fairly good progress. He said that the backlog reached a peak of almost 9,600 cases at the end of September and that the commission were able to reduce that in January to just under 9,400. He said that the thing that was more important than having merely cut off 200 cases was the statistics themselves.

He went on to say that each month for the last seven months they found they had increased their production substantially. For each month of 1972, compared to each month in 1971, they increased their production. The incoming claims continued to go down. The curves on the graphs and the statistics showed a decided decrease, although there were individual months when they did go up. He said that in November and December of 1972 there was an increase but the over-all picture showed a decrease. Then he said that he was fairly confident that within the next two or three months we should be well on the way down.

I have every faith in the words of the chairman of the pension commission because I know he is as concerned as I am on behalf of the veterans that time is of the essence so far as the World War I and World War II veterans are concerned. I also know that the new minister, who certainly portrays an example by his contributions to the efforts made by veterans, feels that no stone should be left unturned either to increase the number of pension commissioners on an ad hoc basis, be it regionally or nationally, or to amend further the benefit of the doubt clause so that every benefit is directed toward the veteran who deserves, as of right, compensation for the sacrifice that he or she made to our nation in time of war.

We now have an opportunity, Mr. Speaker, to open up the whole question of the backlog of applications. Therefore I request the minister to deal with the matter. A number of days have past since he indicated to me in this

House that in a matter of days this situation would be rectified. Therefore, I ask him at this time what proposals he has to support the answer he gave me in the House on January 9, almost one month ago, and I look to him for that answer at this time.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, in answer to the hon. member's question may I say that under the Pension Act pensions are paid in respect of members of the forces who have been disabled or died as a result of military service. At the present time the Canadian Pension Commission is paying pensions for disability to over 19,000 World War I veterans and over 12,000 of their widows. They are also paying over 1,000 disability claims to World War II veterans and to some 15,000 widows whose husbands' deaths related to that war. All told, there are over 150,000 persons receiving pensions related directly to injuries or death as a result of military service for this country.

World War II has been over for some 27 years, and World War I for over 54 years, but even now claims are being received at the rate of about 700 a month. The Pension Act was amended in the spring of 1971 and it provided many new extended benefits and has given many veterans or their dependants the opportunity to reapply for pension. The Canadian Pension Commission is dealing with these claims as rapidly and as sympathetically as possible. Members of the House will be interested to know that although the number of claims awaiting adjudication reached a peak of almost 9,600 by the end of 1972, the first reduction in the backlog was made in January so that there are now just under 9,400 on hand. This is the figure I was looking for when I told the hon. member I hoped I would have a more favourable report. So I am glad it has turned out this way.

One area in which there has been a good deal of interest lately is the basic rate of pension. Rates in the past have been set from time to time. Last year the government introduced a cost of living feature so that pension rates increased with the increase in the cost of living. The veterans' organizations were pleased with this but felt that the basic rate itself was too low. As a result, a study group was established jointly by the veterans' organizations and officials of the Department of Veterans Affairs and the Canadian Pension Commission under the chairmanship of Mr. A. O. Solomon. This group has now issued a report which was tabled in the House last week and which, briefly, recommends that the basic rate payable to a single, 100 per cent pensioner be related to the earning power of the single public servant. In doing this they took five categories and worked out an average take-home pay. They also recommended that the married pensioner should receive an additional 25 per cent—

Mr. Deputy Speaker: Order, please. I regret to interrupt the minister, but the time allotted to him has expired.

HARBOURS—TRANSFER OF ADMINISTRATION OF SMALL CRAFT HARBOURS TO DEPARTMENT OF THE ENVIRONMENT

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, on January 16, as recorded at page 333 of *Hansard*, I asked the Minister of Transport (Mr. Marchand) the following question:

Has responsibility for the administration of small craft harbours been transferred from his department? If so, when, and under what authority?

The Minister of Transport was somewhat vague in his reply so I transferred my question to the Minister of the Environment (Mr. Davis) who responded as follows:

Yes, Mr. Speaker. Responsibility for the administration of small craft harbours was transferred from the Department of Transport to the Department of the Environment in March of last year.

I was somewhat surprised by this answer, although in fairness I should say I was aware that some such idea was under consideration as a result of having been provided by the office of the Minister of the Environment shortly before the 1972 summer recess and the subsequent general election with a couple of documents. One is entitled "Interdepartmental task force on small craft harbours". In it, the following terms of reference are set out:

By cabinet document, No. 766-71 dated July 12, 1971 the cabinet committee on priorities and planning agreed under section (f) of this decision that a report on small craft harbours be prepared by the Minister of the Environment in consultation with the Privy Council office—

The terms of reference include some principles and guidelines one of which is a definition of small craft harbours as follows:

That small craft harbour be defined . . . as any sheltered area of navigable water, natural or artificial, where small craft may be moored or berthed and where the harbour's present primary use is one of or combination of commercial fishing, recreational sport fishing and pleasure craft activities.

• (2210)

Second, I would like to state that a small craft harbour may exist either at a separate dock contained entity or as a part of a larger multipurpose harbour. The second document I have is headed "A listing of the 131 small craft harbours in the Province of British Columbia presently vested with the Ministry of Transport and subject to further transfer considerations under the terms of reference of the inventory review—phase II."

The date of that report is April 17, 1972, and as I understood it the transfer considerations and the fact that the listing of harbours was presently under the ministry of transport made it clear, at least to me, that this was a matter under discussion and consideration within the councils of this government. Certainly my impression was that no such transfer had taken place, yet the minister said on January 16 that this transfer had in fact taken place in March. I find this puzzling to say the least.

The interdepartmental task force had another item under its principles and guidelines to which I would like to draw the attention of the House. It reads:

That small craft harbour component marine facilities be functionally considered in context of an integrated harbour system.

This led me to make an analysis of the harbours in British Columbia with which I am most familiar. Of the 131 harbours listed in this document, 53 are in Comox-Alberni. Because of some knowledge of those establishments I have had a look at them in relation to the criteria that were set forth. Of the 53 locations, I classify only 15 as exclusively fishing and/or pleasure harbours and only

three as exclusively transport harbours. All of these in this listing of 15 plus three that I have given are relatively small. In fact, in the earlier report by Dr. Tom How they were classified either as C or D harbours.

This raises the whole question of what value if any there is in dual departmental responsibility respecting relatively small harbours along the coast of British Columbia. I will confine my discussion to that question because I am not familiar with those on the Atlantic coast. In other words, if this transfer has in fact taken place, it seems to me that it has raised more questions than it has answered about the whole question, the long standing dilemma of small harbour administration. This mixed jurisdiction is something that I find very puzzling and I wonder how it will work to improve a situation which Dr. Tom How in his report in 1967 described as a rather disastrous one to say the least.

I must say, in conclusion, that not the least of the considerations that are raised by this transfer is the deep-rooted mistrust which the Minister of Fisheries (Mr. Davis) has engendered among commercial fishermen who are still the principal users of most of these small craft harbours and for whom the harbours were primarily built in the first place. The agile and scheming mind of that minister who moves in such a mysterious way his wonders to perform, in the light of all his actions about licencing, buy-back schemes and herring regulations—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired.

Mr. William Rompkey (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I will attempt to provide an answer to the hon. member's original question. The Minister of Transport (Mr. Marchand) is responsible for the administration of federal harbours. The marine administration is established to administer commercial cargo shipping harbours within a network of marine transportation terminal and way facilities. Considerations governing the development and administration of these are based on user charges and cost recovery in so far as practicable in keeping with the national transportation policy as enunciated in the National Transportation Act.

Small craft harbour facilties are provided for the berthing of fishing and recreational craft and are accordingly not of basic interest to the ministry of transport as transportation facilities. There are some 2,700 harbours and facilities in Canada administered by the ministry of transport and of these 2,163 are recommended for transfer to the Department of the Environment. The Minister, in his dual capacity as Minister of the Environment and Minister of Fisheries, is responsible for the fisheries industry in Canada. This transfer of responsibility will enable the minister to deal more effectively with the orderly development of the fishing industry.

The decision on the transfer—I believe this was the hon. member's original question—was made by the cabinet on March 2, 1972. However, the transfer has not yet been completely implemented due to considerations involving implications for other government departments. It is anticipated that the matter will be resolved before April 1, 1973.

[Mr. Barnett.]

COMMUNICATIONS—BELL CANADA RATE INCREASE APPLICATION—INQUIRY AS TO OPPOSITION BY GOVERNMENT

Mr. Perrin Beatty (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, on January 18, as reported at page 430 of *Hansard*, I asked the Minister of Communications (Mr. Pelletier) the following question:

In light of the increased profit arising from last year's operations by Bell Canada, has the minister decided to make representations to the Canadian Transport Commission concerning their application for increases in rates?

Although the minister started to give me a reply to the question, he was ruled out of order by the Chair because the amount of time required by him to give the answer was longer than allotted. Primarily, my reason for asking for time in this adjournment debate was to give the minister time to explain the government's position on this very important matter. I do not want to take a great deal of time before the minister has an opportunity to do that, but I would like to make a few comments about the government's position on Bell before he speaks.

I think that each member of the House has had several complaints either about the quality of service provided by Bell or about the rates charged by Bell. At the present time the government is being asked to approve some very substantial rate increases for Bell which will directly or indirectly affect every Canadian family. Lord Thompson of Fleet once said that owning a television station is like having a licence to print money. In a very real sense having a monopoly, or quasi-monopoly in the communications industry is also like having a licence to print money because the use of these services is impossible to avoid by the average Canadian.

In a few minutes the minister will explain the government's unwillingness to appear before the Canadian Transport Commission by saying that it is due to the government's ability to overrule a decision by the CTC. In large part I agree with the minister's position. However, for the government to say this it must be prepared to take the extraordinary step of overruling the CTC if the decision it makes is not in the public interest.

There is another factor that must be considered by the minister and the government, and that is the role of the government as a customer of Bell Canada. For example, we are told that the government is the largest customer that Bell has in this country. As a customer whose bills are paid by the taxpayer, those of us who are here today have a responsibility to ensure that the taxpayer does not have to pay any more money than is absolutely necessary for these services. We also, as customers, have a responsibility to recognize the position which other customers are in, to make sure that their interests are also protected. In short, the government has a responsibility to ensure that the customers of Bell Canada do not have their voices go unheard.

What the government should do is make sure that counsel is freely available to customers of Bell so that their case can be put before the CTC. I will not personally take a position on the rate increase application because of lack of expertise and the facilities available to the government to examine Bell's submissions and operations. I would note a couple of things about Bell Canada, however.

• (2220)

The government's relationship with Bell is almost familial. It is incorporated by the government; it is federally regulated and the government is Bell's largest customer and as such has a vested interest in the quality of service provided and the rates it charges. Tax rates are determined by the government and the government has the ability to end the system of fast write-offs for capital expenses by Bell which serve to reduce its profits on paper.

Bell is the recipient of massive amounts of government assistance either directly or indirectly through its subsidiaries. For example, we know that the Export Development Corporation has Northern Electric Corporation as number two on its list of beneficiaries. Northern Electric is a subsidiary of Bell and it has received roughly $90 million from the government, which is roughly 10 per cent of the total given by the Export Development Corporation. In due course, Mr. Speaker, I will be asking that the government provide the House with a list of the amounts of money given be the Canadian taxpayer to Bell Canada. I think the public is entitled to have this information.

What I am seeking tonight is assurance from the minister that the government regards its role as regulator and supervisor of Bell seriously, that it will investigate thoroughly the concern I have relayed and that it will not hesitate to overrule the CTC if the award given Bell in the form of a rate increase is contrary to the best interests of the Canadian public.

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, I can assure the hon. member that the government really cares about the protection of individuals and telephone users.

Indeed, as he mentioned himself, it is because of section 64 of the National Transportation Act and because of the powers that this section gives the cabinet to overrule decisions made by the Commission that I decided not to recommend to the government to intervene because that intervention—in the event of a possible second intervention by the governor in council—would place the government in the position of both judge and jury.

Like the hon. member my department received complaints from individuals and forwarded them diligently to the Commission, insisting that they be given the greatest attention. In conclusion, I should like to say that the idea of a government or department intervention in the business of the Canadian Transport Commission seems to me to be worthy of consideration.

This is why in the paper on a national communications policy—the publication of which was announced in the Speech from the Throne—we express the firm intention of bringing before the House proposals which would bring back some balance in the legislation and would allow the Minister of Communications to make representations to the Transport Commission or any other body responsible for regulations in order to fulfil the mandate of the Minister of Communications which is to protect as directly and immediately as possible the interests of telecommunication users.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, February 6, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

INDIAN AFFAIRS

ABORIGINAL RIGHTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to move a motion on a matter of urgent and pressing necessity, arising from the confusion and concern that exist in many parts of the country with regard to land claims and aboriginal rights of the native peoples of Canada. I would hope that the government would be disposed to accept this motion, particularly since it was so receptive to the motion put forward yesterday by the hon. member—

Mr. Speaker: Order, please. That is argument. The hon. member is not allowed to do that. The hon. member should indicate, as soon as possible, what the motion is.

Miss MacDonald (Kingston and The Islands): Thank you, Mr. Speaker. I therefore move, seconded by the hon. member for Churchill (Mr. Taylor):

That the annual report of the Department of Indian Affairs and Northern Development be referred to the Standing Committee on Indian Affairs and Northern Development for consideration and report.

Mr. Nielsen: On a point of order, Mr. Speaker, exactly the same as that on which the Minister of Energy, Mines and Resources (Mr. Macdonald) rose yesterday, I would suggest to the government that since it was so receptive yesterday to a motion exactly the same proposed by the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), this motion should commend itself to the government for acceptance.

Mr. Speaker: Order, please. That, of course, is not a point of order. The hon. member is arguing in favour of the motion proposed by the hon. member for Kingston and The Islands. I suggest to the House that if we get involved in a practice where members, on a point of order, argue in favour of a motion proposed under Standing Order 43, we will move forward only with pain and difficulty.

Mr. Nielsen: On a question of privilege, Mr. Speaker, I rose on a point of order which was exactly the same as that raised by the Minister of Energy, Mines and Resources yesterday. The Chair found no fault with it, so I presumed that my point of order today would be acceptable.

Mr. Speaker: I found serious fault with this procedure. Standing Order 43 does not make it possible for the President of the Privy Council, the Minister of Energy, Mines and Resources or any other member to rise and say that he refuses or accepts a proposed motion under Standing Order 43. That is why I feel that such motions have to be proposed as quickly as possible without argument either from one side or the other. I agree with the hon. member for Yukon that it is irregular at this point either for a minister to stand and say he agrees to a motion or for a member to argue by way of a point of order that it should be accepted.

Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity.

ABORIGINAL RIGHTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Frank Howard (Skeena): Mr. Speaker, pursuant to Standing Order 43 I rise to move a motion on a matter of urgent and pressing necessity, and much more to the point, I think, than the preposterous stupidity we just heard from the hon. member for Kingston and The Islands (Miss MacDonald).

Some hon. Members: Oh, oh!

Mr. Speaker: Order please. I suggest to the hon. member that his comments are irregular and certainly cannot be brought into a motion under Standing Order 43. The hon. member has the floor for the purpose of indicating what his motion is.

Mr. Howard: Yes, Mr. Speaker.

Some hon. Members: Withdraw!

Mr. Howard: The motion, seconded by the hon. member for Northwest Territories (Mr. Firth), which, as I said, is much more to the point, is as follows:

That the Standing Committee on Indian Affairs and Northern Development be authorized to investigate all aspects of the question of aboriginal rights of the native Indian and Eskimo people of Canada.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity.

* * *

LABOUR CONDITIONS

UNEMPLOYMENT IN ATLANTIC PROVINCES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. James A. McGrath (St. John's East): Mr. Speaker, pursuant to Standing Order 43 I rise on a matter of the most urgent and pressing necessity. Some 67,000 Canadians cannot find employment in the Atlantic provinces, and the rate of unemployment in the province of Newfoundland has climbed to 18 per cent, three times the national average. In light of the obvious failure of Department of Regional Economic Expansion programs to achieve any decent increase in employment opportunities in this region, I move, seconded by the hon. member for Hillsborough (Mr. Macquarrie):

That in the opinion of this House the Prime Minister should immediately arrange a conference between the Atlantic provinces and the federal government on alternative economic opportunities for the region, and that the federal government outline its short and medium-term targets to reduce unemployment and to ameliorate the present disastrous situation in the Atlantic provinces.

Mr. Speaker: Is there unanimous consent to the motion proposed by the hon. member for St. John's East?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity.

* * *

• (1410)

HARBOURS

SMALL CRAFT FACILITIES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, in light of the statement made last evening by the Parliamentary Secretary to the Minister of Fisheries to the effect that transfer of administration of small craft harbour facilities to his department from the Department of Transport will be completed before April 1, 1973, and in view of the fact that no proper parliamentary consideration has been given to policy changes in small craft harbour administration being instituted by the government, I ask leave of the House to move, pursuant to the provisions of Standing Order 43:

That all matters pertaining to small craft harbour administration be referred to the Standing Committee on Transport and Communications for inquiry and report, and that the committee be instructed to report to the House not later than March 15, 1973.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

[Mr. Speaker.]

Mr. Speaker: There is not unanimity and the motion cannot be put.

* * *

CANADA ELECTIONS ACT

AMENDMENT TO RESTORE FORMER FORM OF BALLOT

Mr. Frank Howard (Skeena) moved for leave to introduce Bill C-137, to amend the Canada Elections Act (form of ballot).

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, in light of the fact that the number of spoiled ballots in the last federal election was almost three times the number spoiled in the 1968 election, the purpose of this bill is to restore the earlier form of ballot and eliminate the small circle or the form used in the last election.

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

* * *

CRIMINAL CODE

AMENDMENTS RESPECTING CONTROL OF WEAPONS AND FIREARMS

Mr. Stuart Leggatt (New Westminster) moved for leave to introduce Bill C-138, to amend the Criminal Code (control of weapons and firearms).

Some hon. Members: Explain.

Mr. Leggatt: Mr. Speaker, the purpose of this bill is to prohibit the possession of all hand guns and all weapons which under the Criminal Code are at present described as restricted. The bill also requires the registration of all rifles and makes all offences dealing with guns indictable offences. The bill also seeks to prevent those who have a history of mental instability or a history of criminal offences from obtaining firearms of any kind, particularly rifles. The last provision is included to give the Solicitor General an opportunity to reintroduce the legislation that he had intended—

Mr. Speaker: Order, please.

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

ORAL QUESTION PERIOD

FINANCE

AMOUNT OF NINE-MONTH BUDGETARY SURPLUS—NUMBER OF UNEMPLOYED IN JANUARY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Finance and arises from the report by Statistics Canada indicating that some 688,000 Canadians were unemployed in January, or some 23,000 more than in the corresponding period last year. In view of these figures, has the minister any explanation for the fact that his budget, for the first nine months of the year, is showing a surplus over $600 million higher than the corresponding period in the previous year? In view of the minister's statement that he was going to produce an expansionary budget, has he any explanation why he has allowed this large surplus to accumulate during the first nine months?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I think the explanation is simple. The Leader of the Opposition is not taking into account all the figures. He knows that the draw-down on the cash position of the government comes in the next two or three months and that the budgetary surplus he sees at this time of the year will not exist at the end of the fiscal year. If he looks at the true fiscal position of the government he must take the budgetary and non-budgetary aspects of the fiscal stance of the government which, as I said on May 8, would amount to about $2 billion. It is likely to be very close to that figure by the end of the current fiscal year.

Mr. Stanfield: May I ask the minister what his current forecast is as to the budgetary surplus or deficit for the 12-month period? I am sure he must have at this time quite an accurate forecast.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, that depends on the allocations in the next two months, but I have said in the House that I expect the total deficit or fiscal stance of the government in budgetary and non-budgetary terms to be about $2 billion, the amount I forecast on May 8.

Mr. Stanfield: May I ask the minister why, in view of the evident improvement in the budgetary position of the government—I remind the minister that he forecasted a deficit of some $450 million in the budgetary position of the government—and in light of these unemployment figures, he allowed this budgetary surplus to accumulate and why early last fall, for example, when it must have been apparent to him that this was going to happen, he allowed this to happen despite the unemployment situation?

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman knows that the position of the government must be measured according to the total fiscal and capital needs of the government in budgetary and non-budgetary terms.

An hon. Member: But not in human terms.

Mr. Turner (Ottawa-Carleton): The fact that our revenues are buoyant is a reflection of the strength of the economy, and he knows that as well as I do.

Mr. Stanfield: Tell that to your own caucus.

DATE OF BUDGET

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in order to remove the uncertainty as to just exactly what is the nature of this budgetary surplus and what proposals the government is going to put forward to deal with the fantastic unemployment figures, may I ask whether the minister is going to present a budget, and when?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I think it would be very useful if the House had facts instead of proceeding on the basis of the conjectures that have been advanced by the Leader of the Opposition.

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): I think we ought to take some encouragement from the fact that the seasonal figures have declined from 6.8 per cent to 6.2.

Some hon. Members: Hear, hear!

Mr. Stanfield: The same thing happened one year ago.

Mr. Hees: They have declined from the astronomical to the not quite astronomical.

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

An hon. Member: We want Walter Gordon back.

Mr. Hees: We saw the same sort of figures last year.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, it seems to me—

Mr. Hees: Benson looked pretty good compared with you.

Mr. Turner (Ottawa-Carleton): —that it would be very useful for the opposition to deal with facts. I would intend to bring down a budget on Monday, February 19.

Some hon. Members: Hear, hear!

An hon. Member: The date is smoked out.

RECONSIDERATION OF CORPORATE TAX REDUCTION AND ACCELERATED WRITE-OFFS IN LIGHT OF EFFECT OF UNITED STATES DISC PROGRAM

Mr. David Lewis (York South): Mr. Speaker, may I ask the Minister of Finance one or two questions on the general subject that has been raised. May I ask whether, in view of the fact that the reduction in corporate taxes and the accelerated write-off for certain machinery and equipment which he proposed last May were justified by him on the basis of the need to protect Canadian manufacturing against the DISC program in the United States, and in view of the fact that all information so far has shown that

the effect of the DISC program has been minimal on Canadian manufacturing, he is now reconsidering the corporate rip-off which he proposed last May?

• (1420)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am not going to accept some of the rhetoric that the hon. member put in his question. The government remains committed to those provisions, Mr. Speaker. Those tax provisions, if approved by parliament, will not only have the effect of compensating for any program of DISC instituted by the United States Congress but any other measures that the United States, the common market or Japan might take in order to pierce and take advantage of a very competitive world market. In view of that, those budgetary provisions of last May are necessary to continue Canada's competitive position for manufacturing and processing industries. In that respect the government remains committed to those provisions.

Mr. Alexander: That's the end of the marriage.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, one should never confuse a gentle courtship with marriage.

Some hon. Members: Oh, oh!

Mr. Lewis: I wish to ask the Minister of Finance whether the statement he made is based on any information he has regarding the effect on Canadian manufacturing exports as a result of DISC, or any analysis which has been made by him or anyone else with respect to the possible effects of Britain entering the European Economic Community, or on what basis his statement, if he can put it briefly, was made?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I will try to put my answer as briefly as the question was put by the hon. member. The budget of May 8 provided for a tax reduction as of January 1, 1973. Therefore it is still premature to assess the full value of that budget which on the corporate side had medium and long-term structural effects and, I submit, advantages for the Canadian economy. I do not think it needs much imagination to envisage what the position of Canada will be in a competitive world with a protectionist stance in the United States, with Britian, our second largest customer, entering the European Common Market, and with a rejuvenated Japan. I submit to the House, as I did on May 8—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York South for a last supplementary at this time. We will try to continue with further supplementaries from other hon. members.

Mr. Lewis: Mr. Speaker, I appreciate that the Minister of Finance has announced that he will present his budget on Monday, February 19, but may I ask him even at this time whether the corporate concessions he announced last May are the only ones this parliament will be faced with or whether there are any others?

[Mr. Lewis.]

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. member has anticipated the difficulty I would have in answering that question at this time.

[*Translation*]

Mr. Speaker: Does the hon. member for Portneuf wish to ask a supplementary?

Mr. Roland Godin (Portneuf): No, Mr. Speaker, I wanted to direct it to the Minister of Manpower and Immigration.

Mr. Speaker: I shall recognize the hon. member in a moment, after allowing a few other supplementaries on the subject now under consideration.

[*English*]

CORPORATION TAX REDUCTIONS—HIGHER PRICES FOR CARS PURCHASED IN CANADA

Mr. A. D. Hales (Wellington): Mr. Speaker, I have a supplementary for the Minister of Finance. In view of the fact the minister gave the corporations tax credits and tax advantages in his May budget, will he explain to the House why he has not insisted that the car manufacturers sell cars made in Canada at the same prices as cars made in the United States?

Hon. John N. Turner (Minister of Finance): I believe my colleague, the Minister of Industry, Trade and Commerce, was successful in his negotiations with the automobile manufacturers in getting a commitment from them, particularly from General Motors and Ford, that there would be no raising of prices on 1973 models to an extent that I expect we should see some narrowing of the present differential of 8½ per cent at the manufacturers' level between United States and Canadian prices. We should see some considerable narrowing of that differential in 1973. My colleague has also made it clear he will seek from the manufacturers a further narrowing of the differential in respect of 1974 models.

* * *

[*Translation*]

MANPOWER

INQUIRY RESPECTING EFFICIENCY OF CENTRES

Mr. Roland Godin (Portneuf): Mr. Speaker, I would like to ask a question of the Minister of Manpower and Immigration.

In view of the fact that since the beginning of December a new regulation compels the unemployed to take personal steps to find work, could he tell us if in his opinion the application of this regulation will be enough to boost the economy or if by setting that course he just wanted to prove that he no longer believes in the efficiency of the manpower centres in Canada?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, on the contrary, I would think the efficiency of the manpower centres is increasing regularly. While we are far from perfection, I do not accept the premise of the question.

[*Translation*]

LOCAL INITIATIVES PROGRAM—MEASURES TO ACCELERATE APPROVAL OF PROJECTS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I would like to ask a supplementary question.

In view of the increased number of unemployed, especially in the province of Quebec, does the hon. Minister of Manpower and Immigration intend to ask officials to proceed more rapidly with the study of local initiative projects so they can be undertaken as soon as possible thus creating jobs and decreasing unemployment?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Yes, Mr. Speaker. We have been trying to speed this up regularly over the last month and a half. I think nearly all the decisions are made, although it is my intention to transfer some funds from the amount reserved for what we call the business, co-operative and entrepreneurial LIP program to the regular LIP program, plus the transfer of $10 million from the on-the-job training program to the local initiatives program, not because the on-the-job training program is not a good one but because we think we can put people to work faster under the circumstances through the local initiatives program.

Mr. Speaker: The hon. member for Don Valley on a supplementary.

Mr. Gillies: My question is not exactly a supplementary, Mr. Speaker, but I should like to put it anyway.

Mr. Speaker: I appreciate the hon. member's honesty, but obviously there is no reward for that quality. I believe the hon. member for Prince Edward-Hastings has a supplementary.

Some hon. Members: Oh, oh!

Mr. Hees: You bet your sweet life he has.

* * *

FINANCE

MEASURES TO REDUCE UNEMPLOYMENT LEVEL

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary to the Prime Minister in connection with a previous question. Since the Prime Minister has stated privately that it would be unrealistic to expect the government to be able to reduce unemployment below a 5 per cent level, is he now prepared to give consideration to the policies put forward by the Official Opposition for reducing unemployment well below that figure?

Right Hon. P. E. Trudeau (Prime Minister): I wish, Mr. Speaker, that the hon. member had shown more of that virtue that you recognized in the hon. member for Don Valley.

Some hon. Members: Oh, oh!

Mr. Speaker: The hon. member for Don Valley.

An hon. Member: Honesty has its rewards after all!

FIGHTING OF INFLATION OR REDUCTION OF UNEMPLOYMENT—GOVERNMENT POLICY

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance. Since there now seems to be a surplus in the budget, I should like to ask the hon. gentleman whether the policy of the government has been to fight inflation rather than to solve the unemployment problem?

• (1430)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the hon. member knows that my priority is jobs. When he refers to a surplus he is misleading the House in the sense that he knows that the surplus or deficit position of the government is measured by the total fiscal and monetary stance, namely, budgetary and non-budgetary. I have said to the House that the fiscal or budgetary stance of the government would be $2 billion, and that remains very close to the figure that I will be able to report to the House.

Mr. Gillies: Is it the position of the Minister of Finance and the government that one can fight unemployment and really operate the economy, at a time of 6.7 per cent unemployment, with a balanced budget or a slight deficit?

SUGGESTED MEETING OF FEDERAL AND ATLANTIC PROVINCES FINANCE MINISTERS ON MEASURES TO BE INCLUDED IN BUDGET TO REDUCE UNEMPLOYMENT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Finance. Will the minister meet with the finance ministers of the four Atlantic provinces before bringing down his budget so that he can discuss measures to be included in his budget that will do something about the stagnating economy in the Atlantic provinces, which I might say is a direct result of the monetary and fiscal policies of this government—

Some hon. Members: Hear, hear!

Mr. McGrath: —and programs can be introduced by the government to alleviate the very serious and critically high unemployment problem in the Atlantic region?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, despite the argumentative nature of the hon. gentleman's question, may I say I do not minimize the problem in Newfoundland at all. I had some very good conversations with the Minister of Finance of Newfoundland both at the federal-provincial finance ministers conference on January 18 and 19 and again last week in a private meeting with Mr. Crosbie.

Mr. McGrath: In view of the fact that there seems to be no change in the unemployment situation in the Atlantic provinces, and in view of the budget that is going to be presented to the House on February 19, will the minister

meet with his counterparts in the four Atlantic provinces to discuss measures to alleviate the situation?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, we had a thorough review of the situation just two or three weeks ago. In the circumstances it will not be possible for me to meet with my counterparts in the Atlantic provinces until after the budget.

[*Translation*]

Mr. Speaker: Does the hon. member for Drummond wish to ask a supplementary question?

Mr. Jean-Marie Boisvert (Drummond): No, Mr. Speaker, it is not a supplementary question.

Mr. Speaker: The hon. member for Joliette wishes to ask a supplementary question.

* * *

THE CANADIAN ECONOMY

SUGGESTION THAT OLD AGE PENSION BE PAID AT AGE 60 TO ALLEVIATE UNEMPLOYMENT

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to ask the Prime Minister a supplementary question.

As unemployment still represents a very serious problem for the country, I would like to ask the Prime Minister if he seriously considers an old age security plan where we would be eligible at age 60, which would allow the creation of thousands of new jobs?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the hon. member is using a rather unusual slant to bring up this problem, which, in fact, has already been dealt with by the Minister of National Health and Welfare, and I have nothing to add to the statement of the minister.

* * *

[*English*]

NATIONAL DEFENCE

RENEWAL OF NORAD AGREEMENT—OPPORTUNITY FOR DEBATE

Mr. Doug Rowland (Selkirk): Mr. Speaker, my question is for the right hon. Prime Minister. Was the Minister of National Defence stating government policy when he indicated to the *Globe and Mail* that the NORAD agreement would be renewed for three years and perhaps longer?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall have to consult with the minister as to exactly what he said, but I believe it is true to say that we have not yet had negotiations with the United States about this.

Mr. Rowland: Will the Prime Minister assure the House that the House will have an opportunity to debate this question prior to the agreement, which is due for renewal on May 12, being signed? Will he also assure us that the terms of reference that are given to the Standing Committee on External Affairs and National Defence will be broad enough to encompass a complete study of the NORAD agreement?

Mr. Trudeau: Mr. Speaker, in reply to the first part of the question I think it is fair to assume, the House being willing, that there will be opposition days on which the subject can be debated at the suggestion of the opposition.

[*Later:*]

Mr. Rowland: Mr. Speaker, my supplementary is for the Minister of National Defence. I should like to ask him whether he could give his assurance to the House that, should the NORAD agreement be renewed, something I would not be very happy about, it would not involve this country in expenditures on equipment purchases such as AWACS, over the horizon backscatter radar and interceptor aircraft requiring sophisticated ground control equipment, expenditures that would have utility only within the context of the NORAD agreement and which would restrict the flexibility of our armed forces?

Hon. James Richardson (Minister of National Defence): Mr. Speaker, as I have said and as the Secretary of State for External Affairs has said, we have not entered into formal negotiations with the United States concerning the renewal of the NORAD agreement. I stated the other day that, as our second priority in defence was the air defence of North America, it was unthinkable that we would not be renewing the agreement in some form. However, the terms have not been settled and I have made no recommendation to my colleagues concerning the terms.

* * *

FINANCE

EFFECT OF MAY, 1972, BUDGET ON ECONOMY AND UNEMPLOYMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance arising out of his statement that over all, on budgetary and non-budgetary account, things have worked out as he envisaged when he presented his budget. Is the minister satisfied with the effects of that budget on the economy and on unemployment, as things have worked out during the course of the year?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I was referring to the fiscal forecast. I was talking, as the hon. gentleman knows, of the fiscal stance, of the cash requirements of the government, in total budgetary and non-budgetary terms. Of course I am not satisfied with the present situation in terms of unemployment in this country. I take some comfort from the fact that the seasonally adjusted figures have come down, though I am disturbed about their erratic nature. In terms of my budget of May 8, the stimulus given at that time was in a period when there was a very buoyant first and second quarter, as the hon. gentleman knows, and the third quarter was flatter than we had expected. However, as the hon. gentleman knows, in terms of corporate stimulus the budget and the tax structure of the country were medium and long term in effect, to give us a medium and long-

term competitive position on world markets as well as defending our markets at home.

Mr. Stanfield: Mr. Speaker, the third quarter was as flat as this government's program during the election campaign. Since the Minister of Finance has said he is not satisfied with the effects of his budget on unemployment, may I ask him why he did not respond to the persistently high rate of unemployment during the year by increasing the expansionary effect of the economy and utilizing the obviously improved budgetary position, which for the first nine months is running at a rate of $600 million over the previous year? If the minister was not satisfied with the effects of his budget on unemployment, has he any explanation of why he did not act when it became clear that it was unsatisfactory?

Mr. Speaker: Order, please. The minister will be allowed to reply to the question, but I will then go to other questioners for a few minutes and return to supplementaries. The hon. member for Drummond wishes to ask a question and the hon. member for Selkirk had a supplementary to his question that he did not get a chance to ask. Therefore, when the minister has replied to the question from the Leader of the Opposition we will go to another subject for a few moments and I will return to this very important matter later.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I dealt with this point thoroughly—

Mr. Stanfield: No, you did not.

Mr. Turner (Ottawa-Carleton): —in the debate on the Speech from the Throne. The hon. gentleman was present so I will not repeat what I said. It is a debating point and we can take it up again during the budget debate. However, I will again draw to the attention of the House that when the hon. gentleman tries to isolate the budgetary position of the government from the non-budgetary he is giving a misleading impression to the House.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—CRITERIA FOR APPROVAL OF PROJECTS

Mr. Jean-Marie Boisvert (Drummond): Mr. Speaker, I wish to direct a question to the Minister of Manpower and Immigration.

Can he tell us if the department he manages considers as the most important factor, with regard to the approval of a local initiatives project, the level of unemployment registered in the area where the project originates.

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, as I have already indicated, we take this into consideration as a major factor.

• (1440)

HOUSE OF COMMONS

REDISTRIBUTION OF RIDINGS—CONSIDERATION OF CONSTITUTIONAL AMENDMENT TO INCREASE NUMBER OF SEATS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, would the Prime Minister let the House and the country know what progress, if any, has been made in connection with the matter of redistribution by way of an alternative to the present system and with particular reference to the number of members in the House? On January 11 this matter was brought to his attention and he indicated consideration was being given as to what might be done and later he repeated that. I know that members in all parts of the House are naturally interested in this matter as time is of the essence, having regard to the fact that committees in various provinces are already providing maps or getting ready to provide them on the basis of the present representation in the House.

Hon. Allan J. MacEachen (President of the Privy Council): If I may, Mr. Speaker, I should like to answer the question addressed by the right hon. gentleman. I believe the last time the question was raised the Prime Minister suggested that I might meet with the other House leaders and consider the matter with the objective that if it was possible to reach some consensus we might move on this matter. I have had a meeting today with my opposite numbers and we had a general discussion, with some explicit proposals that I expect will now be discussed among all parties to see whether some conclusion can be reached. I believe we all felt that at this stage this might be the most effective procedure to follow.

Mr. Diefenbaker: Mr. Speaker, may I ask the Prime Minister whether consideration has been given by him, as he has a general responsibility in this regard, or the cabinet to a constitutional amendment to bring about an increase in the number of seats in the House and also to provide a floor for some of the provinces where the population is decreasing very rapidly?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if the right hon. member will refer to my previous answer he will see that a variety of ways have been considered by myself, and we have decided to proceed with this matter in the way just mentioned by the House leader.

Mr. Diefenbaker: Mr. Speaker, I asked the Prime Minister whether the government is giving consideration to a constitutional amendment. That was my question and he cannot pass it off to one of the junior ministers.

Some hon. Members: Oh, oh!

An hon. Member: Poor old Allan.

An hon. Member: Hi there, junior.

Mr. Diefenbaker: I asked the Prime Minister a question.

Some hon. Members: Oh, oh!

Mr. Trudeau: Mr. Speaker, perhaps I should ask the right hon. member to withdraw that comment.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The facetiousness of the Prime Minister is exceeded only by his impertinence.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Trudeau: The right hon. gentleman's facetiousness is demonstrated by what he—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, I see that the Prime Minister is whispering his answer to the reporter. I remember other occasions when he whispered.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: I will be interested to learn what he said when we read *Hansard.* Whispering is one of his highest qualifications.

Mr. Speaker: Order, please.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Would the right hon. member ask his supplementary question?

Mr. Diefenbaker: Mr. Speaker, I asked the Prime Minister whether consideration is being given to a constitutional amendment. If it is not, it will be too late because at the rate these committees are meeting the whole matter will have been decided. Can he answer that?

Mr. Hees: Just yes or no.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Mr. Speaker, I refer to what the Prime Minister said on January 11—

Mr. Speaker: Order, please.

Mr. Diefenbaker: Well, Mr. Speaker—

Some hon. Members: Order!

Mr. Speaker: Order, please. The right hon. gentleman asked a question and there was no reply. As the right hon. member knows, that is the prerogative of the minister who is being questioned. I do not think that the matter can be commented on further.

Mr. Diefenbaker: Mr. Speaker, I rise on a question of privilege. I know how this government treats the opposition.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

[Mr. Diefenbaker.]

Mr. Diefenbaker: I know how contemptuous the Prime Minister is when he refers to members on his own side of the House as bums.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I ask him whether it is in keeping with his position as the first minister of Her Majesty in the House to refuse—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: —to answer a question as to whether what he said on January 11, that it would require a constitutional amendment, is still his viewpoint and that he is doing something about it, or is he just whispering?

Mr. Hees: Just answer yes or no, if you please.

Mr. Speaker: Order, please.

* * *

POLLUTION

OIL SPILL, ALERT BAY, B.C.—COST OF CLEAN-UP—ACTION TO SEIZE VESSEL

Mr. Stuart Leggatt (New Westminster): Mr. Speaker, my question is directed to the Minister of Transport and concerns the west coast oil spill. Will he tell the House approximately what the cost of the clean-up is, and has he taken any civil legal proceedings to seize the vessel, *Irish Stardust,* which is still in the harbour at Victoria, before the vessel leaves?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, the last report I had is that it is going to take about two weeks before the oil on the beaches is cleaned up, so we do not have any idea of the price right now. The hon. member knows that the master appeared before the court and that a bond of $20,000 has been deposited. I am waiting for the judgment of the court on this.

* * *

[*Translation*]

THE CANADIAN ECONOMY

MEASURES TO REDUCE UNEMPLOYMENT IN QUEBEC—SUGGESTED CONFERENCE OF GOVERNMENT, BUSINESS AND UNION LEADERS

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the right hon. Prime Minister.

As a quarter of a million Quebecers are now unemployed, has the government drawn up short term projects to reduce substantially the rate of unemployment in Quebec? If so, what are those projects and when will they be introduced?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I may answer the caucus leader of the two-member

Quebec section of the Progressive Conservative party, I could—

[*English*]

Mr. Hees: Where are the Alberta members?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. May we have order, please.

[*Translation*]

It seems the hon. member for Saint-Hyacinthe wants to put a supplementary. He may have the floor.

Mr. Wagner: I now wish to put a supplementary, Mr. Speaker.

In view of the deplorable situation in Quebec, where a quarter of a million people are unemployed, is the present leader of the temporary government willing to look favourably on the initiative he casually brushed off a few weeks ago, namely an immediate federal-provincial conference in Quebec to discuss the economic problems of that province, to which all political leaders, leaders of intermediary organizations and representatives of both unions and employers would participate?

Mr. Trudeau: Mr. Speaker, I wonder if the hon. member would suggest that federal-provincial conferences be held at that level for each province. He should be aware of the federal-provincial conferences which have already taken place between the ministers of finance, the ministers of health, and of those which are scheduled for the forthcoming months.

Concerning the particular conferences as important as those which have been suggested by him, the hon. member should remember that we of the Liberal party have rejected the associate states thesis.

Mr. Grafftey: I have a supplementary, Mr. Speaker.

Mr. Speaker: Order, please. I hope that the hon. member for Saint-Hyacinthe will excuse me but his colleague from Brome-Missisquoi has a point of order.

• (1450)

UNEMPLOYMENT IN QUEBEC—REVIEW OF REGIONAL DEVELOPMENT POLICY

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

Considering the figures relating to unemployment announced today in the province of Quebec, is this government prepared to drastically review its regional development policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wonder in what direction the hon. member would have this policy reviewed, but it seems that we heard some people state during the election campaign that too much was being granted to the province of Quebec.

[*English*]

Mr. Grafftey: Mr. Speaker, it is very difficult to ask questions, but I certainly did not say that there was too much going to the province of Quebec.

Some hon. Members: Oh, oh!

Mr. Grafftey: Could we have order in the House, Mr. Speaker?

Some hon. Members: Oh, oh!

Mr. Grafftey: It is impossible to ask questions in this House, Mr. Speaker.

Mr. Speaker: Order, please. If the hon. member will kindly resume his seat I will try to assist him.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I think hon. members are being unfair to the hon. member for Brome-Missisquoi. He has the right to ask a supplementary question.

Mr. Grafftey: I sometimes think I am in kindergarten, not in the highest court of the land. I now ask the Minister of Regional Economic Expansion the following question: in view of today's unemployment figures showing ever-increasing regional economic disparities, especially in the province of Quebec, will the minister now review the various policies that brought about such a situation?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, we are in the process, and have been for the last three months, of discussing with each of the provinces what variations they would like to see in regional expansion policies. I have had some consultations with officials of the government of the province of Quebec and we will be holding others in the very near future. We are quite open to changes in the present approach if these can be proved to be more effective.

* * *

INDUSTRY

MICHELIN TIRE COMPANY—POSSIBLE CONSTRUCTION OF PLANTS IN UNITED STATES—COMMITMENT REGARDING EXPORT OF CANADIAN PRODUCTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, in view of the fact the government of the United States used the Department of Regional Economic Expansion program to justify its countervailing duty against the Michelin Corporation, in view of the further fact it was announced in Paris today that the Michelin Corporation has received credits of some $150 million to build two plants in the United States, can the minister assure the House that he has obtained assurances from the Michelin Corporation that they will live up to their commitment to export 80 per cent of their Canadian production to the United States?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, there has been no change in the original plans of Michelin, nothing that has been con-

veyed to me with regard to their marketing intentions, and I understand that there has been no change either in their recruitment program with regard to employing Canadian workers in their Canadian plant.

INQUIRY AS TO PROTEST TO GATT CONCERNING IMPOSITION BY UNITED STATES OF COUNTERVAILING DUTY ON MICHELIN TIRES

Mr. Edward Broadbent (Oshawa-Whitby): Can the minister inform the House whether or not he or some other minister of the government has filed a formal protest to GATT concerning the United States decision on Michelin? If so, would he consider tabling that protest? Finally, would he inform the House when an answer or decision might be expected to be reached by GATT, if that action has been taken?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, as I explained to the House on an earlier occasion, we did file a formal protest with the United States government. We have not yet received a reply to that formal protest. We have not yet filed a formal protest with GATT.

* * *

EXTERNAL AFFAIRS

REPRESENTATIONS TO UNITED STATES AGAINST PROPOSED FLOODING OF SKAGIT RIVER VALLEY IN CANADA FOR POWER PROJECT

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I have a question for the Secretary of State for External Affairs. There is some urgency because at the present time the United States Federal Power Commission is receiving briefs regarding flooding of the Canadian Skagit valley. In view of the stated opposition of the government of Canada, of the Official Opposition and of the New Democratic Party to the flooding of the Canadian Skagit valley by Seattle Light and Power, would the minister advise the House what action he is taking in this regard to save this Canadian valley from being flooded by an American power corporation?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, on January 9 a note was sent to the United States authorities requesting discussions on this question. This is the procedure that has been approved by both the government of the province of British Columbia and of course by this government. It seems to us the most effective way of getting action.

Mr. Fraser: Mr. Speaker, again I stress the urgency of this matter. On December 17, 1971, the Minister of the Environment—

Mr. Speaker: Order, please. Would the hon. member ask his question as quickly as possible, because we have reached the end of the question period.

Mr. Fraser: Can the minister advise the house whether in fact any formal protest has been issued by the government of Canada to the government of the United States saying plainly that we will not accept the flooding of this valley?

[Mr. Jamieson.]

Mr. Sharp: Mr. Speaker, we have made our representations to the United States government which I believe is quite happy to discuss them with us. The outstanding issue at the moment is not the question of the flooding but the question of the cost, and this is what we are discussing at present.

Mr. Speaker: Order, please. We have reached the end of the question period. The Chair will allow another supplementary question from the hon. member for Vancouver South, following which we will have to call orders of the day.

Mr. Fraser: Thank you very much, Mr. Speaker. In view of the reply by the Secretary of State for External Affairs, can the minister tell the House why the Minister of the Environment recently stated that the Skagit was a dead issue when apparently this is not so?

Mr. Speaker: Order, please, I suggest to the hon. member that this is hardly in order.

Mr. Fraser: Ten o'clock, Mr. Speaker.

• (1500)

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

The House resumed from Monday, February 5, consideration of the motion of Mr. Andras that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), be read the third time and do pass.

Hon. Bryce Mackasey (Verdun): Mr. Speaker, last evening at ten o'clock I had just begun my remarks on third reading of this very important bill. I am very pleased that I came into the House for the question period which I want to do more and more in the future. I am very happy that the hon. member for Saint Hyacinthe (Mr. Wagner), who is a good friend of mine, showed as much concern as he did during the question period for the unemployed in the province of Quebec. I am wondering how he could possibly reconcile this concern for the unwilling victims of our fiscal and monetary policies with his vote later on when he votes against Bill C-124 which would indicate that he is quite prepared to deny to those unemployed the unemployment insurance benefits which would be due them next week.

Some hon. Members: Oh, oh!

[*Translation*]

Mr. Wagner: Mr. Speaker, I rise on a question of privilege.

Mr. Speaker: The hon. member for Saint-Hyacinthe on a question of privilege.

Mr. Wagner: Mr. Speaker, I have no idea where the hon. member for Verdun (Mr. Mackasey) found the comments which he attributes to me, but with respect I must suggest to him that they are inaccurate. Moreover, I would suggest that he should wait for the vote to find out which way I shall vote.

[*English*]

Mr. Mackasey: Mr. Speaker, I am rather pleased that a one time protegee of mine has shown such humanitarian concern.

I have reviewed the debate on second reading, in committee and on third reading. It is not my intention—it is never my intention—to be partisan, of course, but I do think we have reached the moment of truth in Bill C-124. I think the new members, as do the old members, realize that we have advanced through all the various stages of Bill C-124. On second reading in this House, by the method of a vote, of course, we adopted the principle of the bill, which is very explicit and well thought out, namely, that the ceiling governing the advances which the government makes available to the Unemployment Insurance Commission shall be deleted from that act.

The hon. member for Hamilton West (Mr. Alexander) raised an important point in the debate last night. He was concerned that the removal of the $800 million ceiling might in some way remove control over the operations of the Unemployment Insurance Commission. I think this is a vary valid approach to a very valid concern. This morning, Mr. Speaker, I took the trouble to check out the ways and means that are still left for exercising control over the Unemployment Insurance Commission.

First of all, every month the DBS publishes the benefit payments and the number of claimants on unemployment insurance. Then, the Minister of Finance (Mr. Turner) publishes the amount of financial disbursements, including advances as well as payments of unemployment insurance benefits. Then, the statute which set up the Unemployment Insurance Commission demands a public annual report by the commission. Fourth, Mr. Speaker, there is a financial statement which must be certified by the Auditor General. There must be a detailed accounting of expenditures included in the public accounts. Then, the government's share of the unemployment insurance costs must be included in its main estimates. Then, the main estimates must be referred to the appropriate standing committees of the House.

Finally, Mr. Speaker, the public accounts will be scrutinized by the Public Accounts Committee, as usual, and the Auditor General's report will be scrutinized by that committee. As well as that, there is the existence of a team of internal auditors of unemployment insurance, all of which indicates that the control over the expenditures, operations and administration of the Unemployment Insurance Commission does not rest solely on the existence of an $800 million ceiling.

With these ten points I have just explained, for the benefit of hon. members, that we have—

Mr. Woolliams: Mr. Speaker, I am very interested in this point. I wonder if the hon. member for Verdun (Mr. Mackasey), the former minister of labour, could tell the House—I am sure he discussed it with his former colleagues in government—why Bill C-125 was withdrawn, because it was supposed to assist the hon. member in his argument?

Mr. Mackasey: Mr. Speaker, if the hon. gentleman would permit me, I intend to talk about Bill C-125 in a few moments. I intend to touch briefly on that point.

I have mentioned that in this House we have accepted the principle of Bill C-124. It may not have been unanimously accepted, but the fact remains that it was accepted. It was that the amount of $800 million specified in the original act be deleted as the sum of money to which the government is limited in making advances to the Unemployment Insurance Commission in order to finance its day-to-day operations. As I mentioned on second reading, and as the hon. member for Winnipeg North Centre (Mr. Knowles) mentioned last evening, the $800 million mentioned in the act is nothing more than a sum of money which the government is entitled to advance to the Unemployment Insurance Commission, not in the form of a deficit, not in the form of a commitment but simply in the form of a loan in the same sense, as I mentioned previously, that a bank will advance moneys to finance accounts receivable, or debts receivable, or inventory, in the case of a normal private enterprise.

Obviously, the $800 million has been inadequate for the purpose for which it was originally intended, but members on the committee, as the hon. member for Winnipeg North Centre knows, accepted that particular amendment to the act rather reluctantly at the time. We felt it was the best way out at that time. Experience has indicated, however, that as long as this ceiling remains in the act it can be a hindrance or handicap to the government's main responsibility, the one that was outlined so often today in the question period, that is, the responsibility of this government, or of any government in the future if, as a result of fiscal or monetary policies, as a result of tariff policies, as a result of the relationship between the Canadian dollar and foreign currencies, or for one reason or another, the rate of unemployment in this country is abnormally high. The government of the day must then assume its responsibilities and commit itself, as the act stipulates, to absorbing the cost of unemployment insurance when the unemployment rate on a national level and on a regional level happens to be over 4 per cent.

Just to repeat, Mr. Speaker, the cost of the unemployment insurance plan when unemployment is below 4 per cent is borne by the employers and employees. The cost is met from weekly contributions, with the provision that by 1976-77 these particular contributions shall be in balance, in the sense that if there is a surplus in the fund of the Unemployment Insurance Commission it will be reflected in a lowering of the contribution rates, something which I think will take place in 1977. If the contributions are not sufficient, then the rates will be raised in order to eliminate any deficit. In the interval there is a deficit of $189 million which will be carried forward over the next few years, as the act provides.

When the accounts are balanced off in April, Mr. Speaker, and all the T4 slips are analysed, we will find that in effect the commission owes the government $189 million, which in effect is owed by the employers and employees of this country, and which will be absorbed and balanced off over the next few years by minor adjustments of a nickel or a dime to the weekly contributions. I cannot stress strongly enough that to defeat this bill, or even to postpone the passage of this bill, can have only one effect and that effect will be to deny to the unemployed of Canada the unemployment insurance benefits to which they are entitled, and to deny them as early as next week. That will be the general effect of postponing Bill C-124 or of defeating it in the House of Commons. The failure to carry out that responsibility and moral obligation is something that I do not think anybody in this House wants to have on his conscience. Certainly, the party with which I am presently allied does not want to be responsible for denying the unemployed of this country that to which they are entitled.

Constantly through the question period today there was concern shown by hon. members opposite for the unemployed, but it is very difficult for me to equate their concern during question time with their obvious intention to downgrade, to question, to defeat, if necessary, the Unemployment Insurance Act by postponing, delaying or defeating Bill C-124.

Some hon. Members: Oh, oh!

Mr. Mackasey: It is all right for the members opposite to holler and take exception to my remarks but through you, Mr. Speaker, I say to them that you cannot have it both ways. You cannot on the one hand condemn the government, with justification, for the abnormally high rate of unemployment, if on the other hand you begrudge the cost of the plan to the government, out of the general revenues, for supplying financial assistance to the unemployed of Canada. You simply cannot have it both ways.

If you argue that they are unemployed through no fault of their own in the overwhelming majority of cases, and that seems to be the general theme that emerges from this debate, then how can you begrudge them sufficient income in order that in the interim, while they are looking for work, they can at least exist with a degree of dignity, a degree of dignity that was impossible under the old act because of the very small levels of weekly payments?

• (1510)

Another thing that caught my attention today, Mr. Speaker, was that hon. members opposite have said the latest figures show a great degree of regional disparity. This is a problem that has faced governments for a considerable number of years. How many members opposite in the debate on second reading, in their question before the Miscellaneous Estimates Committee, the Labour, Manpower and Immigration Committee or this debate on third reading, have bothered to pay token tribute to the economic advantages of the present act and the contribution that unemployment insurance has made to reducing regional disparity? I want to quote once again some of the figures that I quoted on second reading, Mr. Speaker.

[Mr. Mackasey.]

In Newfoundland under the old act, $20,630,740 was distributed in unemployment insurance benefits in the first six months of 1971 and for the same period in 1972, $42,264,696 was distributed; in Prince Edward Island, $3,627,433 under the old act and $7,486,583 under the new act; Nova Scotia, $23 million, under the old act and $42 million under the new act; New Brunswick, $21,512,336 under the old act and $42 million under the new act; in Quebec, $156,518,741 under the old act and $308,663,331 under the new act; Ontario, $169,880,126 under the old act and $327 million under the new act. In case people out west think that they are not getting their fair share of this money that tends to reduce regional disparity, may I cite these figures? Manitoba received $25,604,776 under the old act and $37,564,287 under the new act; Saskatchewan, $15 million under the old act and $33 million under the new act; Alberta, $30 million under the old act and almost $62 million under the new act and finally, British Columbia $61,417,092 under the old act and $136,442,825 under the new act. I am sorry that I do not have the breakdown for the Territories.

The new Unemployment Insurance Act happens to be a good business instrument, both socially and economically, to reduce regional disparity. As I have pointed out before, the money I am talking about is one of the reasons we have had a certain degree of prosperity in Newfoundland this Christmas, as I am sure many hon. members opposite would agree. It has helped drop the unemployment figures we read today. The boom in retail sales is shown. It has arrested unemployment in this area by helping to reduce inventories of wholesalers and by providing work for the small industries in this country. I do not think anybody should discourage that, Mr. Speaker.

The question is, Mr. Speaker, what would the fate of the economy be at the moment if we had not distributed $2 billion through unemployment insurance benefits over the last year? What method would we have used to transfer this money from the treasury to the people of this country?

Mr. Mazankowski: Give them some work.

Mr. Mackasey: Mr. Speaker, members opposite can provide their own answers; I am only asking the questions. I am simply saying that the unemployment insurance fund this year has distributed $2 billion which does not vary too greatly, as hon. members know, from the concept of reducing personal taxes for precisely the same reason. Personal taxes are reduced in order to stimulate the economy and in order to provide more money for spending. An across the board reduction in personal taxes is not so effective in the sense that the wealthy get it; the person who has no income tax in which to reflect the reduction does not benefit. The wealthy may put it in the bank, not necessarily spend it, so it can have inflationary effects in the main cities. With this act we at least provide the people with money to spend in the regions of high unemployment, which at the moment are essentially the Atlantic provinces. I am surprised that any member of this House should disparage the $2 billion that has come from the federal treasury to be distributed to the unemployed in Canada.

Some hon. Members: Oh, oh!

Mr. Mackasey: Mr. Speaker, I have tried to participate today on a certain level, and I shall try to stay there, but if hon. members opposite want to heckle I am quite prepared to get into a good debate. I enjoy a battle but if Your Honour should prefer that I desist, that is fine, too.

There are points that I should like to make. The hon. member from Alberta whose riding changes periodically—I shall describe him as a very wealthy lawyer from Alberta—he is a good friend of mine but he keeps shifting his role—

An hon. Member: And what happened to you?

Mr. Mackasey: The hon. member to whom I refer posed a very intelligent question, that is the question of abuse. The mail which I have been receiving, Mr. Speaker, which is pretty heavy, has shifted in tone somewhat in recent weeks. The mood now seems to be that we need unemployment insurance, that there is nothing to be gained by destroying what has been part of the social fabric of this country for 30 years.

An hon. Member: To get them back to where?

Mr. Speaker: Order, please. I had occasion a moment ago when an hon. member was trying to ask a question to say that other hon. members were making it difficult for him to do so. I think I have to say the same thing to protect the hon. member for Verdun (Mr. Mackasey). It is entirely against the rules of this House and the long established practice for hon. members to heckle and make it difficult for another member to make his speech. It is extremely easy for hon. members to interrupt the member who is speaking, but it is against the Standing Orders of this House. I suggest to hon. members that they should be fair to the hon. member for Verdun and allow him to make his speech.

Mr. Mackasey: Thank you, Mr. Speaker. If I did not know better I would think the people who are heckling—who are in a minority in the opposition—are those so desperate to get into power that they want to ride on the backs of the poor. I am not going to fall into that trap, however; their speeches are on record and their efforts during the election campaign to destroy what is very progressive legislation is there for all to see. I can understand their dilemma in having to vote for or against the bill, thus showing their inconsistency with the approach they took during the election. I can resort to this kind of attack if they prefer or can continue along the lines I had decided. We are on third reading, not second reading, now and it is entirely up to the opposition to determine on what plane they want to continue the debate.

I received a lot of mail on this subject which all members of this House are welcome to read. In recent weeks the theme of the mail has shifted. No longer is it coming from unemployed people who are saying "What am I guilty of?" or "Find me a job".

Some hon. Members: Oh, oh!

Mr. Mackasey: It is coming from people who are saying "We are amongst those fortunate people who can afford 90 cents or a dollar for someone less fortunate, but we want to be sure there are no abuses in the act". I think that is the point that the hon. gentleman wanted to make in all honesty and sincerity. The question of abuse is one that has bothered us all. Last night there were few people present and I did not have the opportunity of reviewing once and for all the argument regarding abuse. I think hon. members opposite are concerned. I know there are Liberals in the Conservative party just as there are Conservatives in the Liberal party.

• (1520)

Mr. Woolliams: The hon. member is not talking about the Minister of Finance (Mr. Turner) is he?

Mr. Mackasey: I should like to make the following statistics clear, because they concern abuse. I want hon. members to think of 1970, the last complete year when we operated under the old act. Older members will know exactly what that implies. Under the old act the greatest pay-out was $53, I think, although on average the pay-out was $35. The maximum was raised to $58. In order to qualify one had to acquire 30 weeks attachment to a job over a two-year period, and eight weeks had to be acquired in the last 52 weeks. As there was no universality provision under the old act, only part of the work force was covered. School teachers were not covered, and it might be interesting to note that over 15,000 of them are unemployed in Canada today. Nurses were not covered. Certain public servants were eliminated. Casual workers were eliminated. Hospital workers were not included. People with salaries of over $7,800 were not included. So, the work force which was covered in 1970 totalled about 4,900,000. That meant that if those people became unemployed they were eligible for unemployment insurance benefits. This number also included so-called self-employed people, such as fishermen and other people in special categories.

One would think that with such a small work force, with difficulties regarding eligibility the provisions for which were very stringent, and with the lower rates of unemployment in 1970-72, there would have been a substantially smaller number of people on claim. Mr. Speaker, in 1970, of 4,900,000 people who were eligible for unemployment insurance and covered, at various times of the year 2,049,000 people were on claim. I now come to 1972. I shall skip 1971, for a very good reason which I can explain. In the first part of the year we operated under the old act, and in the second part under the new act. Universality did not apply, but at least I can give hon. members the following statistic: there were 2,092,000 on claim.

In 1972, the year we have just completed and, significantly, the first year in which universality applied and the first year when the overwhelming majority of Canadian workers were covered by unemployment insurance, the number of people eligible for unemployment insurance and entitled to collect if unemployed rose to 7,150,000. Even more significant is the change in the eligibility rule, which was reduced from 30 weeks over a two-year period to eight weeks in one year. According to what I learned from the astute questioning of opposition members in the Miscellaneous Estimates Committee and Labour Committee—and after all it is their job to ask these questions and that is why these committees are set up—2,099,000 people were on claim, only 50,000 more than in 1970. This hap-

pened when there was a much higher level of unemployment and when the work force covered totalled over 7 million, as opposed to a work force covered of slightly under 5 million.

Where is the abuse that we hear so much about? Where are the hundreds of thousands of citizens who, supposedly, are taking advantage of the eight-week eligibility provision, who are taking advantage of the higher benefits and who are taking advantage of the so-called breakdown in administration in order to collect unemployment insurance. I say that since only 40,000 or 50,000 more people claimed unemployment insurance in 1972 than claimed it in the year 1970, and in 1972, as a result of universality, the work force was almost double the size of that covered in 1970, is it not time people stopped presuming that the man who works for a living has a monopoly on honesty in this country?

Some hon. Members: Hear, hear!

Mr. Mackasey: How do the figures of about 3 per cent or 4 per cent of claimants who abuse unemployment insurance in this country compare with the figures recently released relating to doctors in Ontario? Their own association says that there is almost a 12 per cent, and certainly an 11 per cent, rip-off on medicare.

Some hon. Members: Hear, hear!

Mr. Mackasey: How many of our corporation lawyers will make a fortune pretty soon in finding loopholes in the income tax law in order to enable their clients to evade income tax legally? Mr. Speaker, the more proficient you become in finding loopholes in taxation laws the greater your chances are in this country of being named a Queen's Counsel.

There cannot be different standards for different types of people. Most certainly, within the work force there are people who deliberately set out to defraud the Unemployment Insurance Commission, just as there are people who deliberately set out to cheat under any particular type of social policy or any type of legislation enacted in this or any other country. The important point is that we have an obligation to those who are working, to those who obtain unemployment insurance, to keep those abuses to the very lowest possible figure. That is why I hope, despite the concern of the NDP, that Bill C-125 will be sent to an appropriate committee of the House before second reading, in order that—

Mr. Speaker: Order, please. I must interrupt the hon. member for two purposes. First, I must remind the hon. member who has the floor that we should be discussing the bill before the House and not another bill which is on the order paper and which may or may not be considered by the House later. Second, I must advise the hon. member that his time has expired.

Some hon. Members: Continue.

Mr. Speaker: The hon. member can be allowed to continue only if he has the unanimous consent of the House.

Some hon. Members: Agreed.

[Mr. Mackasey.]

Mr. Mackasey: Mr. Speaker, I will take only a few minutes more. I appreciate the courtesy of the House, which is traditional I am glad to say. I have tried on third reading to make a case to opposition members who, on political grounds perhaps, might see some advantage in voting against the bill. If that were to happen, those on this side of the House would immediately let the unemployed of this country know that by that vote hon. members opposite are prepared to deny the unemployed their money.

Mr. Alexander: Oh, come off that nonsense, Bryce.

Mr. Mackasey: All parties agree on the basic principle of the act. Essentially, that has to do with removing one of the impediments to the unemployment insurance legislation that makes it difficult for the government to assume its main responsibility, that of providing the unwitting victims of unemployment a decent level of income to which they are entitled because they are unemployed through no fault of their own, because they are unemployed as a direct result of government action or government policy. I can visualize many occasions in future when, as in the past, governments will be forced into the position of creating temporary disruptions in the work force.

An hon. Member: It should never happen.

Mr. Mackasey: I have long felt that the high level of unemployment at the moment is due to a combination of factors, as I think many economists will agree. We have what is known as structural unemployment. There has been a shift in the Phillips curve. At the same time as we have experienced an abnormal growth in the work force we have been obliged by events outside this country to lower tariffs under the Kennedy Round, to meet competition from Japan, as the Minister of Finance said, to meet competition from Sweden, the United States and West Germany, and to attempt to invade the Common Market. We cannot do that by hiding behind high tariffs and encouraging labour intensive industries, especially if we expect to maintain our position as an exporting nation and create jobs for the future generations of this country.

Where I may differ with the NDP is that I say that accelerated depreciation, lower tariffs and incentives of various types are designed to make this country more competitive, to introduce new technology and to force inefficient industry to become efficient by purchasing new equipment. These things are bound to bring short range disruptive effects to the work force, but that is exactly the purpose of unemployment insurance, to help people who are temporarily unemployed for reasons beyond their control. However, it is the government's responsibility to force industry into a position of efficiency. Even then, it causes disruptive effects on the work force. I think the culmination of these reductions of tariffs as a result of the Kennedy rounds and the increase in productivity that is coming from machine rather than labour intensive industry at a time of abnormal growth in the work force has caused this lingering unemployment.

• (1530)

I simply say, because we have a decent Unemployment Insurance Act for the first time that helps people draw a decent income during this disruptive period, a period which will eventually result in new jobs, more jobs and an expanded industry, as is now happening in the textile industry, the lumber industry and the pulp and paper industry, the net result will be more jobs. In the meantime, we should not begrudge the unemployed people in this country what is justly theirs, a decent income at government expense because the reasons for their unemployment are reasons beyond their control. It is time we put an end to the accent on abuses. This plan is not abused.

In case people think I tolerate abuses, I want to say that in 1969 I expressed my concern about abuses in no uncertain terms. In that year I caused to be published a series of advertisements in the newspapers against abuses. I pointed out the consequences. The advertisements pointed out that if a person abused the fund, he was stealing from his fellow worker. They also pointed out the criminal aspects of defrauding the fund. What did this do? It prompted a beautiful column by Canada's answer to Zane Grey, Dalton Camp, who writes about the sun setting nationally. What did he say in analysing these thoughts, as he has a right to do? He reminded me how easy it is to become reactionary when dealing with people. He took me to task, not without a certain degree of justification, for these ads. What did he say? I quote from his column of January 19, 1970:

I feel it is a duty to point out that the unemployed have been recently summoned by the Prime Minister to a higher calling; they are no longer sitting idle, indeed no. They are fighting inflation. Seldom in our history has so much been owed so many by so many.

Churchill also spoke in that way. Possibly Dalton Camp wrote his speeches, too.

Some hon. Members: Hear, hear!

Mr. Mackasey: The article continues:

It is not to end there. The silent, nearly invisible jobless are not only fighting inflation, they must also be singled out for prominence by their friend, ("If you're not working for someone, we're working for you."), the Unemployment Insurance Commission, which has proclaimed to the country through a half-page advertisement that some of the unemployed "deliberately cheat."

This is what was said all during the election.

Thus, the Canadian Government confirms what some have so long suspected—that it's high time somebody tried to make the poor and down and out an honest man. Like the rest of us.

Here we get the sarcasm. It is well deserved. He goes on to say:

Frankly, I am puzzled by the strategy. It may be that the Unemployment Insurance Commission has been overwhelmed by cheaters. It could be that the number of lazy, ingenious, jobless Canadians bilking the commission has become epidemic. And it may be, although it challenges credulity, that the effective way to remedy such a national scandal is to launch an advertising campaign, which, I am sorry to say, menaces those who will not read it and sanctifies the prejudices of many who will read it.

The point I am getting at, Mr. Speaker, is that this causes Dalton Camp to react. He goes on to refer to his concern about how alleged abuses can be equated with other programs if we pick on the helpless. The article continues:

A Day In Court for whom?

One thinks of old age pensioners, or war veterans, or children ravaging the Youth Allowance funds. Later on—much later—will they get around to a national advertising campaign of promised retribution for contractors on aircraft carrier repairs, or promoters of worthless merchandise, or unscrupulous landlords, or corporate thieves who swindle the life savings of the innocent?

That was Dalton Camp speaking in 1969. Would hon. members like to hear what he said in 1972?

Some hon. Members: Yes.

Mr. Mackasey: After talking about a leaked document, Mr. Camp went on to talk about abuses of unemployment insurance and complained that to draw unemployment insurance is too easy. He endorsed Reuben Baetz who said that nobody should draw unemployment insurance unless he has 20 weeks attachment. Mr. Camp complained that the cost of the plan was astronomical and, therefore, we should be reducing the number of people drawing from it by making the eligibility more difficult. I quote from the article:

If we all search our minds, we might recall that Robert Stanfield said, many weeks ago, much of what Baetz has recently said, although, it turns out, Stanfield's estimated cost of this folly of government policy was conservative. Would you believe $2.2 billion?

What folly? Is it the folly that the federal government is responsible for providing a decent income to the unemployed of this country who are unemployed through no fault of their own? Is that supposed to be the folly of the Liberal government to which Dalton Camp suddenly takes exception? Why did he take exception? In this article he went on to point out that he takes exception because unemployment insurance had the effect of tranquilizing the poor, thus removing the problem of unemployment as an election issue. This was what was bothering Zane Grey II; nothing more, nothing less, namely that unemployment insurance was at least providing the unemployed with sufficient income, that they were not abnormally upset about unemployment, that they were not hysterical about the subject and that they were prepared to wait until the economy improved, as long as they at least had enough to pay the rent and groceries. This was hardly consistent with Mr. Camp's other concerns and ambitions. Obviously now for a little while he will have to limit himself to not talking about the sun setting nationally but provincially.

I know, Mr. Speaker, that I have taken extra time. However, the time will come very shortly to vote and we must remember that we are voting for a continuation of the payments of unemployment benefits this week, next week and the following week, as well as the removal of a clause that can periodically interfere with the government's main responsibility, that is to provide unemployment insurance to the unwitting victim of a policy over which he has no control.

Some hon. Members: Hear, hear!

Mr. Hales: Mr. Speaker, will the hon. member permit a question?

Mr. Mackasey: Yes, Mr. Speaker.

Mr. Hales: The hon. member was the minister responsible at the time the government found it necessary to put a ceiling of $800 million into the act. Less than 18 months later, he and this government recommend that that ceiling be removed. Why was it necessary in the first place, and why do they now want it removed?

• (1540)

Mr. Mackasey: That is a fair question and it is one which has been asked of the officials in the committee. I attempted to answer it on second reading. The original concept did not include the $800 million, or any ceiling. The hon. member for Hamilton West (Mr. Alexander) as well as the hon. member for Winnipeg North Centre (Mr. Knowles) made that point. The ceiling was introduced at the request of the Department of Finance which felt that, because of the number of variables in the future, it would be desirable to insert one rather than try to anticipate the sums of money which should be paid from year to year in anticipation of the rate of unemployment. They felt there were so many variables, they could hardly anticipate with a certain amount of accuracy the amounts which would be needed at various levels of unemployment. Events have proven that they have been unable to do this with any degree of accuracy.

The main point, as the hon. gentleman appreciates, is that this is an advance which must be repaid. As I mentioned, when the figures are totalled up in April we shall find that the government owes the government all but $159 million. What we felt, therefore, was that the inclusion of a ceiling was convenient and we could anticipate unemployment in the future. I think, upon reflection, that our original concept of not including a ceiling made sense. Obviously, it does to the government today.

Mr. Deputy Speaker: I believe the hon. member's time has expired and there is an objection to another question being asked. I now recognize the hon. member for Yukon.

Mr. Erik Nielsen (Yukon): Mr. Speaker, today and yesterday we witnessed the most astonishing spectacle. We witnessed the return of the former minister of labour, who appears to be answering for the government. We have heard nothing from the Minister of Manpower and Immigration (Mr. Andras) whose responsibility this bill is. There has been no statement from him. Regrettably, he was ill during some of the most important committee sittings and we had no opportunity of putting questions to him, or of getting answers. Not only were we denied that opportunity of questioning the minister, but having reviewed the record of the proceedings of the standing committee, as well as the debate on second reading, I can say we were disadvantaged by the tactics of members like the hon. member for Windsor-Walkerville (Mr. MacGuigan) who was constantly, in the standing committee, as is very apparent from a reading of the proceedings, intervening and preventing the witnesses before the committee from answering legitimate questions being put by members.

Moreover, the Minister of Justice (Mr. Lang) acted as prosecutor, judge, jury and executioner. Does Your Honour think that one of the members on that committee, unless he was on the government side, or a member of the NDP, got any answers? They were prevented at every turn. Yet the former minister of manpower and immigration speaks of providing information; he speaks of the usefulness of standing committees in dealing with matters of this nature. We got nothing there and we are getting nothing here from the minister—nothing from the minister of manpower who has been sitting mute in his seat throughout this debate, except for one or two interjections.

I am surprised at the hon. member for Verdun (Mr. Mackasey). I have known him for many years and he has usually struck me as being a fair person. I believe he made a sincere effort when he was holding the portfolio, which I think he was forced to resign because of a fundamental difference with his cabinet colleagues. What really surprised me was his manner of approaching this debate. He did the same thing on second reading. On the one hand, he says he likes to be fair and non-partisan, and to discuss the merits of an issue such as this without injecting party politics. Yet he proceeds to do just that. He has been deliberately distorting the views expressed by my hon. friend from Hamilton West and deliberately distorting a position we made abundantly clear on the second reading of this bill, as well as during the debate now under way.

He accuses us on this side of adopting tactics of delay for the sole purpose of preventing unemployed persons from obtaining unemployment insurance benefits. That, Mr. Speaker, is as far from the truth as can be imagined. Persons legitimately unemployed are required to be paid benefits by the law, and we intend to see that they are.

Some hon. Members: Hear, hear!

Mr. Nielsen: Members opposite have no monopoly on desire to apply the law, certainly not hon. members to my left in their sanctimonious approach to this whole subject. The hon. member for Verdun says the hon. member for Saint-Hyacinthe (Mr. Wagner) voted against Bill C-124, indicating a wish on his part to prevent payment of unemployment insurance benefits. That is a paraphrase of what the hon. member said, but he did make that accusation. The hon. member for Verdun knows this is not the position. So why does he say such a thing? He says he reviewed the discussion in committee. He knows whereof I speak when I say that the hon. member for Windsor-Walkerville adopted delaying tactics, tactics deliberately designed to prevent us eliciting information from witnesses. At one stage, the chairman of the committee was asked question after question and on each occasion either the member for Windsor-Walkerville or the Minister of Justice intervened. This went on for over an hour.

The principle of the bill we are discussing today is not as the former minister stated it. The principle of the bill is two-fold. First, it would remove the ceiling, thereby, we say, removing parliamentary control. Second, it sets out to legalize what we say was illegal in the first place. I am referring to clause two. The hon. member for Verdun tries to destroy our position with respect to clause one of the bill by saying that we maintain control and that we do so in ten ways.

He says, first, that we are able to do so because figures are published by Statistics Canada every month. These

figures, I may say, are normally about three months late in reaching hon. members. What measure of control does that offer? Second, he says the Minister of Finance (Mr. Turner) publishes a statement with respect to the situation of the fund. What control do we have over that? We do not debate the statement. In the third place, he says the Unemployment Insurance Commission publishes an annual report. How on earth can the publication of an annual report give parliament any control over what is spent? Fourth, he tells us that the financial statement is certified by the Auditor General. So what? What control does that give us over the expenditure of funds by the commission. Fifth, he says that a detailed financial statement is passed to the Public Accounts Committee for examination. This is normally done a year after the event. What control does that give parliament over the expenditure of funds? Sixth, he says the Minister of Finance inserts an item in his main estimates which includes the cost of the government's share.

• (1550)

I agree with the Minister of Finance that one of the requirements placed upon him is to put such an item in his main estimates, which are going to be before us very shortly. If the minister must make provision for the government's share of this fund, why on earth does the government not know now what will be the projected cost? They cannot take the position they have been taking, on the one hand, of not being able to supply us with information as to the projected cost, yet on the other hand take the position that they will give parliament a definitive and accurate estimate in the main estimates that will be placed before us in a matter of days.

Seventh, the hon. member said that one factor of control was that the main estimates were referred to the various committees. What control does that give parliament over the appropriation of the funds now being asked for in unlimited amounts? Eighth, the hon. member said that the public accounts committee examines the estimates. Again I ask, what control does that give parliament?

None of the ten points advanced by the hon. member for Verdun in support of his argument that parliament retains control over the appropriation of these funds is valid. The hon. member said that we were downgrading and defeating by relay. That is not so. The members of this party take second position to no one with regard to the philosophy of unemployment insurance. It was this party which designed the first unemployment insurance legislation under Bennett in 1935. He did not stay in office long enough to get the legislation passed; that occurred in a subsequent administration. These historical developments go back not 30 years, as the hon. member for Verdun said, but 42 or 43 years, and it was this party's philosophy that resulted in the unemployment insurance system in this country today.

The hon. member then took great satisfaction from citing the relatively higher benefits that had been paid out this year as opposed to those paid last year and the year before. I say that instead of taking satisfaction from the greatly increased benefits that were paid out, he and his government should be ashamed that billions of dollars have had to be paid to an unemployed work force, a condition brought about by the government's own deliberate creation of unemployment. The government and their supporters have nothing to be proud about in saying that huge sums are being paid out. It is rather sad that the economy of this country is in such a state today that we have such a large number of unemployed persons on the rolls as a direct result of government policy.

The hon. member put his finger on the root of the trouble when he said that this was the government's fault. Truly it is. The Prime Minister (Mr. Trudeau) wholeheartedly and callously announced he intended to create unemployment in order to fight inflation. While he said that on the one hand, his other ministers on the other hand, namely the Minister of Finance of that day—a course that has been followed by the present Minister of Finance—ran about the country saying we were in boom times, that the economy was boiling, that we in this country were flush. And today we have mounting rolls of unemployed. What we on this side are objecting to on behalf, in my view, of the vast majority of Canadians is precisely the fact that we are being obliged to pay out such huge sums to the unemployed of the country, people who have become unemployed as a result of the heartless and inhuman policy pursued by the Prime Minister and his government.

The hon. member then took satisfaction from asserting that there has been a drop in the numbers of unemployed during the last month. The figures are exactly the same as the figures for last year. What satisfaction can the government take in having advanced not one inch toward reducing unemployment in this country over the course of one year, a situation created by their own deliberate tactics to cure inflation?

As hon. members pointed out during the question period today, the number of unemployed in the Atlantic provinces has shown a rather dramatic rise, a very tragic rise. What information were we given when hon. members on this side asked what would be the policies of the government to cure this sad state of affairs? The hon. member for Saint Hyacinthe asked what the government had in mind to cure the sad rise in unemployment figures in the province of Quebec, but he, too, received no reply. The government have no plans. They are as bankrupt as the unemployment insurance fund.

Then, we had this twisted philosophy of the hon. member for Verdun of adopting the position that somehow it is beneficial to the economy, in priority to everything else, to spend huge sums on unemployment insurance because, he said, it created jobs, because there would be more money in circulation to demand goods and services, which in turn created jobs. He accuses us, if we oppose that philosophy, of being against the poor, that we are trying to ride to power on the backs of the poor.

Surely, any rational person can see the argument that we on this side are advancing—the argument being advanced by the vast majority of Canadians—namely, that we do not want to live in a society that has to pull itself up by its own bootstraps. We do not want to live in a society where everyone is on unemployment insurance benefits. We do not want to live in a society where everyone is on welfare. Yet that is the philosophy being propounded by the hon. member for Verdun.

Mr. Mackasey: Mr. Speaker—

Mr. Alexander: Now, he is up on a question of privilege.

Mr. Mackasey: Mr. Speaker, I am not rising on a point of order because a question may be simpler. Is the hon. gentleman suggesting that I said that unemployment insurance is preferable to work, to jobs? Have I not said that above all else people should be working and that the government should be reducing the numbers of unemployed? All I said was that, as an alternative to having no work, these people should have a decent income through unemployment insurance.

Mr. Nielsen: Mr. Speaker, I wish the hon. gentleman had been as direct in his initial remarks as he has been now. From the words that he used on second reading, as well as the words he uttered a few moments ago, I drew the plain inference that somehow or other it was better for unemployed persons to receive benefits in preference to the creation of a society in which jobs would be provided; that somehow it was better to have welfare recipients than to create a society where welfare was reduced to a minimum. Then, at the end of that diatribe he accused the members on this side of attempting to ride to power on the backs of the poor—a very unworthy suggestion, I might say, coming from the hon. member for Verdun.

No accusation can justifiably be made by members opposite or by those to my left that we begrudge payments to unemployed people, because we do not. Neither do the vast majority of Canadians begrudge payments to unemployed people. What we do begrudge is the policy followed by the government, a policy that is still being followed by the government since it has effected no other programs, whereby unemployment is permitted to exist at such high levels. The hon. member for Verdun says there seems to be a somewhat changed mood in the country in that people are now in favour of unemployment insurance. My reading of the mood is that no one is opposed to the philosophy of unemployment insurance and that no one is exerting any effort to destroy the scheme. Not even the worst writer on the subject could be accused of that. Not even Zane Grey No. 2, to whom the hon. member for Verdun has referred, could be accused of propounding that proposition. That would be an unworthy accusation.

• (1600)

Surely, we can expect the unemployment insurance scheme to apply to those who are legitimately out of work and cannot find jobs. The hon. member for Verdun has made a great to do about abuses, and he is protected in his position by those to my left. It would be unrealistic for any member of the House to say there had been no abuses of the unemployment insurance scheme. There was a fellow in my constituency who was not a Canadian citizen but who will remain nameless. He came from the United States and, after getting a work permit, he worked for just barely the qualifying period, then left his employment and commenced drawing unemployment insurance benefits at the preferred rate.

When his period of entitlement ran out he applied for vocational training which is supported by federal and territorial government funds. He was being paid then to go to school. He was taking a course in welding and there was a workmen's compensation regulation which prohibited any welder having a beard. He was told he would have to terminate his attendance at school unless he shaved off his beard. He was rather attached to his beard and insisted upon keeping it, so he had to quit the course. He chose the beard over education and a living, but he figured out another way. He went back to school and took a carpentry course. He was allowed to keep his beard then because having a beard was not against workmen's compensation regulations for carpenters. After telling me this story he said: "You guys have got to have the greatest country in the world. I don't have to work."

An hon. Member: He should have taken a course in barbering.

Mr. Nielsen: This is the kind of abuse to which Canadians are objecting, and the ex-minister knows this. If the hon. member for Verdun says there are no abuses, was it announced while he was in office that there were going to be some 350 new personnel taken on in the Department of Manpower and Immigration specifically to investigate this kind of abuse and to enforce the law as it should be enforced? If there are no abuses, why all this concern?

I am not talking about fraudulent applications for unemployment insurance which are investigated by that branch of the department, I am speaking about legal abuse. I refer to people who come over to this country from the United States, for instance, and apply for unemployment insurance. It was quite easy at the time for them to do so, although it is a little more difficult now. These people came over and worked for a minimum qualifying period, then made arrangements with a friend to send their unemployment insurance cheques to them. The cheques were sent to a Canadian address, then cashed in Canada and the money sent across the line.

This is the kind of abuse that takes place because of the loose manner in which the administration has been handling the fund. As a result, there has been an expression of disgust by the ordinary working man of this country who has worked all his life and never drawn unemployment insurance benefits. I have spoken to many of them, as have other hon. members including some of those in that party to my left who are supposed to be the champions of the working man, but who support Clause 2 of this bill which imposes an extra financial burden on the shoulders of the working men of this country.

Some hon. Members: Hear, hear!

Mr. Andras: What extra burden?

Mr. Nielsen: I hear the minister finally saying something. I welcome him to the debate and hope that he says more than the few words he has just uttered.

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

Mr. Nielsen: Surely.

Mr. Andras: Would the hon. member clearly define what he means when he says that the employees and employers who are contributing to the fund are bearing an extra burden in respect of these advances about which we are now talking, in addition to what was covered by the act as

it was passed a year and a half ago? Would he clearly explain what he means by that?

Mr. Nielsen: The minister was at committee meetings and he heard me propound that theory when I participated in the debate on second reading. I would invite him to review the debates in order to find my answer. I made that statement and I stand by it. I may be wrong, but that is my conviction.

An hon. Member: You are wrong.

Mr. Nielsen: Of course, my friends to the left would say I am wrong because they have to be the big Wally for the government. They have to keep it in office and keep it clean, so they naturally are going to say I am wrong. As a matter of fact, I see the hon. member for Winnipeg North Centre (Mr. Knowles) paying acute attention to my remarks. The efforts of the hon. member for Verdun to destroy the position of this party are only exceeded by the remarks of the hon. member for Winnipeg North Centre. If you review his participation in this debate, beginning at page 981 of *Hansard,* you will see that he is convoluting, squirming and wriggling in an attempt to justify the position he now takes. He even stooped to the level of providing us gratuitously with a 15-minute lecture on the bill and its effect. In effect, he suggests we are all stupid in this House because only he and those in his party understand what we are really talking about.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question? Would he allow me to apologize to him for having tried to explain this bill to him, since he cannot understand it?

Some hon. Members: Hear, hear!

Mr. Nielsen: Mr. Speaker, I never ask any member to apologize to me in legitimate debate, and I never shall. I do think the hon. member for Winnipeg North Centre perhaps owes the collective House an apology for deigning to set himself up as an expert on all things, not only this bill but all bills. No one in the House knows more than the hon. member for Winnipeg North Centre.

Mr. Knowles (Winnipeg North Centre): Thank you.

Some hon. Members: Hear, hear!

Mr. Nielsen: I say that he and those behind him are betraying the working man by supporting Clause 2 of this bill.

An hon. Member: Oh, get on with it.

Mr. Nielsen: I am right on it. They are betraying not only the working man of this country who is unemployed, but the working man who has worked 35 or 40 years, contributing throughout those years to this fund without drawing a cent. That is the guy who is really annoyed at what is happening, and that is the individual this bill is really hitting.

I have just been handed a copy of *Maclean's* magazine for February, 1973. At page 4, there is an article covering the farewell remarks of the hon. member for Verdun on leaving the Cabinet. It is headed "Farewell To Power. Departing Thoughts Of An Absent Cabinet Minister".

Mr. Baldwin: It should be Mackasey's eulogy.

Mr. Nielsen: This does not appear in quotation marks, but this is what is written:

> And the Unemployment Insurance Plan? I can't understand all the fuss. Do people want to go back to the Hungry Thirties, the labour camps, the bread lines? The problem with this country isn't unemployment insurance, it's *unemployment.*

• (1610)

We can find no greater supporter of that contention than I. The hon. member for Winnipeg North (Mr. Orlikow) wishes to ask a question and I invite him to stand on his feet and not be so cowardly as to interject while remaining seated. The article goes on to read:

> Seven per cent unemployment. And that's not the fault of the Manpower officials. The real culprits are those smug, arrogant civil servants in the Finance Department—

He chastised us yesterday for having been a little forceful with the chairman of the commission in the committee. He refers to the real culprits being "those smug, arrogant civil servants in the Finance Department". The article goes on to read:

> —superbly confident of their ability to manipulate the economy with methods that should have died with Lord Keynes. They created the unemployment.

This is quite correct. They created the unemployment, and they are allowing it to continue.

Again, I hear remarks from my left. May I remind those to my left of that great press release which hit the streets with such a force on November 15, published by their party and released by their leader. At the top of the list of eight priorities was that they would give this government a while—I think the word used in the press release was "immediately"—to do something about unemployment. Let the hon. members to my left tell me of one measure that this government has introduced—and we are in the second month of this session—that meets that condition in their press release. Not a thing.

What they have done has been to remove the $800 million ceiling because somehow, according to the hon. member for Verdun, if we pay out more money we are going to create more jobs. What they have done amounts to a big zero, and so much for the press release of the NDP whose bark is obviously a heck of a lot worse than their bite. They will find it very difficult to continue in this posture, supporting a government which they have condemned throughout the country and throughout the whole of the last parliament as well as in their press release of November 15. Now, they hang on like some desperate tail wagging the dog because they are frightened of going into another election. But in the meantime, the prostitution of their principles is not going unnoticed by the people of this country.

Mr. Alexander: Shame.

Mr. Nielsen: We have had at least an admission by the leader of that group to my left that there was some arrangement between his party and the party in power. It was not a marriage. I think the term he used was "a gentle

courtship". We should not confuse gentle courtship with marriage.

Mr. Rose: Would the hon. member permit a question? Is the hon. member suggesting that the New Democratic Party members would be unfortunate allies should the government be defeated and members of his party asked to form a government?

Mr. Nielsen: May I say in reply to that question that should that be the situation, of course not, and the legislation which would have been forthcoming last December rather than now, because that is when parliament would have been called, would have been of such an attractive nature that members to my left could not have possibly avoided supporting it. It would have been aimed at curing the situation.

Some hon. Members: Hear, hear!

An hon. Member: Next question.

Mr. Andras: A $900 million ceiling; that is the kind of legislation you would get.

Mr. Nielsen: They want unlimited access to millions upon millions of dollars. Also, with respect to clause 2, they distorted our position because what they wanted us to do, to which we objected on second reading, was to ratify an illegality, and it still remains that, notwithstanding the position taken by the Minister of Justice (Mr. Lang). We remember last year we were debating the illegal position taken by the Minister of Justice. He involved himself in that debate, as did other members on the government side, and the members to my left then knew the government position was wrong because they were withholding lawful payments to the farmers for some 14 months. In the face of a mandatory provision in the bill, which could not have been clearer, the Minister of Justice said that they had the discretion to withhold those payments. He is taking the same sort of weak position today. There should be no clause 2. The provisions of the Financial Administration Act as they now stand should apply, and these funds should not be deemed to be an advance.

I think I have summed up the position of this party, certainly as I understand it, with respect to the two clauses of this bill. I think I have made it sufficiently clear now so that perhaps others might be dissuaded when taking part in this debate from accusing us, and continuing to accuse us on this side, of preventing unemployment insurance benefits from being paid. We object to the legislation, first, because it gives the government a blank cheque, and certainly the people of Canada want to see us adopt a positive stand to prevent that kind of thing from happening here. Second, we take the position with respect to clause 2 that it would be unconscionable for parliament to ratify something that was illegal. How, members say, do we assert control if not by taking off the ceiling?

The government had three choices open to it, and they still have those three choices, in order to obtain these funds in the proper manner and in order to allow parliament to continue its control over appropriations. First, they can bring in an appropriation and ask for a specific sum. They can do that, I say, because they know now what the Minister of Finance is going to put in his estimates with respect to government requirements in that regard. Second, they can bring in a supplementary estimate specifically for that purpose. Again, parliament would have to deal with it. Third, they can amend the act and provide specifically for the funds that they need. But going on in this fashion is taking all parliamentary control away from the members of this house and giving the government a blank cheque. It is wrong and it denudes the House of Commons of the traditional power to pass all appropriations and all money requirements of the government.

It is not enough for the hon. member for Winnipeg North Centre to cite the legislation affecting pensions, the legislation affecting other matters similar to pensions, because those funds are not being abused. There are not billions of dollars being spent out of those funds in an abusive fashion. We know that the government is not controlling the operation of the commission properly. We know that they are not controlling the effective expenditure of these funds. That is all the more reason for parliament to retain that kind of control in the manner that I have suggested.

Mr. Charles H. Thomas (Moncton): Mr. Speaker, my purpose in speaking on this bill today is to try to dispel some of the misinformation that has been spread through the House in the last two days of debate. Certain hon. members in the House have continually tried to obscure the real purpose of this bill. They keep telling us that failure to pass this bill will destroy the Unemployment Insurance Act, and that failure to pass this bill is persecution of the poor. We have heard all these phrases about riding into power on the backs of the poor. We have heard this time and time again from government spokesmen, and we have heard from the NDP that this is just a bill to provide advances. Yet they say that if we do not pass it we will destroy the Unemployment Insurance Act.

• (1620)

I agree with the hon. member for Yukon (Mr. Nielsen) who expressed the hope that the minister would make some remarks on third reading. I was one of the members who sat on the Labour Committee. I realize it was not any fault of the minister that he was not able to be present. He sent in a substitute but, so far as I was concerned, the substitute might as well have stayed in bed because he either could not or would not answer any questions. Repeatedly we tried to find out from the minister why the ceiling was included in the act in the first place, and second, what had changed in the course of a year and a half that made it necessary to remove the ceiling. The minister's only reply was that obviously it should not have been in the act in the first place, and further he said that the government did not want it there now because things have changed.

A year and a half ago the department was able to estimate the costs of this program within $10 million over a full year's operation. That is what officials told us a year and a half ago in committee. Now, suddenly this department, with all its know-how and all its knowledge, cannot specify any amount that should be stipulated for advances. The officials say they cannot forecast with any

reasonable accuracy because of the variables. Surely, those variables were there a year and a half ago? We pointed them out many times to UIC officials. We said, "Your figures are wrong. You are talking about 5.3 per cent unemployment. That should be closer to 7 per cent, between 6½ per cent and 7 per cent." Now, suddenly they admit that they cannot forecast even two, three or four months ahead. They cannot tell us how much money they need.

As the hon. member for Yukon said, the hon. member for Verdun (Mr. Mackasey) still seems to be the spokesman for the department. I had hoped that when the hon. member for Verdun rose this afternoon he would give us some of the answers, but again he went into the same old diatribe that we heard on second reading. He told us what a wonderful Unemployment Insurance Act we had, that it was the best in the world, and that if we did not pass this bill we would destroy that act thus, in effect, riding into power on the backs of the poor. But he did not once tell us why, when he was the minister who piloted the original bill through the House, he found it necessary to put a ceiling in the bill. Why did he think at that time that there should be a ceiling on the advances? He did not mention that at all.

He went on to say that the unemployed would not get their benefits if this bill did not pass. He told us how heartless we all were. But he did not tell us the reason we are in this bind now is the incompetence and bungling of his department and his officials. They were the ones who got us into this mess. All he said was, "We are in a mess; we want carte blanche to get out of it." When the House granted him an extension of time, I thought he would get into the meat of this bill. But no, he talked for ten minutes on Bill C-125, and was completely out of order. However, the Speaker let him go and we still got no information.

It may be true that members of government have painted themselves into a corner, that they have exhausted all their means of getting money into the Unemployment Insurance Commission. But this is their own fault. There is no point in suggesting that we are destroying the act. There are ample provisions in the act to meet such contingencies as we have here.

The UIC could have sought help from the government as early as last September, when it knew the indications were that it was going to be short of money before the end of the fiscal year. Testimony given to us in the committee shows that officials did go to the government with that information. That is the time when the government should have acted to bring in the type of bill we have today, but instead of asking for a complete removal of the ceiling it could have asked for a special appropriation; it could have introduced legislation asking parliament to provide enough money to run the commission until the end of March. Now, members of the government come crying, "If you don't pass this bill it will be your fault if the unemployed don't get their money."

Mr. Andras: Will the hon. member permit a question?

Mr. Thomas (Moncton): Certainly.

Mr. Andras: In view of the very words that the hon. member has just uttered, in view of the fact that since he said the government was informed in September, would he not admit that the House was dissolved at that stage? If so, how could the government bring legislation before the House when at that stage an election had been called?

Mr. Thomas (Moncton): I did not say the government should bring in legislation then. In any event, the House could have been recalled in a matter of days. Then, the very type of bill that the government has introduced now, could have been introduced, but asking for a specific amount rather than for the removal of the ceiling. It was government mismanagement that got us into this mess.

Mr. Baldwin: The government also knew about it in August. That is on the record.

Mr. Reid: You put it there, Jed.

Mr. Baldwin: I have got it right here.

Mr. Deputy Speaker: The hon. member for Moncton has the floor.

Mr. Thomas (Moncton): I have until five o'clock, Mr. Speaker, so if they want to yap let them go to it.

This bill proposes to amend legislation that was duly passed by the House of Commons. I had hoped that after sitting for I don't know how many months in committee on Bill C-229, after hearing the minister and all the UIC officials tell us that that bill was the ultimate, that this was the most wonderful plan in the world and that everything was fine, we would not be faced, within a year and a half with having to make changes in it. But now the government suddenly comes back within a year and a half and says, "We were wrong; we want to make changes." I do not know what other changes the government has in mind, but now we must discuss this wonderful plan all over again.

Because the government is asking parliament to change legislation already passed, I think I should briefly review the reason the legislation was passed in the first place. Why was this ceiling put into the act originally? I refer to testimony given before the Labour, Manpower and Immigration Committee as recorded at page 24:26 of its proceedings No. 24, on May 19, 1971, when clause 137 of the bill, dealing with advances, was under consideration. At that time we had before us Mr. Douglas, General Legal Counsel for the Unemployment Insurance Commission. The vice-chairman of the committee called on Mr. Douglas to explain clause 137, and Mr. Douglas said:

> Clause 137 authorizes the government to advance to the Consolidated Revenue Fund or the Unemployment Insurance Account in the Consolidated Revenue Fund sufficient to enable the Commission to pay benefits if the account is in a deficit position.

Then, he went on to say:

> This would be in an interim position when actual costs were being determined and before the money had been collected or the government advance had actually been made.

This is another aspect on which we got a lot of misinformation in the House and in the committee. I have heard government members ask, as well as hon. members to my left, "What is all this fuss about advances? They are only advances. They are not costing the country anything. They will be paid back. What are you worrying about?

This is only an advance." I would like to point out that these advances are, in part, to cover the government's costs after unemployment reaches a level of 4 per cent.

It is true that up to the 4 per cent level the employer-employee rates can be adjusted so that a deficit position is covered, but over 4 per cent the government has to foot the cost. This was brought out time and time again in committee and elsewhere. I don't know why people continue to say, "It is only an advance. I don't know what you are worrying about. It will be paid back." How is it to be paid back? The government gets a special warrant to get money into the account, let's say $400 million or $450 million, but this is repayable. How is it repaid? It is repaid when the government assesses the amount it owes, so it transfers money to the unemployment insurance account to cover the amount that it owes when unemployment rises above 4 per cent. Then, the unemployment insurance account pays off the debt to the Treasury Board. Where does that money come from? It comes out of the general tax revenue, out of the tax dollar. Why do we sit here and say that it does not matter, that it is only an advance and will be paid back? Yes, it will be paid back—by the taxpayer. I thought it was very well explained in committee when we were discussing Bill C-229.

• (1630)

Mr. Andras: But the hon. member for Yukon (Mr. Nielsen) confused it.

Mr. McKinley: I don't think you understand it; that is why you are not saying much.

Mr. Thomas (Moncton): Up to 4 per cent unemployment, the commission can adjust the premium rates to meet the deficit. But who pays these premium rates—the employer and the employee so what we have here is another indirect tax. The taxpayer has to provide the money.

When we were discussing Bill C-229 in committee several questions were raised, so I would dispute the statement of some hon. members who said there was not much discussion on it. On May 19, 1971, Mr. D. Allan, Director, Policy Analysis and Formulation with the Unemployment Insurance Commission was being asked about the reason for the advance. In reply to a question by the hon. member for Wellington (Mr. Hales) he said at page 27 of the proceedings:

> One factor is that there will be a delay between the incurring of benefit costs during a year and our ability to calculate what would have been the costs for that year had the unemployment rates been 4 per cent and our obtaining for the unemployment insurance account the credit from the government for its portion of the costs which were above 4 per cent.

He went on to say that there would be no problem with the first part, and then continued:

> So it is quite possible we would have a large cash outflow, but it would be because the unemployment rate had become very high and would not cause us to raise the premium rates for the employees and employers because this drain, this cash outflow would not affect the portion of the costs that the employees and the employers would eventually have to pay.

I cannot understand those members who say there is nothing to worry about because this situation will be covered by the adjustment of premium rates. This is not so. If unemployment rises above 4 per cent, the deficit is paid entirely by the government. Call it what you will, an advance or anything else, I say it is still an additional tax put on the taxpayer. In the committee that day the hon. member for Hamilton West (Mr. Alexander) tried to find out how the commission arrived at the $800 million ceiling. Mr. Allan's remarks were very illuminating. He said, as recorded at page 29 of the same committee report:

> Mr. Chairman, the $800 million represented, as an upper limit on the amount of advances, presumably the worst possible case we could think of in terms of a deficit.

The worst possible case, Mr. Speaker. Then, the hon. member for Hamilton West (Mr. Alexander) asked:

> So you used 7 per cent then?
>
> MR. ALLAN: We used 7 per cent, and then some. We later calculated a figure that could represent the worst possible case and then we added another $100 million or so for good measure.
>
> MR. ALEXANDER: What is $100 million.

Here is the point I am trying to make, Mr. Speaker. Just under two years ago in May, 1971 the commission stated in testimony that the worst possible eventuality would only lead to a drain on the cash advance account of $700 million, so they threw in another $100 million for good measure and that is how they got the figure of $800 million. This is an indication of the complete breakdown between 1971 and today. In 1971, we have officials estimating the cost of the plan and setting a figure which they said would be enough; today the same officials in that department cannot or will not give an estimate for two months ahead.

During the committee hearings there was a good deal of discussion about the cost of unemployment insurance. I suggest that one of the reasons the $800 million ceiling was fixed was that the government and the commission had estimated the cost of the liberalization of the plan and so had to put this $800 million which they felt would act as a control over expenditures. At that time I had some discussion with the hon. member for Verdun (Mr. Mackasey), the then minister, trying to find out the purpose of the ceiling and the purpose for asking for this advance. He inferred that the reason the government was taking up the total cost of the plan above 4 per cent was that it would be an inducement to the cabinet to keep unemployment down to that figure so, by inference, the $800 million figure was put in as a type of control. If unemployment were running too high and the costs were running too high, the government would have to come back to parliament to ask for more money. In his testimony, he referred several times to the fact that forcing the government to back the cost of unemployment above 4 per cent would be a strong incentive to the government to keep the cost of the plan within the $800 million ceiling. Rightly or wrongly, this was the impression given to members of the committee and we felt confident that there was a justification for the $800 million figure.

Now, it appears that for some reason or other the government finds that this figure is not enough. As the former minister said in the House today, this ceiling was not in the original act but was inserted after consideration. No one can convince me that this was not done for a specific reason. The government is now requesting that we remove the ceiling because they say it is not realistic.

I was interested in reading report No. 2 of the Miscellaneous Estimates Committee when it was studying the supplementary estimates, in particular this $800 million advance figure. This happened after both the Minister of Manpower and Immigration (Mr. Andras) and the Minister of Justice (Mr. Lang) had told us that the ceiling was not realistic, should not be in the legislation, and that there was no reason for it. When the estimates were discussed before the Miscellaneous Estimates Committee, Mr. Nielsen was questioning the President of the Treasury Board (Mr. Drury) on the $800 million ceiling on advances. After remarking that advances had been made under special warrants over and above the $800 million ceiling, Mr. Neilsen remarked—

• (1640)

An hon. Member: Order!

Mr. Thomas (Moncton): —as follows:

There seems little purpose in having a ceiling at all in the act . . .

Mr. Deputy Speaker: Order, please. The hon. member who has just made a remark is not the only one who wishes to make the point that I am about to bring to the attention of the House. It is considered against parliamentary practice to refer to other hon. members by name. They should be referred to by constituency or, if they happen to be in the ministry or occupy some other position, they should be referred to as occupying that position in the ministry or elsewhere. They should not be referred to by name. I regret to make this point during the hon. member's speech, as he has not in any way used that ill practice with malice or intent. However, I must bring this to the attention of the House and ask for consideration of proprieties.

Mr. Thomas (Moncton): Mr. Speaker, I appreciate your admonition. May I point out that I was quoting directly from Issue No. 2 of the Miscellaneous Estimates Committee proceedings, dated January 16. As Your Honour is aware, people asking questions in the committee are referred to by name and not by constituency. I thought what I was doing was permissible as I was quoting directly from the report.

Mr. Deputy Speaker: The hon. member is correct in referring to excerpts from reports of committee proceedings in that way. I did not understand at first that he was reading a question asked by an hon. member, or a comment made by an hon. member. However, there have been occasions when hon. members, including the hon. member who has just spoken, have referred to other hon. members by name rather than by their constituencies and at that time they were not dealing with quotations from committee proceedings. That practice is wrong and the Chair asks the co-operation of the House in avoiding it.

Mr. Thomas (Moncton): Mr. Speaker, I will try to make clear when I am reading from the report. I am about to quote from Issue No. 2 of Minutes of Proceedings and Evidence of the Standing Committee on Miscellaneous Estimates, dated January 16, 1973. In that particular committee the hon. member for Yukon (Mr. Nielsen) was questioning the President of the Treasury Board and the following exchange is recorded on page 2:25:

MR. NIELSEN: There seems little purpose in having a ceiling at all in the act under those conditions.

MR. DRURY: No, Mr. Chairman, I suggest there is a very good purpose in having a ceiling. This particular ceiling, I suggest, was put in in order that Parliament would have an opportunity to examine the reasons for the circumstances surrounding any sums in excess of this, which is precisely what we are engaged in now.

After all our efforts to obtain some explanation from the responsible minister or his substitute as to the reason for the ceiling, those who served on the committee and who knew there had to be some reason for the ceiling learned, by inference, that it was included for the purpose of enabling parliament to exercise control. The President of the Treasury Board admitted as much when he said, as we had suggested all along, that the ceiling was put in the act in order to give parliament some control over the actions of the government.

On the next page we find the hon. member for St. John's East (Mr. McGrath) reported as saying that, in the circumstances, the ceiling was not necessary and was useless. The following exchange is recorded:

MR. DRURY: Let me put it another way, Mr. Chairman. I do not want to make a great thing of this. Parliament would have an opportunity . . .

MR. NIELSEN: Ex post facto.

MR. DRURY: . . . of inquiring into the operation of the fund if the amount of the advances exceeded $800 million. If the ceiling had been set at a hypothetical figure, $5 billion,—

Let me add paranthetically that the government is no longer asking for $5 billion. The sky is the limit now. I continue:

—there would have been no occasion for the issue of Governor General's warrants. There would have been no occasion for a parliamentary examination of the operations of the fund or the commission. By placing this limitation, the executive is required to come before Parliament to explain how and why it happened and what changes should be made.

Is that not what members of my party have been saying ever since second reading?

An hon. Member: Right on.

Mr. Andras: Mr. Speaker, will the hon. member permit a question?

Mr. Thomas (Moncton): Mr. Speaker, I will entertain questions, if I have time, at the conclusion of my speech.

The Acting Speaker (Mr. Boulanger): Order, please. Does the hon. member agree to accept a question?

Mr. Thomas (Moncton): If I have time at the conclusion of my speech I will be glad to entertain questions, otherwise I am afraid I may not finish.

As I was saying, do the minister's words not confirm exactly the position that we, in the opposition, have been taking? The reason for the ceiling is obvious. It was included, as the President of the Treasury Board said, to permit parliament to exercise control over the actions of the government with respect to the operation of this account.

The minister now responsible for the act authorized, I assume, a news release dated January 17, 1973 which attempts to explain the purpose of Bill C-124. At the top of the new release one sees, "Unemployment Insurance,

Canada". I apologize if I said, inadvertently, that the minister had issued this news release. Let me correct that. The minister's name does not appear on it; it is put out by the Public Relations Branch of the Unemployment Insurance Commission. The heading of the communique reads: "Notes on proposed amendments to the U.I. Act concerning the ceiling on advances". Talking of the removal of the $800 million ceiling on advances, the communique says, "Such a ceiling is unrealistic in the light of constantly-changing and unpredictable factors . . .".

The second paragraph of the communique mentions that the government's share, payable when the national unemployment rate is over 4 per cent, is not paid until April 1 of the following calendar year. Then, farther down the page, there occurs a sentence which is most interesting. Although the minister's name does not appear on the communique, I assume that he cleared it before its release. The words I refer to are, "There are sufficient controls, through annual reports . . .".

In one paragraph the communique refers to taking off the $800 million ceiling on advances and in the next it refers to the controls that exist. Does that not imply that the ceiling was included for purposes of control? If the ceiling were to be raised, the matter would come before parliament. At any rate, that is how I see it. The full sentence in the communique reads:

> There are sufficient controls, through annual reports, Auditor General reports and Public Accounts to ensure an adequate review of the financial operation of the program.

The government, in this communique which must have been cleared by the minister, is saying in so many words, "Although we want to take off one control, do not worry; there are other controls which will offset that."

The former minister took some time talking about the ten different controls existing. Obviously, he was concerned. I assume he realized we were losing this control. He said, in effect, don't worry; we have other sufficient controls. My colleague, the hon. member for Yukon, reviewed these so-called controls very thoroughly. I will not go into them again other than to put on record that the so-called controls are not controls at all. They are not controls before the fact, they are controls after the fact.

• (1650)

In committee we questioned the minister who substituted for the minister responsible about these controls. He said, don't worry; you have the annual report of the Unemployment Insurance Commission. What is a report? What controls are there? He ignored the fact that the report does not come out until the September after the fiscal year is over. He talked about the auditor General's report. What controls are there in a report that comes out a year or two after the fact? What can parliament do about it then?

I submit there is a very definite reason for this clause being in the original act. The reason is that this was the only way we could force a wild spending government to come back to parliament and justify their actions. I submit that the ceiling should remain. I do not buy the argument that we destroy the Unemployment Insurance Act if we do not pass this bill. As I said earlier, there are many ways in which the Unemployment Insurance Commission can get the necessary money to pay the benefits under the act. It is not legitimate to state that when we have passed legislation that guarantees benefits to the unemployed, we can put something in it to prevent the unemployed from getting those benefits. I submit that the act does not do this. The act states that the Unemployment Insurance Commission shall pay benefits at such and such a rate. It also contains special clauses which give the Unemployment Insurance Commission, through proper representations to the government, the power to raise all the necessary monies to pay the benefits guaranteed under the act.

This whole business is a sham. We listened to members on the government side say that we were ruining the act. The Unemployment Insurance Act is good. It is not the act that is on trial here. It is the government that is on trial because of its mismanagement, getting into this mess and now coming to us to get them out of it.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, I have often pointed out to the House that most of the laws are drafted in a language which leads to confusion. The present example shows that long and quite costly studies were made, that commissions of inquiry were established, that white papers were published and that economists were hired who tried to estimate the approximate cost of the variations established about the rates of contributions and benefits, probable income and expenditures.

All this resulted in the presentation of Bill C-229 entitled "An Act to amend the Unemployment Insurance Act", after unending studies in committee and debates in the House where a certain number of members seem more interested—and we have again noticed today—in hearing themselves talk rather than making practical suggestions.

The legislation was adopted on June 14, 1971. Since that date, various things occurred, none of which helped reduce unemployment. This is so evident that for the past few days, officials have been trying to find a way to pay advances to the commission to enable it to pay unemployed people the benefits to which they are entitled.

Answering some questions on January 31 last, during a sitting of the Standing Committee on Labour, Manpower and Immigration, the minister said, and I quote:

> If it were to happen that the commission, as a result of failing to have the advances which this bill allows, be out of funds, the commission would simply have to stop issuing cheques for benefits so long as it was in that position.

—which period had been mentioned in the question.

Later, the minister said:

> Well, yes, the estimates at the moment, as precise as we can have them in terms of hours and timing, really mean that that is the critical day. I am quite satisfied that that estimate could be out an hour either way—that kind of thing.

When the hon. member for Winnipeg North Centre (Mr. Knowles) asked him:

> It could even be out a day, but a point would be reached at which unemployment insurance claims would not pe paid.

The minister replied:

Yes, that is right.

We are now discussing a bill which is indeed very short. I am used to criticizing the inordinate length of some bills which thus tend to be incomprehensible. Unfortunately, we are taking days to deal with Bill C-124. This procedure enabled some hon. members who spoke before—and I followed the debates in the House—to comment on the whole unemployment insurance legislation.

We shall have an opportunity to discuss the Unemployment Insurance Act when another bill dealing with it is brought forward. We shall then discuss the initial period, the waiting period, the reference period and the extension period and also the two kinds of unemployment, casual and hard-core or chronic unemployment. However, today we are dealing with a bill to enable the commission to pay benefits to unemployed people. It has been hard enough, since the beginning of the winter, to accelerate such payments without adding to that the creation of an atmosphere of hesitation among civil servants.

In view of the many delays unemployed people have been having in receiving their benefits, we should not add to that the encouraging of a hesitant attitude.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Boulanger): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Yorkton-Melville (Mr. Nystrom)—Agriculture—Possibility of financial assistance to Saskatchewan land bank program; the hon. member for Okanagan Boundary (Mr. Whittaker)—Public Works—Alleged disposal of old barges by Department in Lake Okanagan—Steps to remove; the hon. member for Assiniboia (Mr. Knight)—Agriculture—Increase in price of fertilizer—Inquiry as to action.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely public bills, private bills and notices of motions.

[*English*]

PRIVATE MEMBERS' PUBLIC BILLS

NATIONAL HOUSING ACT

AMENDMENTS CONCERNING MUNICIPAL WATER AND SOIL ANTI-POLLUTION PROJECTS

On the order: Public Bills:

January 15, 1973—Second Reading and reference to the Standing Committee on Health, Welfare and Social Affairs of Bill C-6, an act to amend the National Housing Act (Municipal Water and Soil Pollution Projects)—Mr. Alexander.

The Acting Speaker (Mr. Boulanger): Hon. members will recall that on January 18 Mr. Speaker made some reference to Bill C-6, and it was to the effect that the bill contained money provisions. Of course, if the hon. member for Hamilton West (Mr. Alexander) has any further explanation to offer, or has any further information to give, the Chair will certainly take the time required to pay attention to what he has to say.

• (1700)

Mr. Lincoln M. Alexander (Hamilton West): Thank you, Mr. Speaker. I can appreciate the dilemma in which Bill C-6 has placed the Chair. But I believe it is the substance of the bill which should most concern us, and that is what I should like to bring to Your Honour's attention.

Bill C-6 is an act to amend the National Housing Act. It is concerned with municipal soil and water anti-pollution projects. A great deal of urgency attaches to it because of the rate of urban growth and corresponding problems related to sewage disposal arrangements. I know that when the bill was first brought to the attention of the Chair a caveat was expressed; it was pointed out that I was dealing with a matter involving the financial prerogatives of the Crown. This is something which immediately comes to the attention of the Chair in cases in which a bill originates with a private member. In other words, the Chair itself scrutinizes private members' bills to see that they comply with the rules, and, where justified, in the Speaker's opinion, initiates objections and rules a bill to be out of order.

I do not object to this practice. What I do object to is the fact that such initiative is not exercised by the Chair in the case of public bills, including those introduced by a minister of the Crown. Obviously, the Chair does not exercise this initiative where government bills are concerned. I need only refer to the Government Organization Bill, 1970, one which really contained about eight bills which should have been split. In this case the initiative, the raising of the point of order, was not undertaken by the Chair, but by Members of the Opposition. Again, in connection with the Income Tax Reform Bill, at least two points of order were initially raised by the Official Opposition, one of them so vital that the legislation could have been blocked for weeks while the Chair perused its contents, perhaps with the result that the measure would have been thrown out. The other defect was so serious that a special order of the House was required before the bill could proceed. There are other precedents in this connection, but the two I have mentioned are recent. And

they were not latent defects, but patent. Indeed, they were blatant defects. My understanding is that except where Standing Orders provide otherwise, all members are equal in their rights. What Standing Order provides that the Chair shall not initiate objections on points of order against public bills introduced, or sought to be introduced, by ministers of the Crown? I shall say no more on this score for the time being, since before my time expires I must enter my response to the caveat issued by the Chair in connection with Bill C-6.

I should like to draw Your Honour's attention to clause 3 in this regard. I should like to point out that expenditures mentioned under this clause are to be provided only when, and as, moneys therefor are made available out of the public revenue by parliament in accordance with law. Thus, Mr. Speaker, even though I may be dealing indirectly with money, nothing whatsoever can happen until such time as the proper procedure is followed in the House of Commons and the necessary appropriation has been made according to law.

What really concerns me here is the difficulty in which municipalities are finding themselves as a result of urban sprawl. It seems odd to me that the definition of sewage treatment contained in section 50 of the National Housing Act should refer to sewage treatment projects as meaning projects consisting of:

> (1) (a) A trunk sewage collector system, a central treatment plant or both for the collection and treatment of sewage from one or more municipalities, or
>
> (ii) a trunk water main facility or system, a trunk storm sewage collector or system or both such facilities or systems, for serving one or more municipalities.

What happens if we extend that definition, if, in effect, we make loans in respect of trunk water mains and trunk storm sewage collectors, in addition? We now come to the gist of my submission; what I am talking about, now, is forgiveness. Forgiveness becomes extremely important in these days when the populations of our cities are growing so rapidly. I was speaking with officials in the City of Hamilton the other day. They were most concerned about the fact that they could not afford the services which a growing population requires for health and sanitation purposes. They feel it is time the government became aware of the fact that by the year 2,000, some 80 per cent of our population will be concentrated in cities such as Hamilton.

I mention Hamilton first because, as hon. members know, I have a special responsibility in that area. But what I say applies equally to Toronto, Winnipeg, Guelph, Calgary and our other major cities. The hon. member for Regina-Lake Centre (Mr. Benjamin) wants recognition for his city in this regard. That is natural. These are our major cities. When we are talking about sewage systems, as we must, we are only talking about 25 per cent forgiveness. It is high time we recognized the serious financial plight of our cities due to the fact that their tax base is so limited. They cannot get more money from the provinces, and the federal government, rightly at times, is reluctant to reach directly through the provinces to the municipalities. So the municipalities are looking to us for the forgiveness of loans under the terms of the National Housing Act.

I see, Mr. Speaker, that you are consulting Erskine May and Beauchesne and it would not surprise me if you were almost prepared to rule me out of order. Still, it is private members' hour, now; we are not debating government policy or the incompetence of the government and its lack of appreciation for the frustrations felt by ordinary citizens. In these circumstances I should like to continue my remarks for your edification. I know all hon. members will appreciate that what I am talking about makes a great deal of sense. What I am attempting to do is to bring the problem of the municipalities to a focus in this forum where I know I can certainly count on a sympathetic ear, even from the Speaker, who seems prepared to allow me to develop my argument, at least to a considerable extent, even though I might stray from the point of order.

I might say that my clause three is a negation of an appropriation. If Your Honour is concerned with my tampering with public funds or with the financial administration aspects of the House of Commons, then clause 3 should allay your fears in this regard. As I have said, nothing can happen until a bill comes before the House and the moneys are appropriated in due course, something similar to the provision we will shortly be facing in the near future with respect to miscellaneous estimates. That is money that has been set aside, through Governor General's warrants, for expenditure on matters of transportation, agriculture and so on. Every department is involved, and this money has to be appropriated by this House.

• (1710)

If I am right in this respect, why should the Chair be concerned? It is right that the Chair should be concerned; all I am saying is that this is the negation of an appropriation. It would not take one cent out of the public revenues of Canada if the bill were enacted and received royal assent tonight. Unless and until the Governor General recommends to the House the expenditure of funds to fulfil the purpose of the bill, and unless this House passes a bill containing a vote for that purpose, no public moneys can be spent.

I hope, Mr. Speaker, that I am making sense. I see Your Honour is still reading Beauchesne and May, but I hope my arguments are getting through to you. I submit this is nothing more nor less than a petition, and I would ask Your Honour to consider it in that light. This is a petition whereby I am bringing the plight of municipalities, both big and small, to the attention of the House and asking for the immediate consideration of the House. If the bill is adopted, then we can move ahead. If the bill is not adopted and there is no vote or royal assent, then nothing can happen. Therefore, why cannot hon. members discuss the bill?

There is no deeming clause in the bill, as there is in Bill C-124 in the name of the Minister of Manpower and Immigration (Mr. Andras). Nor is there reference to a vote as authorized by this House. What I am trying to say, Mr. Speaker, is this. We are all aware of the plight we find ourselves in through pollution of the ecology. Indeed "pollution" and "ecology" are household words. An uncontrolled urbanization is playing havoc with our environment. This is so not only in the city of Hamilton, which is registering concern, but also in all the major cities to

which I referred a little while ago. The accelerating congestion of human and industrial activity is threatening our existence. Little thought has been given to the dumping of waste. Water is the final receptacle for most waste materials resulting from human, industrial and agricultural activities as well as from transportation.

Therefore, why should we not discuss at this time questions such as these, notwithstanding the rules of the House which, I submit, do not apply in this area? As I have said, nothing can happen until such time as the House of Commons approves an appropriation act that will earmark funds for the purpose. I say that until that happens we are in order in discussing the bill.

May I go on record as saying that since the regenerative capacity of water is limited, the dumping of wastes directly or indirectly into water tables, rivers, lakes and oceans can—as it is today—overload the medium. The overloading of our water supplies will destroy our recreational facilities, wipe out our fisheries and drastically reduce the supply of water. This will pose direct health hazards, such as typhoid.

I am still not dealing with the expenditure of money, Mr. Speaker, even though it may appear that I am. In the final analysis, I am not asking for money to be spent right now.

Mr. Paproski: Not at this time.

Mr. Alexander: My colleague from Edmonton Centre helps me in this regard by saying, not at this time. I do not wish to belabour my point of order. I think that the Speaker in his wisdom, and in his ultimate compassion, will show me some mercy in this regard by ruling my bill in order so I can submit further arguments in support of the proposition that I have advanced.

If I may refer directly to the bill, the present section 36E(b) of the National Housing Act confines loans made to municipalities to trunk sewage collector systems and to central treatment plants. The proposed amendment permits loans for trunk water mains and trunk storm sewage collectors.

Then, the bill becomes involved in the aspect of forgiveness. My proposed amendment raises the forgiveness provision from 25 per cent to 50 per cent of the loan. Note that I am talking about forgiveness, Mr. Speaker, not about the spending of money. By the new subsection (3) the bill provides for 100 per cent forgiveness for works constructed during the winter months. The additional forgiveness is shared 25 per cent by the federal government and by the provincial government. The five month period may commence, at the option of the province, either on November 1 or December 1 to allow for regional seasonal employment; however, this option does not apply in 1974 since the assistance under the act expires in 1975 and a period commencing in December would extend past the expiry date of March 31, 1975.

I am very grateful for the indulgence that Your Honour and hon. members have exhibited, and I close by saying that the provisions of clause 3 of the bill are a negation of an appropriation. In this regard I hope Your Honour has followed my argument and will render a judgment in my favour.

Mr. Ian Watson (Parliamentary Secretary to Minister of State for Urban Affairs): Mr. Speaker, we all appreciate the initiative of the hon. member and the painstaking labour that I am sure he has expended in bringing forward his bill. It is a generous bill that has much to recommend it. I should have liked, in reply to this rather expansive enlargement of the discussion of the point of order, to go into detail on the newest federal initiatives taken in the area of sewage disposal systems which will have a beneficial effect on municipal pocketbooks, but I shall try to avoid that temptation.

However, I should like to mention that the new communities program, which is part of the measures that have been introduced into this House to amend the National Housing Act, and the neighbourhood improvement program, both include features that will allow for new forms of assistance from our level of government, in collaboration with the provinces, to be given to the municipalities by way of making available these extremely expensive services at the lowest possible cost to municipal taxpayers.

A number of discussions are now going on with the provinces and are contemplated to continue throughout 1973 in the area of sewage disposal systems and the means of financing such systems; and also, perhaps more importantly, it is contemplated during the year having discussions with the provinces in the whole area of public financing of services and how improvements can be made in this domain. This is a domain which over the years we have found—

• (1720)

The Acting Speaker (Mr. Boulanger): Order, please. While I allowed fairly extensive time to the hon. member for Hamilton West (Mr. Alexander), I should remind the hon. member that he should speak to the point of order. The Chair has not put the question as yet.

Mr. Knowles (Winnipeg North Centre): Just as the hon. member for Hamilton West (Mr. Alexander) did.

Mr. Watson: Mr. Speaker, I should like to draw your attention to the two points relevant here. The first is Standing Order 62(1) which reads:

> This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

Clauses 1 and 2 clearly represent a charge upon the Crown and there has been no recommendation from the Governor General. The only person who could introduce such a bill in this House is a minister on recommendation from the Governor General.

Although I realize it is unnecessary to bring this to your attention, let me point out that Citation 249 at page 214 of Beauchesne's Parliamentary Rules and Forms, Fourth Edition, reads in part:

> "No cases can be found of any private member in the Canadian Commons receiving the authority of the Crown, through a minister, to propose a motion involving the expenditure of public money. No principle is better understood than the constitutional

obligation that rests upon the executive government, of alone initiating measures imposing charges upon the public exchequer."

I know you have studied these points in detail but I thought it useful to bring them again to your attention.

The Acting Speaker (Mr. Boulanger): I have listened with great attention to the very interesting arguments put forward by hon. members in respect of Bill C-6. If hon. members will permit me, I should like to express my remarks in respect of the argument in French.

[*Translation*]

When he spoke, the hon. member for Hamilton West referred to a procedure that has nothing to do with the point of order. His remarks were very interesting but I do not feel that I should comment on them at this time. Still, some of his remarks were pertinent, and I shall make it my duty to submit them to Mr. Speaker.

With regard to the point of order, I shall read a few explanations and my ruling will rest on citation 246 (1) of Beauchesne's 4th edition, after which I shall refer to another citation.

The bill introduced by the hon. member proposes amendments to Part VIII of the National Housing Act which deals with loans for the financing of municipal sewage treatment projects.

The act stipulates that loans can be granted to facilitate the construction or expansion of sewage treatment facilities. Under clause 1 of the bill introduced by the hon. member loans could be granted in order to facilitate the construction or expansion of water mains and storm sewers. However, in the existing legislation, there are provisions for forgiveness of 25 per cent of the loan and interest, under certain conditions. Clause 2 of the bill would increase the percentage of this forgiveness to 50 per cent and to 75 per cent in certain cases.

As the legislation now in effect sets a limit to disbursements out of the Consolidated Revenue Fund with regard to these loans, the bill under consideration would abolish this limit.

Finally, clause 3 of the bill introduced by the hon. member provides that the required expenditures will be provided through appropriation acts.

The Chair is of the opinion that such works would entail a disbursement of public moneys. Therefore, this bill is actually what might be called a money bill.

Clause 1 of the bill would extend availability of loans for a further purpose. Clause 2 would provide for an easing of terms and restrictions governing loans. As for clause 3, it provides appropriation of funds by Parliament for the purposes of the bill and eventual elimination of limits on disbursements out of the Consolidated Revenue Fund, allowing for loans of unlimited amounts.

The hon. member is raising a specific point when suggesting that a private member's bill can provide easing by the government of conditions governing loans.

I submit that the subject matter of the hon. member's bill includes points because of which it could only be brought forward by a minister of the Crown, and accompanied by a recommendation from His Excellency.

[Mr. Watson.]

I shall not refer to the arguments brought forward by the hon. member for Laprairie (Mr. Watson) referring to citation 249 from Beauchesne's and I shall confine myself to the Standing Orders.

Standing Order 6 2 (1) provides that:

This House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

As for the particular point on forgiveness of loans, I shall refer to citation 246 (1) of Beauchesne's Parliamentary Rules and Forms, 4th Edition, which reads as follows:

(1) The recommendation of the Crown is needed for such measures as Bills relating . . . to the repayment . . . or compounding of sums due to the Crown—

I shall also quote citation 256 (1):

(1) A resolution, imposing on the Dominion Government the obligation to carry out a compact not fulfilled by the Government of the late Province of Canada whereunder settlers were to receive moneys derived from Crown lands, was ruled out because it did not originate in committee and was not recommended by the Governor-General.

[*English*]

Under those circumstances, it is difficult for the Chair to make the decision to allow the bill to proceed. Therefore, it is the ruling of the Chair that the bill cannot proceed.

Mr. Reid: On a point of order, Mr. Speaker. I think there might be consent to take Bill C-13 in the name of the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) during the remaining time.

Mr. Bell: Mr. Speaker, on this point of order, let me say that the hon. member was ready to proceed with this important bill. However, at least half the private members' hour has been taken up with procedural matters, as well as with Your Honour's extensive and well researched decision. I hope there is agreement that we adjourn and not continue with the short time left of private members' hour. I hope this meets with everybody's approval.

• (1730)

The Acting Speaker (Mr. Boulanger): As hon. members have heard, there is a suggestion that we do not continue with private members' hour. I need the unanimous consent of the House to call it six o'clock. Is it agreed?

Some hon. Members: Agreed.

At 5.35 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971 (No. 1)

PROVISION FOR APPROPRIATION TO BE DEEMED ADVANCE

[*Translation*]

The House resumed consideration of the motion of Mr. Andras that Bill C-124, to amend the Unemployment Insurance Act, 1971 (No. 1), be read the third time and do pass.

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, when the House took recess, I was saying that we should not add another element which would result in creating a problem through some hesitation of issuing cheques for fear that the fund of the Commission be depleted. The unemployed have such a hard time getting paid nowadays that if ever some functionary—who decides to function from time to time—learned that there is no more money in the fund, we would be in great difficulty.

One must try to be serious especially after having adopted an act dealing with unemployment insurance which lacks flexibility and complicates the unemployed's life with administrative red tape which contributes in delaying payment of benefits. Futile discussions should not however delay the adoption of a bill tp grant cash advances to the commission and the payment of benefits to the unemployed.

Yesterday, a well qualified speaker, a parliamentarian who is much familiar with the Standing Orders and with procedure, the hon. member for Winnipeg North Centre (Mr. Knowles), after referring to various pension plans and to the possibilities of obtaining funds, stated as recorded in *Hansard*, and I quote:

> The Canada Assistance Plan works much the same way. In that case, the federal government even underwrites what the provinces do.
>
> As long as the provinces meet certain conditions laid down in the Canada Assistance Plan, they can pay supplements to their pensioners, get various programs under way in the social welfare field and collect 50 per cent of the cost from Ottawa. Nowhere is there any ceiling or provision that says they cannot get this when they exceed a certain amount of money. What is it that is wrong with unemployed people, in the minds of my friends to the right, that they must be pilloried in the way they are being pilloried in this House tonight and being told that they cannot get their money?

It is quite clear tough. What the government is asking for the time being is nothing outstanding, that is to advance monies to the fund. It is only a type of loan, something we are used to for we lend millions of dollars to almost every country of the world, and we would hesitate to advance money to Canada's unemployed! We find ourselves in a very uncomprehensible situation.

I understand that in the area of unemployment, it is sometimes difficult to establish everyone's responsibilities with accuracy; so many factors must be taken into account. However, no serious observer can help concluding that lack of money is the determining factor. The lack of money leads to unemployment. At the present time, we are faced with a shortage of funds to pay the unemployed! Under the circumstances, I am very pleased to say that all my colleagues from the Social Credit are ready to support the bill and to hasten its passage so that the unemployed will never suffer as a result of the late payment of their allowances.

Unemployment which has reached an alarming extent is due to a restricted monetary flow—but let us not take any action to restrict it further—in various fields of economic activities, as a result of which the unconscious supporters of the present unbalanced financial system, who are often represented in Parliament by a Minister of Finance who juggles with figures, taxes and exorbitant debts and loans, are responsible for those conditions.

If one asks the unemployed what is the cause of his constant concern, he will answer: I am not drawing enough income to ensure my livelihood and that of my family.

He lives from day to day with his fear of tomorrow. There are still people who take the means to create still more concern. This illness is spreading at such a vertiginous pace that a provincial minister of labour has once stated that he could see the end of the present unemployment crisis, which could put Canadians in the not so fortunate prospect of a revolution. These remarks have been published and commented by the media.

During this period, we see, one after the other, the defenders of the system which has resulted in unemployment resorting to every available means to make thousands of unemployed believe that the government is doing all it can to assist them, by considering development programs, readjusting rates of benefits and, since this is the fashion, publishing white papers or papers of any other colour, as required.

But for the time being the question of unemployment insurance will come back for discussion in the House and we shall talk again of the legislation and its necessary amendments. Right now, we must hasten to pass this legislation which would guarantee to the unemployed the income they need.

[*English*]

Mr. Peter Reilly (Ottawa West): Mr. Speaker, it is a very serious matter that we are discussing tonight and I hesitate to do what I am about to do. We have had caucuses on this matter and I have discussed it with my colleagues. I know that I will not make myself terribly popular by what I am going to say, but I must disagree with some of the remarks of my colleague from Hamilton West (Mr. Alexander) who spoke in this debate last night. I am sorry to have to disagree with those remarks and I hope, while he might be angry with me for a while, that our friendship which has been of relatively long standing will not be permanently upset by what I now propose to say.

He said, among other things, that the government's demeanour in the handling of this bill brings into question its competence and integrity. I cannot agree with that, Mr. Speaker. I cannot agree with it because it is impossible to call into question something that never existed in the first place. This is true of the demeanour of the government in almost every undertaking that we have been exposed to in this House and it has been particularly true of the demea-

nour with which it has faced us and the Canadian people over this issue.

I came in here about two weeks ago, Mr. Speaker, fresh from conversations with my colleagues, convinced that I should vote against this bill. But then I confess to you, Sir, that I wavered; I was tempted. I listened to the hon. member for Verdun (Mr. Mackasey). We all know him to be a compassionate man. We know him to be a very warm-hearted man with a deep, abiding and sincere concern for those less fortunate than himself. Beyond that, Mr. Speaker, he is a very persuasive speaker. As I sat here the old silver-tongued devil from Verdun took me up on the mountain top and showed me all that lay below. And I was tempted.

• (2010)

I said to my colleagues, "Having listened to the hon. member for Verdun, the man who was the responsible minister before he was turfed out by his colleagues for his humanitarianism, I cannot see my way clear to vote against the bill." They said, "Vote against it. It will go to committee and there you will get a chance to find out everything you need to know about it." So I did: hanging my head as I rose in my place, I voted against the bill. I felt badly at the time but I took the advice of those with more experience than I have, and the bill went to committee.

Then, Mr. Speaker, the whole sordid story was spread before us, the whole tatty tale of how this government deliberately deceived the people of this country about the true story of unemployment just before the election campaign. This was unemployment which they had created deliberately and for which they probably took credit at the time. It became clear to me then how they were trying to cover up a course of action which one of the most responsible men in this country, the Auditor General, has said is of dubious legality and is unique in parliamentary history as far as his research carries him. This is a uniqueness so striking that he has asked for separate legal opinion on whether the government's course of action was legal.

The former minister, the hon. member from Verdun—I wish he had been here about five minutes earlier when I honoured and eulogized him—

Mr. Roy (Timmins): With knives in the back.

Mr. Reilly: The hon. member talks about knives in the back. That is a marvellous thing to hear from a Liberal in reference to the hon. member for Verdun.

Some hon. Members: Shame!

Mr. Reilly: If I had hired as a straight man the hon. member who interjected, Mr. Speaker, I would sign the cheque right now because he has done the job for the week. But there is more to come.

I want to take hon. members back along memory lane to 1969, when this whole sorry mess began, and to bring them up to date on what has happened since. There has been an attempt by members of the government—the chief among them and the most eloquent, certainly, has been the hon. member for Verdun—to persuade people that because we in this party have stood from the beginning against a course of action that is clearly illegal, clearly fraudulent, clearly evasive, we are somehow arrayed in all our power against the poor, the unfortunate and the helpless.

If anyone on that side of the House has any doubt about where we stand, or if any of my easily pleased, well-heeled friends at the other end of the House have any doubts about where we stand, let them bring in an appropriation now for the money we need, and we will pass it in all three stages tonight. They will not do that, of course, Mr. Speaker, because that would be admitting that they were wrong—they were wrong when they began, they were wrong throughout and they are wrong now. And to admit to being capable of error is something that the Liberals never do. I repeat, in case there were some hon. members like the straight man who may not have heard me the first time, bring in an appropriation and it will pass in all three stages.

Mr. Baldwin: As long as they do not have computers to tell us how much.

Mr. Reilly: I want to go back to 1969 when the Prime Minister (Mr. Trudeau) told reporters hovering around him with microphones and pencils and pads at the ready that he had discovered the enemy of our society, inflation, and that the old people, the poor people, the people on fixed incomes and on pensions and all the others he held dear—all those people were suffering and he proposed to do something about it. In the same year he was warned by the Economic Council of Canada that if he pursued the course which he announced he was going to pursue, two things were likely to happen. First, there would be higher unemployment than that which we were already experiencing—and that was not a happy state of affairs in 1969—and, second, that inflation likely would not be halted at all. Despite that, he pursued his course and said that he did not care that unemployment went as high as 6 per cent. He said that to newspapermen and on television, Mr. Speaker.

Upon reflection, I have to conclude that it is a good thing that the Prime Minister was not scared of the figure of 6 per cent. If he had been, he would have spent a good part of the next couple of years hiding in the cupboard or under the desk because we have had 6 per cent unemployment for most of that time.

We all know how much it concerned him when the hon. member for Gander-Twillingate (Mr. Lundrigan) persistently sought day after day to find out if this bankrupt government had any plans to cope with the unemployment which it had created. We know what the Prime Minister mouthed across the House of Commons at the hon. member. We know what he told a group of unemployed workers in front of this House, Mr. Speaker. I will not repeat the words. I can only say that Marie Antoinette extended roughly the same invitation to the disgruntled masses in her time. She was a little more eloquent than the Prime Minister, but the effect was the same.

Moving on to 1970 and 1971, unemployment did reach 6 per cent, then went higher. Half a million Canadians were out of work. But still this government forged ahead. We heard at that time that inflation was licked. I remember

that was around Christmas time. We all know how the prediction turned out. In 1971 the government had the answer to all these problems—the new Unemployment Insurance Act.

I remember well the pride with which the hon. member for Verdun introduced that plan. Wonders yet unheard of were to be enacted by the House of Commons to the benefit of the Canadian people. Pregnant women were to be able to collect unemployment insurance while they sat and gestated away—students, casual workers, professionals; all manner of people. There was even a time in the Committee on Labour, Manpower and Immigration when it was suggested that Members of Parliament should collect unemployment insurance when an ungrateful electorate turned them out. That committee report makes fascinating reading, Mr. Speaker; I would recommend it to hon. members opposite as vocational training.

The hon. member for Verdun told us that with up to 4 per cent unemployment the fund would be financed by contributions from workers and bosses, and after that the government would pay. He repeated that phrase this afternoon—"the government will pay". I should like to know at this stage what his concept of the government is, if you except certain ventures of which my friends to his far distant right would probably approve, such as the minting of special money for special events. The fact is, Mr. Speaker, that it is the people's pocket we are talking about and that is what the hon. member for Verdun was talking about; but he would never put it that crudely.

• (2020)

It became obvious at that time, as contributions from bosses and workers would not flow in at precisely the same time as it was necessary to pay benefits which were badly needed because of the unemployment created by the government, that a provision would need to be made for an advance to the fund so that the commission could make payments to the unemployed even though the commission had not yet received all the contributions from the workers and the bosses. A provision along these lines was duly incorporated into the bill which went to committee.

About that time, we do not know precisely when, there was inserted by the conservative wing of the so-called Liberal party a provision saying that at no time could the advance from general revenues to this fund total more than $800 million. Some members of the committee examining the estimates were confused as to why that $800 million limit was necessary. Mr. Allen, director of economic policy analysis, said that the $800 million figure represented the upper limit of the advance. Presumably he was talking in terms of deficits. The hon. member for Hamilton West asked if Mr. Allen had used a 7 per cent unemployment rate, to which Mr. Allen replied yes, he had used 7 per cent and that in order to cover the worst possible case they had added another $100 million to the $700 million for good measure. So, that is the scientific way in which the technocrats opposite arrived at the $800 million ceiling of advances to the unemployment insurance fund.

Now we move to May, 1972. The Unemployment Insurance Commission became aware it was running into a crisis. May I quote from the evidence taken before the Miscellaneous Estimates Committee on January 18 of this year. Mr. Cousineau, the Unemployment Insurance Commissioner, said that in April the commission paid out $109 million, and $84 million in May. So based on the information that was available at the end of May, because there is always a time lag of approximately one month, the officials of the commission were expecting substantial—

Mr. Blais: On a point of order, Mr. Speaker, I think the hon. member for Ottawa West (Mr. Reilly) is quoting from a committee report. I thought it was a previous ruling of the Chair that no proceedings in a committee or reports of a committee were to be dealt with in this House until the committee's reports had been adopted.

An hon. Member: You are totally wrong.

Mr. Paproski: Stick to your back bench.

[*Translation*]

The Acting Speaker (Mr. Laniel): Order. I must point out to the hon. member that the matter he just raised answers exactly his question. In fact, as the committee has already submitted its report to the House, automatically nothing prevents hon. members from talking about what went on in this committee.

[*English*]

Clearly, hon. members are capable of commenting on the proceedings of committees.

Mr. Reilly: Thank you, Mr. Speaker. At any rate, when the figures for the month of May were tabled there was an indication that the level of benefits would need to be reduced unless the amount in the fund was increased. So they knew away back in May of last year that they were running into trouble.

I quote further from the evidence taken before the committee. Mr. Cousineau said:

> I reported to the commission on July 10, and, on the basis of the information that was supplied by my senior staff, I gave instructions for a review in its entirety of our financial operations. In mid-August, based on the first six months of operation, I came to the conclusion there was a possibility that we may be running out of money, in accordance with that ceiling. Our pessimistic estimate was early November but our optimistic estimate was some time towards the end of December.

There, again, we have it on record that the commission knew in the middle of August it would be out of money at the very latest by the end of December. Parliament was in session intermittently until September 1 at which time it was dissolved and the federal election called. You would have thought that the minister who knew while parliament was in session that the commission would be running out of money would have come to parliament and said, "The commission is running out of money. It needs more."

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

Mr. Reilly: Certainly.

Mr. Mackasey: I know the hon. gentleman is quoting accurately from the committee hearings. I do not have a

copy. Perhaps he would answer a question, since he has done some research. Did the head of the Unemployment Insurance Commission indicate to the committee when he notified me that he felt it was time for us to ask for warrants for more money? The hon. member omitted that, or perhaps ignored it unintentionally.

Mr. Reilly: Mr. Speaker, I have not ignored it; I am coming to it. I think the hon. member will find it interesting if he listens. In any event, one would have thought that at such a time the House would have been informed of the facts. In committee, before which the head of the Unemployment Insurance Commission appeared to answer, I asked why the minister had not come to the House. He replied that he had not told the minister about the situation until the middle of September.

Mr. Lambert (Edmonton West): The Minister of Finance publishes a monthly statement.

Mr. Reilly: I am not aware of the vicissitudes of daily ministerial life. I know ministers of this government are busy men and have a great deal to do. But would you not think that some time after July 10, when this man took over, or even prior to that, some official of the Unemployment Insurance Commission, perhaps over a late night Dixie-cup of coffee in the minister's office or over at the Rideau Club, might have said, "Hey, Bryce. You know that $800 million? Well, it's gone."

Some hon. Members: Oh, oh!

Mr. Reilly: "It's gone, and we need some more." I know that the problems facing gentlemen who operate on such an ethereal plane must be enormous. I know how difficult it must be to remember these little details. Only last week I was reminded by my secretary to pay the telephone bill—but, Mr. Speaker, it was $8, not $800 million. I suggest to you that someone was pretty lax in the performance of his duties.

Some hon. Members: Hear, hear!

Mr. Reilly: This House had every right to expect to be told, before it was dissolved on September 1 for a general election, that the $800 million advance fund would be dried up by the end of the year and recourse would need to be taken to other means of financing that fund. But the government did not do that. They waited around until parliament was conveniently out of the way and they avoided by that manoeuvre, at least temporarily, the bothersome and embarrassing chore of coming before the House, before hon. members and, thereby, before the people of this country and explaining how they had contrived to get rid of all this money that had been authorized.

They did not need to explain how they had allowed unemployment in this country to reach such incredible proportions that it was necessary to pay out that amount of money from the fund. They did not need to explain how the incompetence of their own forecasters had allowed them to run out of money six months ahead of time—to run out of all $800 million. That is an awful lot of money and they would have had to explain it away. They did not want to do that because guess what happened two months after parliament dissolved on September 1. Two months after that came October 30, and we all know what happened on that day.

I can only assume that they had hoped—I would not impute rotten motives to the government or any individual in it—to avoid unnecessary and embarrassing questions on this score, and they nearly got away with it. They would have got away with it if my leader had not broken the sad news that the unemployment insurance fund was in difficulty. Then the minister from Verdun, as my colleague put it so colourfully early this evening, went to confession. He called a press conference and explained why on October 5 a governor general's warrant was issued in the amount of $234 million to help finance this fund.

A governor general's warrant, as hon. members may be aware, can only be issued when two conditions are present: first, parliament must not be in session; second, it must be a payment urgently required for the public good. Obviously, the first criterion was met. Parliament—the government saw to that—was conveniently out of the way. That little number had been settled. Now we were left with the urgency of the payment. Well, we had hundreds of thousands of people out of work who needed their benefits, so we have to concede that they needed the money pretty urgently.

• (2030)

However, what does this tell us about the people responsible for the plan and its administration in this government? It tells us that they knew in May or June that they would be broke before December. It tells us that they pretended everything was just fine while parliament was in session until September 1. It tells us they sat on a situation which grew more urgent every day until they were able to dissolve parliament and were free to obtain the money they needed through the back door, without having to confess that they were bankrupt, that their predictions had been wrong and that unemployment was still disastrously high, even in the middle of the summer when it is supposed to recede.

In any event, warrants for $234 million and $220 million were applied for and granted. They total $454 million. In order to deal with this situation the government could have called parliament into session after October 30. It had all of November and December to call us here in order to cope with the situation in which it found itself. It did not do that. It applied for a second governor general's warrant. Two weeks later the government brought us back here and introduced this bill, Bill C-124.

The Minister of Manpower and Immigration (Mr. Andras) told us plaintively that he cannot see why all the fuss is being made over a bill with two clauses in it. I remind him that you can declare war with one clause. They gave us this bill, this obscene mess, to cope with on January 4. We met in committee on January 30. We were then told we had until February 7 to pass this bill through committee, the House, the Senate and all stages it needed to go through or else we would be responsible for depriving the poor and the unemployed of their incomes.

An hon. Member: Blackmail.

Mr. Reilly: Blackmail is a very mild word to use for that kind of procedure. We were told that unless we suspended all our critical faculties, we would stand convicted of taking away money from the poor. The government was joined in this gibberish by their friends down the way. Now we hear how they are being treated by the Social Credit party.

Having created unemployment deliberately because they did not know of any other way to deal with inflation, the government stubbornly persisted in its wilful ways despite the best economic advice in the country. Having manifested all the concern and compassion we might expect from a beetle in the face of repeated demonstrations of suffering by the poor people of this country, they now attempt to blame us for their own foolishness. The lawyers in this House know the story, but the demeanour of the crowd across the way reminds me of nothing so much as that of the young man who, having committed double patricide, comes into court pleading for mercy because he is an orphan.

Some hon. Members: Hear, hear!

Mr. Reilly: We sought to maintain a limit on the amount that could be advanced from general revenues into this account. We sought to do that for very good reasons. First, there was one in the act. It was put in there at the behest of the President of the Treasury Board (Mr. Drury) who did not trust his colleague the hon. member for Verdun. He thought he was too philanthropic, that he might give away all the money to the pregnant women and, therefore, had a $800 million ceiling put on by the Department of Finance.

I do not blame the hon. member for Verdun and the government for being caught with their nose in the jampot, but the ceiling was put in there, and apparently for good cause. The proof of that was given this afternoon by the hon. member for Moncton (Mr. Thomas). This was during the miscellaneous estimates committee evidence on January 16 of this year when the President of the Treasury Board was asked why there was a limit on these advances. My colleague, the hon. member for Yukon (Mr. Nielsen), stated:

> There seems little purpose in having a ceiling at all in the act under those conditions.

The President of the Treasury Board replied as follows:

> No, Mr. Chairman, I suggest there is a very good purpose in having a ceiling. This particular ceiling, I suggest, was put in in order that parliament would have an opportunity to examine the reasons for the circumstances surrounding any sums in excess of this, which is precisely what we are engaged in now.

Some hon. Members: Hear, hear!

Mr. Reilly: There he sits with his face averted. Well he might. He should turn his face to the wall. He should resign from the cabinet.

Some hon. Members: Hear, hear!

Mr. Reilly: I do not know what he thought we were talking about that morning, but he was obviously in profound conflict with his colleagues on the front benches. Maybe they should take a little recess in order to get their facts straight. Here we have the President of the Treasury Board, the man who next to the Minister of Finance (Mr. Turner) is responsible for the regulation and being a watchdog of public expenditures, saying that the ceiling was a good thing. Why? So parliament can examine the facts if we go over the $800 million. It is a red flag. It is a check. We did not say it: we asked, and he told us. Why? We tried to find that out.

We operated under a massive handicap in that committee. First, the Minister of Manpower and Immigration was laid up with the common cold. In his place he sent the Minister of Justice (Mr. Lang). There is a performer! I fear for the people of Canada if that man is going to be administering justice for the next little while. I really do. He has his back to me, as well he might. He came in there, danced around and tiptoed through the tulips. You never saw such a performance in your life. We could not get a straight answer out of him even if we tried to buy it.

Mr. Lang: You would not know one if you saw it.

Mr. Reilly: Now he speaks. That is the first simple, declarative sentence he has spoken in all the time I have known him. We tried for a variety of reasons but the chief among them was the reason given by the President of the Treasury Board. That was not on January 16, 1971; that was not on January 16, 1972; it was on January 16, 1973, just a few weeks ago, in the committee discussing the very thing we are discussing here. We tried to understand why the President of the Treasury Board was in such obvious and deep conflict with his colleagues. We could not determine why they wanted this clause to come out. The Minister of Justice said, while it had been thought at one time that a limit on these advances was desirable, more mature reflection had shown that it was no longer desirable.

Mr. Hees: I wrote that and rejected it ten years ago.

Some hon. Members: Oh, oh!

Mr. Reilly: In any event, Mr. Speaker, mature reflection persuaded them that it should now come out. The phrase "mature reflection", as we have seen by the obvious delight it causes some members, has a fine ring to it. As the British would have it, it is all swank and no knickers because it really does not mean anything. It does not tell us anything of what we should know, which is precisely why the government wants the ceiling removed. They never told us. The President of the Treasury Board gave us good cause for keeping it but there has been no spokesman for the government to tell us why it should be removed. I have to confess that I am perplexed by that kind of performance. The minister responsible for the bill does not mean to favour us with a statement in its defence. We were supposed to sort of absorb his philosophy by some process of osmosis. This might work as far as my colleagues way down on the left are concerned; they are close enough. But it does not work over here. We do not understand. It does not tell us what we need to know. Perhaps the phrase "mature reflection" means "second thoughts after you have been caught out," or maybe if you set a watchdog to watch, it is almost certain you are going to catch somebody.

• (2040)

The government tells us it cannot agree to any limit. At one stage another $100 million was suggested. Could they cope with that? What about a further $100 million? But they did not want to make any prediction. Why? Because they claimed they were not able to make any prediction. Yet, Mr. Speaker, in December when the Unemployment Insurance Commission, among other government agencies, was asked to forecast its requirements up to February 8—and it was precisely February 8 they were asked to forecast to, not some time early in February, or a few weeks hence, or whenever the government could persuade those bad hats in the Conservative party to vote the funds which were needed—they were able to do so. And with such claim to accuracy that the Minister of Immigration told us he was satisfied that their estimating was accurate to within an hour either way.

So evidently it is possible to forecast requirements. Here I renew my invitation to hon. gentlemen opposite. If they have a problem paying the unemployed whom they have put out of work on purpose, they should not try to hang it on us. All they have to do is to come here with an appropriation. They have proven they can forecast how much they need to within an hour on any given date. The hon. minister is waving his hands. I do that a lot. So, arriving at a figure should not be any problem for them. We, as I said earlier, speaking on behalf of all my hon. friends, will pass that appropriation right away.

I do not think there is any doubt that this bill will pass. I do not think anybody here seriously doubts that proposition. I shall not belabour the House with any more metaphysical talk about connubial relations between the Liberals and the NDP. I think that metaphor has been worked to death. I would not like to see any marriage really consummated because of the possibility that the offspring might be so hideous as to stagger the mind. The unemployed, there is no doubt, will get their money and I am as happy as anyone that they will do so. I think I have reasonably good credentials to come here and talk about this bill. I have been a labour union member and an organizer for unions. I have a great many friends in the labour movement and I have first-hand experience—

Mr. Olivier: Oh, yeah?

Mr. Reilly: Where did that sparkling bit of repartee come from? We are bubbling with wit in this House. I think we could probably spare some for the other place. As I was saying, there is no one on this side who is any more genuinely or sincerely concerned about the plight of the unemployed than I am.

Some hon. Members: Oh, oh!

Mr. Reilly: I would expect that juvenility and cynicism from the back benches of the Liberal party. I have fairly good credentials, I think. But I intend to vote against this bill for the reason that it is a vehicle of shame, fraud, irresponsibility and incompetence on the part of the government and for the reason they have tried to blackmail me and others like me by this phoney concern of theirs about whether the unemployed will get their money. They are trying to shame us, though they created the mess.

[Mr. Reilly.]

Some hon. Members: Hear, hear!

Mr. Reilly: It was they, on their own initiative, who created the mess they are in right now. It was the Prime Minister who conceived that ill-begotten scheme and who persisted in it despite the best advice offered to him. It was they who fumbled and flapped and fooled around through three years of disaster. It was they who deliberately created unemployment. It was they who foisted on the people of Canada a bill of goods about an unemployment insurance plan which would take care of itself by reason of contributions from the workers and the bosses and a minimum contribution from the government, that faceless nonentity which just produces money from its pocket.

It was the Trudeau government which ignored the sufferings of the people and used fraud to bail itself out of an unconscionable situation. And it continues tonight to insist that it cannot live with a reasonable limitation which would assist parliament in the control of its profligate spending habits despite the fact that the senior financial official within its ranks said not two weeks ago that this kind of limitation was a highly desirable thing.

This is the record of the government. It is a record of incompetence, of fraud, of shame, of total lack of regard for the unfortunate people of this country. And they are stuck with it and they are welcome to it.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I do not wish to speak at great length tonight on Bill C-124 but I should like at least to make a few remarks that seem to me to be absolutely vital.

The government has introduced Bill C-124 to raise the ceiling that had been set by a previous bill to $800 million, to make up the deficit of the Unemployment Insurance Commission and pay unemployment insurance benefits after February 7.

Of course, Mr. Speaker, I agree with my colleague the hon. member for Kamouraska (Mr. Dionne) when he says that we are not here in this House to play politics or to use parliamentary procedures to run the fund dry and deprive the unemployed of Canada of their benefits.

Mr. Speaker, I think that it is the duty of hon. members—even though this government is directly responsible for failing to foresee the situation when it had all the necessary data to do so—notwithstanding any political consideration not to reject the consequences on the unemployed but to allow them to get what they are entitled to.

One must remember the basic principle that those who contributed to the unemployment insurance fund did so out of their pockets in accordance with the act and that when they are out of work the government, in return, must pay them benefits.

Having said that, Mr. Speaker, I would not like to pass this opportunity to say to the hon. Minister of Manpower and Immigration (Mr. Andras) that he is incompetent and irresponsible and that he is deliberately misleading the House. I know what I am talking about, having already met managers of provincial unemployment insurance offices and having discussed week after week with more

than 50 jobless who were complaining about not receiving the benefits they were entitled to.

And each time myself or my Social Credit colleagues raise this question in the House, the minister replies with a wide smile and does not say anything. I want him to know that it is not because he is a Liberal that I will support this bill but because the unemployed need money. I support this bill because we have no right to have the unemployed pay for the government's incompetence. But I also want the minister to know that the centralized payment system of the Unemployment Insurance Commission is absolutely inhuman, impersonal and inefficient. It has been obvious since it was put into operation that the system is not worth a penny.

We are about to pass this bill, to remove the ceiling and to increase without limit the Unemployment Insurance Commission's budget to cover unemployment benefit payments. But these benefits should reach the unemployed.

Mr. Speaker, I am disgusted—and I want to say it clearly—by the administration of the Unemployment Insurance Commission which acts like an ostrich, hiding its head in the sand and not paying benefits.

To speak in a "practical and concrete" way, I should give a specific example which occurs again and again in our province. Probably this happens elsewhere, but the Progressive Conservative members do not say a word about it; they say rather that the Liberals are not good; we were aware of this fact, but we should like them to mention as well the problems resulting from unemployment in their regions.

Mr. Speaker, if a worker becomes unemployed on November 1, and after two months has not received one cent in unemployment insurance benefit, is it because the fund is empty? No, it is not. At that time, it was not empty, according to the minister, if he is not lying to us. This means that the administration which deals with the payment of unemployment insurance benefits is unable to pay such benefits and therefore, it should be blamed by hon. members who are responsible before Parliament of the administration of legislation.

Mr. Speaker, it is a very good thing to vote legislation to enable the people to get better service in such or such an area, but such legislation must at least reach the people concerned. I should like to speak again of the head of a family who becomes unemployed on the November 1 and who, on January 1, has not received one cent yet.

The minister will find it funny; he is not even listening, for this is of no interest to him. But I say to him that the head of a family cannot afford to live on fresh air and he is not the one who should finance the Unemployment Insurance Fund. If the fund is empty and benefits cannot be paid or if the unemployed is not eligible to unemployment benefits, let at least someone tell him.

If my colleagues from the Liberal party, as well as those from the other parties, are honest they know that these unemployed ask their member of Parliament what is happening in their case. They tell him they are not receiving benefits even though they have contributed over twenty times and have completed all the cards. They say they receive their cards every week. Other people do not receive any card at all. Sometimes they are sent a heap of correspondence, sometimes nothing at all and, at the end of two months, these same unemployed that we tried to help with extraordinary legislation, the Unemployment Insurance Act, have not received one cent yet. That is when the member of Parliament must get into the picture. This problem is so serious that the former minister and the current minister have established administrative sections in each regional office to help hon. members. This indicates that the numerous cases submitted to hon. members do exist.

Therefore, I wish to draw the minister's attention to that problem. Tonight, or tomorrow, we shall vote on this legislation aimed at raising the ceiling on the advances in order to replenish the unemployment insurance fund. However, I wish to point out to the minister that if I were sure that the unemployment insurance benefits will not be paid faster once we have passed this legislation, I would definitely vote against this bill in order to disable the Unemployment Insurance Commission and make it unworkable.

Mr. Speaker, I am prepared to vote all the credits possible to allow the Unemployment Insurance Commission to operate but on condition that the benefits really reach the persons actually unemployed.

The situation is very serious. In fact, official statistics show that in Quebec, among other places, the unemployment rate may exceed 10 per cent. I realize that the Unemployment Insurance Commission cannot check unemployment, but it can at least alleviate the hardship suffered by the unemployed. Therefore, Mr. Speaker, I consider that the process put in place by the minister and his predecessor in order to decentralize the payment of the benefits is outdated and inefficient, and should indeed be modified. Actually, the local offices should be set up again in order that the benefits might be paid to the recipient from hand to hand to make sure that he gets them regularly, as it should be.

Mr. Speaker, unemployment insurance is like private insurance, health insurance or any other type of insurance. The person who pays a premium expects that the indemnity will be paid to him right away if he is entitled to it.

Unemployment insurance is a public insurance intended to provide the worker with some revenue when he loses his job. Consequently, for unemployment insurance to prove really valuable, its benefits should be paid while the beneficiary is unemployed and not when he has resumed work.

I have in mind at least ten cases where benefits were paid when the beneficiary had resumed work after two or three months of unemployment, which is revolting.

When we get in touch with the regional authorities, we usually get an answer because the officials are devoted. The problem is not there but solely in the impersonal, ineffective and stupid Montreal office and headquarters in all other provinces where everything is computerized. And even if a benefit has been authorized by the director of a regional office that payment will be made only two or three weeks later, unless they make a special payment, as it is called in administrative parlance.

What will happen if you make a "special" or "advance" payment? The card of the recipient will be pulled out and if he ever becomes unemployed again, there will be a problem because it takes at least two months to get the card back into the machine.

That is the information I was given by regional chairmen, and those in charge at the Montreal office, Mr. Speaker; and no one has ever contradicted them. I deplore, the fact that the minister misled the House and continues to do so. Before we past this bill I would very much like the minister to give us a formal guarantee that the benefits will be paid to those who are entitled to them, that the Unemployment Insurance Commission will become personalized, that the offices will be decentralized. For instance, Montreal serves the entire province of Quebec. Steps must be taken so that the unemployed in Victoriaville, Arthabaska or anywhere else in the province will receive their benefits.

Mr. Speaker, those were the few remarks I wanted to make. I made them sincerely, frankly. I want to say this to the minister: time has come for him to pull his hands out of his pockets, to assume his ministerial responsibilities and to see to it that the Unemployment Insurance Commission reaches in fact the people it claims it wants to serve.

Until the contrary is proved, I shall say that the UIC does not achieve its objectives that it is made up of both competent and incompetent people, but that one thing is sure: the overall administration of the UIC is inadequate and does not really achieve its goals.

This is why, Mr. Speaker, it will all be very nice to vote this evening or tomorrow to remove the ceiling and replenish the unemployment insurance fund. This demonstrates once more the failure of the government to stop unemployment. It will all be very nice to pass this legislation but if we vote millions of dollars to pay for benefits that will not be paid out in time, I say that this will have been a waste of time and the minister has misled us and is mocking this House.

I should also like to tell the Conservatives, while I'm in that vein, that I find their attitude concerning this bill absolutely inconceivable and irresponsible. They want to play politics on the government's back, but actually they are playing politics on the backs of the unemployed, because if they kill this bill, this will mean that the claimants will not receive their cheque because the fund will have run out.

Even if there are problems with the Unemployment Insurance Commission, let them rise, as I am rising, let them put pressure on the minister to make him stand up to his responsibilities, which he has not done to this day, in order at least that the benefits meet their purpose. Then we may think about changing the government, but let us not play politics on the backs of unemployed people who are utterly destitute.

I ask the Conservatives to show more decency than the Liberals do. Last year, the Liberals, seeing that the benefits were not being paid out, had the nerve to make an agreement with the government of the province of Quebec in order for the claimants to be granted loans by the welfare administration until the unemployment insurance cheques were sent out.

Mr. Speaker, this situation is absolutely revolting. The minister did not bother with solving the problem of paying unemployment insurance benefits. He was more interested in reaching an agreement with Quebec whereby the unemployed would depend on welfare allowances that had to be repaid.

Mr. Speaker, I say that this is grossly indecent on the part of the Liberals and I cannot see how the Progressive Conservative members can protect this system by killing the bill and making once again the unemployed foot the bill.

Mr. Speaker, I urge both old parties not only to pay the unemployed what is due to them but also to change either the act or the minister.

• (2100)

[*English*]

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I rise to speak on third reading of the bill. I would have much preferred to have spoken on the amendment which has been ruled out of order as I think the significant part of this bill is the amendment to do away with the $800 million statutory limitation placed on the fund by the government in 1971. It should be noted that it was not the opposition which set the statutory limit, but the government itself. It was obviously done because the government, through the then minister, now the hon. member for Verdun (Mr. Mackasey), made a solemnly declared statement before the committee that the actuarial figures were bona fide and that the government was quite sure the $800 million ceiling would not be exceeded as there was no way their calculations could be out that much. Even when it was suggested that the studies indicated some doubt about the figures of the Unemployment Insurance Commission officials, the suggestion was dismissed; yet it has been shown that the figures presented to the committee were in fact considerably closer to the final outcome than the government's own figures.

The hon. member for Verdun gave a list of reasons the statutory limit could be released or eased and indicated how the Unemployment Insurance Commission could be checked in a number of ways, but an example was given to show that these were not likely to be very effective.

We are only debating this bill tonight because the $800 million ceiling was put in to look after eventualities. The President of the Treasury Board (Mr. Drury) suggested it was put in for a good purpose. There has been some intimation that unless this bill is passed, unemployment insurance recipients will not be able to receive their money. This seems to be a red herring because we know the government can make other arrangements, if necessary, to have the unemployment insurance fund balanced.

No one wants unemployment insurance recipients to go without the money allocated to them under the plan, but it speaks poorly of the government's planning if after six months with parliament not in session, from August to the end of December, it suddenly appears necessary to put through substantial changes to unemployment insurance legislation with little or no scrutiny by the House. I sug-

gest that the removal of the ceiling of $800 million opens the way for a large charge on the consolidated revenue fund with little or no scrutiny by parliament for months or even years after the fact.

I suggest the $800 million ceiling was put in by the Department of Finance because it did not trust the estimates of the Unemployment Insurance Commission and wanted some sort of control and discussion in respect of expenditures when they exceeded the statutory limit. It is obvious that when expenditures get above the $800 million ceiling which, after all, represents about 5 per cent of the total federal budget, this is cause for at least discussion and survey at the national level.

It seems certain that the overrun of the unemployment insurance fund in the year 1973 will probably be as great or greater than that of 1972. There are substantial amounts of variables in the plan that may inherently increase the amount of money that will be necessary from the federal treasury. It would seem to me that the government should be more than willing to have the statutory ceiling remain, even if it were increased, because obviously with this Unemployment Insurance Act we are dealing with a plan which will be hard to estimate and in which the administration can make variations of up to hundreds of millions of dollars for which the federal treasury or the employer-employee fund will be liable.

It is interesting to note that in a document headed "Fact and Figures, September, 1970" presented by the government to the committee studying the Unemployment Insurance Act, the estimated contributions were very much on target but the pay-out was entirely off. At a 6.5 per cent rate of unemployment in 1972 the forecast of benefits was $875 million, with the sickness portion being another $142 million, making a total of $1,017 million. At that approximate rate of unemployment in 1972 we find that the actual cost was $1,900 million, with the charge on the government being in the neighbourhood of $800 million, when in fact the forecast was for $369 million at a 6.5 per cent rate of unemployment.

There was obviously a shortfall in contributions from the employer-employee segment which amounted to nearly $400 million. It is indeed fortunate there were $239 million held over from the previous year to be applied to the employer-employee account. In other words, in 1972 there was actually a shortfall in the employer-employee account of nearly $400 million if it was to be brought up to the same position at the start of 1973 as it was at the beginning of 1972.

• (2110)

Mr. Speaker, the employer-employee contributions have been increased to bring in $100 million this year, making it in the neighbourhood of $800 million. But based on the experience of 1972, well over $1 billion would be necessary in the employer-employee account to take care of the charges on the fund for the 4 per cent for which the employer-employee fund is responsible. This means that in 1973 there will have to be advances out of the consolidated revenue fund, if our experience is the same as in 1972, in order to meet this employer-employee share.

I do not quarrel with this, but I would like to point out that the Unemployment Insurance Commission can run a deficit for many years with the consolidated revenue fund which the federal treasury would carry for a long time. I do not see why the Unemployment Insurance Commission would have to set its rates so that the contributions reflect the 4 per cent rate on which they are presumed to set the tariffs for the employers and employees.

Specifically in this act, the Minister of Finance (Mr. Turner) has the authority to set the rates and conditions of both the repayment of principal and interest on the advances. In other words, the Unemployment Insurance Commission could be in debt to the consolidated revenue fund for years. When the unemployment rate is above 4 per cent and the consolidated revenue fund is responsible for the cost above 4 per cent, it makes little difference whether or not the unemployment insurance fund is in deficit with the government. When the consolidated revenue fund is in deficit for a long time for the part of the benefit costs that are 4 per cent and below, this becomes a matter of concern to parliament. At times there may be good reasons for the insurance fund being in deficit, but I believe that the country should be informed about it through parliament.

The imposition of a statutory limit is one method whereby parliament could have a check on the expenditures of the Unemployment Insurance Commission, because in 1972 the commission was obviously responsible for considerably more than 50 per cent of the total pay-out under the plan. There are other factors under this act, apart from the responsibility for the employer-employee share, which require close supervision of the Unemployment Insurance Commission. In the white paper entitled "Unemployment in the '70's" on which this bill is based, the following statement is made:

> Benefits will be higher, more related to earnings and granted more on the basis of need than length of time in the work force.

Surely this implies that the old act was based on the principle of granting social assistance in times of need. The philosophy on which the act was based, of assessment on the basis of need rather than of insurance, implies that there are many open-ended commitments in the act which might result in a substantial increase of the cost without any basic changes having to be made to the structure of the act. Some of these come to mind. For instance, the inclusion of 96 per cent of the labour force has meant the inclusion of many people who were not normally unemployed.

It is my experience that this new group, consisting of teachers, nurses and professional people, has not yet learned how to use the act to its advantage. These people are making contributions so they will take advantage of the act in the same way as anyone else, similar to those who take advantage of the income tax regulations. This is obvious to every member of the House of Commons who finds that the Unemployment Insurance Commission is becoming more autocratic and bureaucratic in its decisions. The decision of the commission to attempt to cut the flow of funds certainly seems, at times at least, to be unfair to the individual and one-sided.

The Unemployment Insurance Act contains regulations which can be widely interpreted and this could result in a substantial drain on the fund while still being within the framework of the act. Any particular leniency in the

application of the act or any restrictive interpretation of the regulations could vary the pay-out by hundreds of millions of dollars.

An automatic increase is built into the act in that we can expect the weekly wage rate to rise rapidly, and benefits are tied to this rise. According to the testimony presented to the committee on miscellaneous estimates, there was a rise of 10 per cent in the average weekly wage rate over that which was anticipated when the plan was set up. There was an increase from 13 to 17 weeks in the time during which unemployed recipients can receive benefits. This may have been due to the high unemployment rate and the consequent difficulty in obtaining a job, the failure of recipients to obtain work sooner, or other reasons. The whole thing seems quite obscure.

The decision whether to increase benefits from around 45 per cent of the weekly pay to 66 2/3 per cent of the weekly pay, and whether this should be a factor in increasing the length of time when a recipient who is off work will receive benefits is yet to be made. After all, there are many jobs in our cold country that are unpleasant and this factor will have to be taken into account.

Then there is the rise in the number of those leaving their jobs, from 5.1 per cent in 1970—the last year under the old plan—to 12.5 per cent now, which amounts to almost two and a half times the number of unemployed at a time of high unemployment. It would seem that people should not voluntarily leave their jobs at a time when the high rate of unemployment decreases the possibility of their getting another job. Then again, as has been pointed out by those studying the situation, after eight weeks of employment a minimum of 18 weeks of unemployment benefit is provided. The minimum, depending on the rate of national and regional unemployment, can be extended to 44 weeks as compared to the maximum duration of 51 weeks for any claimant.

In other words, the old act which tended to apply to those with a firm attachment to the labour force has been extended by the addition of people with minimum attachment to the labour force who are either on welfare or use the minimum attachment for their own ends, such as work on special projects and so on. The new Unemployment Insurance Act does not differentiate sufficiently between the worker with a long attachment to the labour force and the person who is either a welfare recipient with short working periods or, on the other end of the scale, the person who works for his own enjoyment or for a specific purpose.

The present Unemployment Insurance Act has a great many variables. The statutory ceiling provided a means for parliament to check expenditures in an obvious and discernible manner. I might point out that it is interesting that figures presented before the miscellaneous estimates committee showed, as the hon. member for Verdun pointed out last might, that the number of people receiving benefits in 1970 and 1972 was approximately the same, that is, in the neighbourhood of two million. If at this time of high unemployment there are many people who should be receiving benefits but are not, presumably this means that the act is not functioning in their interest and in such case it would be well for us to look into it.

I suggest that there is no justification for removing the ceiling after only one year's experience. If at some time in the future the plan shows stability and the charges to the federal treasury are kept in line with the economy of the country, then it might be time to consider the removal of the ceiling. We have to include, as well, the charges to the employer-employee segment because, after all, with 96 per cent of the working people included in the plan this virtually requires that everyone be taxed.

I have attempted to point out that the present Unemployment Insurance Act by its very nature contains many open-ended regulations. Time and time again the Minister of Justice (Mr. Lang) suggested in the committee that it contained so many variables that it was almost impossible to estimate the cost of the plan for 1973. It seems to me that parliament should err on the side of caution and that the ceiling should not be removed. We hope that the ceiling will not be surpassed, bearing in mind, however, that everyone would want the recipients to receive their just benefits under the act. I hope that the government will reconsider the removal of the ceiling at this time.

Mr. Mackasey: Mr. Speaker, I wonder if the hon. member would permit me to ask him a question. I did not wish to interrupt his train of thought. He raised a very interesting point, that in 1972 the number of claimants was approximately the same as in 1970, even though in 1972 we had over seven million people covered by the act as opposed to four million in 1970. Am I correct that he is suggesting that people are being denied their benefits?

• (2120)

Mr. Ritchie: No. I do suggest that with a 4.5 per cent rate of unemployment in 1970 and 6.5 per cent now, with the same number of applicants, then presumably if there is more unemployment in our work force there should be more people applying. So if they are not applying, or are not receiving benefits when they do apply, it is because they are ineligible. In other words, there is a large number of people who are unemployed whom this act does not help.

Mr. Mackasey: I thank the hon. member, because he raised an interesting point about which I wanted to argue. How does he reconcile the fact that there are approximately the same number of claimants now as in 1970?

Mr. Ritchie: I am familiar enough with the workings of the old act, but I suggest that there is still a substantial group of people unemployed who are not covered by this act.

Mr. J. R. Ellis (Hastings): Mr. Speaker, the main question with respect to the bill before us is the removal of the $800 million limit that was imposed on the government, by itself, to keep the Unemployment Insurance Commission in money. Some hon. members will recall that when I made my maiden speech in this House there were two things with which I found fault. One was the Unemployment Insurance Commission. At that time I cited a number of things. I made a special point of pointing out that this was not due, as some people suspected, to the inadequate work of some employees in the department. It so happens that in my riding there is a large section of this

department. The people there work industriously and do a great deal of overtime in order to get the cheques out on time. I pointed out that the problem was the responsibility of the government and, in my opinion, of the senior staff of the government. I mentioned the chairman, and the minister saw fit to call me to task for belabouring senior civil servants in this chamber.

I ask you, Mr. Speaker, where else could I possibly bring to the attention of the people in my riding in particular, and of the country as a whole, the inadequacy of the government and of its senior employees in administering the Unemployment Insurance Act? At that point in time I made no mention of the hon. member for Verdun (Mr. Mackasey) because he had been, shall I say, drummed out of his position in the cabinet. I am not in a position to know what happened, but in some way, shape or form he is no longer there and is no longer responsible. However, he has made a number of points in this House that I think should receive some attention.

I do not have copies of the proceedings of the committee with me, even though I participated in many of the meetings, nor do I have copies of *Hansard* to quote from, so you will have to take what I am about to say as being very, very close to the exact words of the hon. member for Verdun. I remember him accusing the hon. member for Hamilton West (Mr. Alexander) of being a reactionary. Mr. Speaker, if Lincoln Alexander is a reactionary I am very proud to stand behind him as another reactionary, particularly in this matter. The hon. member for Verdun said that the $800 million was nothing more than a method by which the government lends money to the Unemployment Insurance Commission. Good gracious, what do we do with $800 million if it is nothing more than a method by which you lend money?

Shortly thereafter he said the $800 million was obviously inadequate. Well, Mr. Speaker, we have seen that it is inadequate. I think it has been quite well demonstrated this evening that the government knew it was inadequate long before the session last August. If the government did not know that, the senior civil servants knew it was inadequate and it was their responsibility to tell the government, as my colleague said earlier, perhaps over a paper-cup of coffee, but certainly the message should have got across.

I charged in my maiden speech that the extra ten cents contribution placed on employers and employees would not be enough to cover the deficit. I am intrigued to hear the hon. member for Verdun now say that the amount left over would be balanced to the nearest five cents or ten cents. Many of the employers who are paying contributions are small employers. They employ very few people. In fact, many of them really do not make as much as some of the people they employ. But they will have to pay that extra nickel or dime. I suggest that that is another method of taxation, and an unfair one to boot.

I was further intrigued by the rationale of the hon. member for Verdun when he said that the paying out of something like $2 billion could be equated to a reduction in taxes and in fact was reducing regional disparity. Perhaps it was balancing the money across the country, but once again it is the taxpayers, the 93 per cent who are employed, who are paying the shot. I suggest that they might well like a better way of having control over how the money is going out.

At the committee hearings I asked several questions and I have fairly good recall as to the dollar figures that were mentioned. When I questioned the cost of administration I was told that in 1970 the cost of administration had been proposed at about $59 million, and in fact had gone over by maybe 10 per cent and was about $65 million. I was told that the cost of administration in the calendar year 1971 had been proposed at about $70 million, and in actual fact had gone about 20 per cent over to $86 million. Perhaps those figures are not too unreasonable. But then I was told that in 1972, when the estimate had been $71 million, it had in fact gone to about $120 million. I was given the impression that really a million more or less does not really matter, but to someone coming from the county of Hastings in east-central Ontario I can assure you that $1 million more or less makes quite a difference.

• (2130)

The difference, though if it is $120 million, is $49 million—a difference of 70 per cent. In my maiden speech in the House I predicted that we would find that indeed we were over by something like 70 per cent. The Minister of Manpower and Immigration (Mr. Andras) said I should leave personalities out of it when, in my maiden speech, I said that I would not wait to be fired if I had overspent by $50 million; I would quit. If I do not go after the chairman of the commission this evening—and I may—then I think it equally appropriate that he who would allow such extravagant expenditures should in all conscience give up his position.

Some hon. Members: Hear, hear!

Mr. Ellis: If this was not an error, Mr. Speaker, and I think it was not, I strongly suspect that this $50 million was tossed into the kitty just to cover up some of the complaints we were getting that they were holding off an election. That $50 million was spent in putting people into jobs with the Unemployment Insurance Commission that they no longer hold. That $50 million was spent in trying to get some of these answers, to get some cheques out and to get people off their backs so that they could get on with an election. They knew the consequences of going into an election with that around their necks, and had to get out of it.

In the miscellaneous estimates committee I asked the chairman of the commission if he would break down the first half and the second half of the year. First of all he estimated a 50-70 break, but then he thought that the first half of the year was not any higher than the last half. I would have thought that the first half of the year might have been higher, but he might have misunderstood the answer I was looking for, in all fairness. In the first half of the year they were pouring money in, trying to stave off the consequences in view of the coming election.

There was a question of whether the number of unemployed was roughly the same in 1970 as in 1972. It is my recollection from statistics quoted earlier in the day that there were only 50,000 more unemployed in 1972 than in 1970. That is not a great increase, but if it is so, then where

did we spend the extra $50 million? Did we actually spend $100 a head on each of those persons, for administration? I do not think we could possibly do that. I do not see how we had that extra expense of administration and suddenly found ourselves running out of money when we had an $800 million limit.

We in this party have been accused of being against the poor and against the unemployed. In the chief city in my riding the level of unemployment is a little below that of the rest of Canada. The United Empire Loyalists are very hard working people and work when many others do not. I have no hesitation in saying that this party of which I am proud to be a member is not in any way against the poor or the unemployed.

Some hon. Members: Hear, hear!

Mr. Ellis: We are fully cognizant of the problems of the unemployed and we think steps should be taken to find jobs for them, not unemployment insurance benefits. I am not going to deal with the legality of that question as other members on this side of the House have gone into it.

Mr. Speaker, I close with the thought that a tremendous hoax has been perpetrated upon us by this government in trying to get rid of a legal, logical limit that was self-imposed in the first place and now is being taken out to save embarrassment.

Mr. Mackasey: May I ask the hon. member a question, Mr. Speaker? In light of the honest way in which the hon. gentleman quoted me without text—and I compliment him because he was fairly accurate—did he state that I suggested that the whole deficit of $189 million would be picked up at the cost of a dime per person over a one-year period? Is that what he suggested?

Mr. Ellis: Mr. Speaker, I think at twenty minutes to ten in the evening we have debated this question sufficiently. The hon. member is quite capable of remembering what I said, which was that the figures given as to increases are not adequate and we will be faced with further increases which will have to be borne by the employers and employees in this country.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, as I am under the impression that I will be one of the last to comment on this bill, I believe it is my duty to say a few words.

In my constituency, as, in fact, in all other constituencies, the number of unemployed greatly exceeds an amount we could call reasonable even though unemployment must be considered as a disease per se and should not exist in Canada.

I have listened to a few speeches with more attention and I realize that the government greatly exceeded last year's forecasts.

In my opinion, removing the ceiling is a sure way for the government of not having to give explanations to the House if it did exceed the set ceiling.

In fact it is quite logical to retain a ceiling as any administration must be very closely watched and I think that an administration which exceeds anticipated credits must come before Parliament to answer for its actions.

Even if the bill under study were not passed, this would in no way prevent the beneficiaries from getting their benefits, because if funds were lacking, measures should have been taken in September to remedy the problem.

In my opinion, a ceiling in itself is not so bad, on the contrary, and I think that the government should explain to the House, if it had to exceed the ceiling, even though the one presently suggested by the Progressive Conservative party is quite higher than the previous limit.

• (2140)

I would like also, like the hon. member for Lotbinière (Mr. Fortin), on behalf of the unemployed in my constituency, to urge the minister to study a very important problem which is related to the services of the Unemployment Insurance Commission that should be improved in order to insure to the recipients that they will receive on time the benefits they are entitled to.

I think that in my constituency, as in all others, there is a serious problem about the Unemployment Insurance Commission services. In fact, there has been a lack of regional offices because of too much decentralization. I wonder whether efforts will be made in order to ensure better services so that recipients will receive their money on time. It has been said many times that these people have paid their contributions, as did those who never had to apply for benefits. I think it is important for the minister to consider improving this system by hiring additional personnel for the various offices and reverting to the previous administration which enabled the recipients to receive their benefits on time.

Many question have been put to the minister who always answered by saying that he would consider complaints made by hon. members on behalf of hundreds of unemplyed in my constituency and on behalf of thousands of others across Canada. I think that the importance of improving those services can never be stressed enough to the minister, in order that the unemployed can receive their unemployment insurance benefits instead of having to turn to social welfar payments as it happened again a few months ago.

I think that the problem is very serious and that, being aware of the situation, the minister should do more so that the unemployed can receive their benefits.

Mr. Speaker, I should not like to deprive the House of the opportunity to vote tonight, but since the unemployed are not happy with the present administration of the plan, it would be desirable for the government to provide explanations when the ceiling set is exceeded. That seems quite fair to me, because the ceiling set last year was substantially exceeded. However, I believe that logically we must keep a ceiling, not only to make the government aware that it is being supervised, but so that it may be forced to give the House its reasons for exceeding the ceiling. That is the only way for Parliament to obtain the required information.

Mr. Speaker, I shall close these remarks by inviting the minister to greater diligence in carrying out his task and

asking the government to improve the services that the recipients are entitled to expect.

[*English*]

Some hon. Members: Question.

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

Some hon. Members: Question.

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

Some hon. Members: No.

Some hon. Members: Agreed.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Andras) which was agreed to on the following division:

• (2150)

(*Division No. 9*)

YEAS

Messrs.

Allard
Allmand
Andras
Barnett
Basford
Beaudoin
Béchard
Bégin (Miss)
Benjamin
Blackburn
Blais
Blaker
Blouin
Boisvert
Boulanger
Brewin
Broadbent
Buchanan
Caccia
Cafik
Campbell
Caouette (Charlevoix)
Caron
Carter
Clermont
Comtois
Corbin
Corriveau
Côté
Cullen
Cyr
Danson
Davis
Demers
Dionne
Douglas
Drury
Dupont
Dupras
Duquet
Ethier
Faulkner
Firth
Fleming
Fortin
Foster
Fox
Gauthier (Roberval)
Gauthier (Ottawa East)
Gendron
Gilbert
Gillespie
Gleave
Godin
Goyer
Gray
Grier
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Haidasz
Harding
Harney
Herbert
Hopkins
Howard
Hymmen
Isabelle
Jamieson
Jerome
Knight
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Lajoie
Lalonde
Lambert (Bellechasse)
Lang
Langlois
Laniel
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Westmorland-Kent)
Lefebvre
Leggatt
Lessard
Lewis
L'Heureux
Loiselle
Lundrigan
MacDonald (Cardigan)
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
McRae
Morin (Mrs.)
Muir
Munro (Hamilton East)
Neale (Vancouver East)
Nelson
Nesdoly
Nystrom
Olaussen
Olivier
Orlikow
Ouellet
Pelletier (Hochelaga)
Penner
Peters
Portelance
Poulin
Railton
Reid
Richardson
Rodriguez
Rompkey
Rooney
Rose
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Sauvé (Mrs.)
Sharp
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stewart (Okanagan-Kootenay)
Stewart (Cochrane)
Stollery
Symes
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Whicher
Yanakis—148.

NAYS

Messrs.

Alexander
Alkenbrack
Andre
Arrol
Atkey
Baker
Baldwin
Balfour
Bawden
Beattie (Hamilton Mountain)
Beatty (Wellington-Grey-Dufferin-Waterloo)
Bell
Blenkarn
Clark (Rocky Mountain)
Clarke (Vancouver Quadra)
Coates
Cossitt
Crouse
Danforth
Darling
Dick
Ellis
Epp
Fairweather
Forrestall
Frank
Fraser
Gillies
Grafftey
Hales
Haliburton
Hamilton (Qu'Appelle-Moose Mountain)
Hamilton (Swift Current-Maple Creek)
Hargrave
Hees
Hellyer
Higson
Hollands
Holmes
Horner (Crowfoot)
Horner (Battleford-Kindersley)
Howie
Hueglin
Hurlburt
Jarvis
Jelinek
Kempling
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
Lawrence
MacDonald (Egmont)
MacDonald (Miss) (Kingston and The Islands)
MacKay
MacLean
Macquarrie
Madill
Marshall
Masniuk
Mazankowsi
McCain
McCleave
McGrath
McKenzie
McKinley
McKinnon
Mitges
Morgan
Munro (Esquimalt-Saanich)
Murta
Neil (Moose Jaw)
Nesbitt
Nielsen
Oberle
O'Sullivan
Paproski
Patterson
Reilly
Reynolds
Ritchie
Roche
Rynard
Schellenberger
Schumacher
Scott
Skoreyko
Stackhouse
Stanfield
Stevens

Unemployment Insurance Act

Messrs:

Stewart (Marquette)	Thomas (Moncton)	Whittaker
Taylor	Towers	Wise
		Woolliams
		Yewchuk—98.

Mr. Speaker: I declare the motion carried.

Bill read the third time and passed.

Mr. Speaker: The House will now proceed with the adjournment proceedings. The hon. member for Yorkton-Melville (Mr. Nystrom).

Mr. Nystrom: Mr. Speaker—

Mr. Speaker: Order, please. Is the hon. parliamentary secretary rising on a point of order?

Mr. Reid: Mr. Speaker, I think in view of the lateness of the hour there might be a disposition to forgo the pleasures of the "late show."

Mr. Speaker: Of course, we are in the hands of the hon. member for Yorkton-Melville who has already been given the floor. I am not sure that hon. members would want to forgo the pleasure of hearing the hon. member.

• (2230)

Mr. Nystrom: On a point of order, Mr. Speaker, because of the tremendous excitement in the House may we forgo this question until Thursday night?

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

At 10.31 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, February 7, 1973

The House met at 2 p.m.

PRIVILEGE

MR. ANDRAS—COMMENTS BY MEMBER FOR LOTBINIÈRE

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I rise on a question of privilege arising from certain comments by the hon. member for Lotbinière (Mr. Fortin) last evening during the debate, as recorded in *Hansard* on page 1024 on yesterday's proceedings. I would have raised the matter last night except that I was not listening intently at the moment he made these comments and, in fact, was not then using the translation equipment available. When the words were brought to my attention later I chose to wait until I could confirm them by reading *Hansard* today.

I do protest, through you, Sir, the use of certain words found in the following passage:

> Having said that, Mr. Speaker, I would not like to pass this opportunity to say to the hon. Minister of Manpower and Immigration (Mr. Andras) that he is incompetent and irresponsible and that he is deliberately misleading the House.

I would disagree but would not argue in terms of parliamentary usage with the use of the words "incompetent and irresponsible" but I most certainly do protest the words "he is deliberately misleading the House", which I on no occasion have done or would consider doing.

[*Translation*]

Mr. Speaker: The hon. minister has given notice of his intention to raise a question of privilege. The hon. minister and the hon. member for Lotbinière (Mr. Fortin) and their colleagues know that some expressions are deemed out of order in parliament, particularly if they are offensive and likely to give rise to debates and discussions not in keeping with parliamentary tradition. Of course sometimes, during a debate, some hon. members are prone to using expressions which not only go beyond their thought but may seem offensive to those involved. That is the opinion of the hon. minister. I must, however, point out to him that an objection of one hon. member to terms used by another is rather a point of order than a point of privilege. Usage is quite clear in this respect. A member can rise on a point of order concerning offensive language. There is no doubt that the language the minister has mentioned is out of order. I refer hon. members to citations 155, 156 and the following of the fourth edition of Beauchesne's Parliamentary Rules and Forms. Citation 156 reads in part as follows:

> The proper time for interference is when the offensive expressions are uttered, and not afterwards; and it may take place, either on the Speaker's voluntary motion, or on the call to order of the member assailed, or of some other member, or the general call of the House.

In any event, I shall have to study the words in question, and have a look at *Hansard*, after which I shall decide whether or not I should intervene. However, knowing the hon. member for Lotbinière and his respect for the rules of this House, I am sure he is not of those who, normally, would use offensive language or words which could be considered as such by the hon. member to whom they are addressed.

I thank the minister for having brought this matter to my attention. I shall study it at the first opportunity.

MR. LAMBERT (BELLECHASSE)—AVAILABILITY OF DOCUMENTS OF RIDING REDISTRIBUTION COMMISSION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question of privilege concerning the revision of electoral boundaries which has followed the census of Quebec in 1971.

The federal electoral boundaries commission for Quebec has published a notice that public hearings would be held in various locations in the province to hear representations from those interested.

Mr. Speaker, I consider that an hon. member is certainly interested in stating before this commission his viewpoint and that of his constituents. To do this properly it would only be normal that he be acquainted with the records of the commission and briefs submitted during the previous revision which has ended in the establishment of the electoral map which has been in force since 1968.

In fact, although elected by the people, a member cannot have access to the documents of the commission, which in my view denies him his privileges. I feel that if we expect a member to keep the people informed he should be able to delve into the major reasons warranting changes made in 1968 so as to be able to appreciate adequately the changes proposed by the commission.

For that purpose, I move, seconded by the hon. member for Lotbinière (Mr. Fortin):

> Than an Order of the House be given to the federal electoral boundaries commission in Quebec to make available to the members of the House the documents of the said commission since 1965.

Mr. Speaker: Order. The hon. member for Bellechasse has also given notice that he wanted to raise a question of privilege at the beginning of this sitting. I very seriously considered the point at issue and unfortunately I had to conclude that it is not essentially a question of privilege. I must say that I had some doubts in this connection and that I have given this motion a more serious and thorough consideration than I usually do under other circumstances because I thought that perhaps it was a borderline case which was perhaps a real question of privilege.

But after examining the motion moved by the hon. member, I think it is a substantive motion. The hon. member suggests that certain documents should be made available to members but the Standing Orders prescribe a procedure to be followed in such circumstances. The hon. member wants to move a motion for production of documents, a motion which could be in order, debated and voted on. It could even be carried unanimously by the House if the hon. member could convince his colleagues that this is a matter of interest to all of them.

In that sense, may I be allowed to suggest to the hon. member that his motion is a substantive one and that it should be moved as a motion for production of documents under the Standing Orders of the House.

• (1410)

[*English*]

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

ANNOUNCEMENT OF RECOGNITION OF DEMOCRATIC REPUBLIC OF VIET NAM

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the government has decided to recognize North Viet Nam, the Democratic Republic of Viet Nam. I am pleased to announce that last night the Prime Minister (Mr. Trudeau) sent messages expressing his satisfaction at the signing of the Paris agreements to the Prime Minister of the Republic of Viet Nam, which Canada already recognizes as the sole legal government of South Viet Nam, and to the Premier of the Democratic Republic of Viet Nam. The message to the Premier of the Democratic Republic of Viet Nam, Pham Van Dong, and my statement today constitute our act of recognition of his government.

The effect of this decision is that Canada now accords equal status to the government of the Republic of Viet Nam and the government of the Democratic Republic of Viet Nam, which should facilitate the work of our delegation to the new International Commission for Control and Supervision. It is not our intention, at present, to establish diplomatic relations with either.

[*Translation*]

Mr. Claude Wagner (Saint-Hyacinthe): Mr. Speaker, I am surprised that the hon. Secretary of State for External Affairs (Mr. Sharp) has seen fit not to inform us of his statement before 1.55, which obviously makes more difficult the reply of the official opposition. I hope that this does not reflect the consideration given to the question by the minister.

Mr. Speaker, the decision of which we have just been informed by the hon. Secretary of State for External Affairs (Mr. Sharp) represents for our party a step which should facilitate the Canadian participation in the control commission in Viet Nam and make it more consistent with its role.

I think it is just and reasonable that our country entertain balanced relationships on the matter of the cease fire between North and South Viet Nam.

[*English*]

It is also appropriate, particularly in view of the need that Canada must face in the area of reconstruction of both Viet Nams, that we maintain relations with Hanoi and Saigon. Our country has long established the practice of recognizing countries of differing political ideology and regime in order to foster a more productive international climate in terms of peace and co-operation. As has been the case with the recognition of other countries, this particular recognition must not be seen as an acceptance, either implicit or otherwise, of the political practices or philosophy of the country involved.

Some hon. Members: Hear, hear!

Mr. Wagner: Now that the Secretary of State for External Affairs has addressed himself to one of the outstanding matters concerning our continued role in Viet Nam, my colleagues await his decision to allow parliament to establish its views clearly and concisely by allowing the Viet Nam resolution to be brought back before the House for a clear and forthright vote by members of all parties. The country and those who are serving us overseas have the right to hear and see that vote.

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I, too, would have liked to have a little notice so that I could have collected my thoughts on this subject in order to make the few brief remarks the rules permit me to make. However, I have no hesitation whatever in warmly welcoming the statement that has been made by the Secretary of State for External Affairs (Mr. Sharp).

There are probably very few in this House who are sympathetic toward the political system and the ideology of North Viet Nam. There are also probably very few of us who are not aware of the fact that the people of that country are energetic, efficient and, some people would say, a heroic people who have suffered much. In our view, it is of the utmost importance that, in the period of reconstruction, in the period of pacification, in what we hope is a new era of peace in southeast Asia, Canada should be represented. I say once again that we warmly welcome this announcement and we believe it will be welcomed by the people of Canada.

* * *

REGIONAL ECONOMIC EXPANSION

OPERATIONS IN ATLANTIC PROVINCES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I rise on a matter of urgent and pressing necessity, pursuant to Standing Order 43. In view of the fact that in all of the provinces participating in DREE programs the joint planning committees are standing in abeyance, reportedly not to be reconvened nor replaced, in view of the impending major policy announcement to the premiers of the

Atlantic region, scheduled for February 26, and in view of the fact that some of the consultants retained by DREE for formulating policies may have no contracts nor clearance under the Official Secrets Act, I move, seconded by the hon. member for York-Sunbury (Mr. Howie):

That the Standing Committee on Regional Development be immediately convened and the above matters investigated thoroughly.

Mr. Speaker: The hon. member's proposed motion requires unanimous consent. Is there unanimity?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

TRADE

IMPOSITION BY UNITED STATES OF COUNTERVAILING DUTY ON MICHELIN TIRES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I rise to move a motion under the provisions of Standing Order 43. This motion arises out of the revelation yesterday that the Michelin Tire Corporation is going to receive $150 million in assistance to build two plants in the United States and the further revelation yesterday that the Minister of Industry, Trade and Commerce (Mr. Gillespie) has not yet moved on behalf of the government of Canada to protest the levying of a special countervailing duty against tires exported from Canada by Michelin. I therefore ask leave to move, seconded by the hon. member for Nickel Belt (Mr. Rodriguez):

That this House instructs the Minister of Industry, Trade and Commerce to protest as soon as possible to GATT the American decision imposing a 6.6 per cent countervailing duty on Michelin tires exported from Canada to the United States.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

• (1420)

[*Translation*]

MANPOWER

DELAY IN APPROVING LOCAL INITIATIVE PROJECTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Eudore Allard (Rimouski): Mr. Speaker, pursuant to Standing Order 43 I ask leave to move a motion on a very urgent matter, namely unemployment in Quebec. In this respect I wish that the House would consider the reason for the undue delay in implementing the numerous local initiative projects that have been submitted by people who are expecting a favourable reply from the department concerned which would reduce this serious unemployment problem.

Consequently, I wish to move, seconded by the hon. member for Bellechasse (Mr. Lambert):

That a special debate be held in the near future following an agreement between the House leaders so that the House can consider the problems of delays in accepting local initiative projects and the implications of this program on the distressing state of unemployment in Quebec particularly.

Mr. Speaker: The motion proposed by the hon. member for Rimouski cannot be put without unanimous consent by this House.

Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity. The motion cannot be put.

[*English*]

Mr. Marshall: Mr. Speaker, this is really a point of order. I had intended today to seek unanimous consent to move a motion that the basic rate of pensions be referred to the Standing Committee on Veterans Affairs. I see that the minister has given notice of a motion to this effect. We would agree that this motion be put today rather than on Monday, with unanimous consent.

Mr. Speaker: The hon. member for Meadow Lake.

* * *

GRAIN

MOVEMENT BY RAILWAYS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, in view of reports from Saskatchewan that many grain elevators in the province are filled to capacity and that no trains have passed on certain railroad lines to collect the grain since November 29, which appears to represent an effective abandonment of service on certain railway lines, I ask the unanimous consent of the House under Standing Order 43 to move the following motion, seconded by the hon. member for Saskatoon-Biggar (Mr. Gleave):

That this House instruct the government to refer the matter of grain movement for immediate consideration by the Standing Committee on Agriculture and that the committee report to the House within one week.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

Order Paper Questions

IMMIGRATION ACT

REMOVAL OF BAN ON ADMISSION OF PERSONS WITH HISTORY OF EPILEPSY

Mr. Les Benjamin (Regina-Lake Centre) moved for leave to introduce Bill C-139, to amend the Immigration Act.

Some hon. Members: Explain.

Mr. Benjamin: Mr. Speaker, in line with efforts on the part of many members for a number of years to secure the entry of certain people to this country as landed immigrants, the purpose of this bill is to amend the Immigration Act so as to remove the ban on persons with a history of epilepsy from being admitted as immigrants to Canada, thus complying with the desire of the former minister of manpower and immigration when he announced last autumn that this would be achieved during the present session.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

BAIT FREEZER SUBSIDIZATION

Question No. 42—**Mr. Haliburton:**

1. When was the subsidization program for bait freezers discontinued and for what reason?

2. Has a decision been taken to reinstate this program?

3. What is the present state of the program?

4. How many bait freezers are there in the constituency of South Western Nova and how many of these are subsidized?

5. How many bait freezers are owned by (a) fish processing plants and which ones (b) associations controlled by fishermen and which ones?

Mr. William Rompkey (Parliamentary Secretary to Minister of the Environment): 1. The subsidization program for bait freezers was discontinued on March 31, 1969 as a result of reduced bait needs of local fishermen caused by the decline in small boat inshore long-line fishing and the move to trawler operations for groundfish.

2. No.

3. The program is presently suspended.

4. Of the 64 plants in the constituency of South Western Nova which have bait freezing capability, 22 bait units have been subsidized.

5. (a) 57, G.K. Blades & Sons Ltd., Gunning Cove; Cape Ann Seafoods (E.C. Crowell), Port Latour; Fred Hopkins Ltd., Baccaro; James Stoddard, East Baccaro; B.C. Packers Ltd., Clark's Harbour C.S.I.; Sable Fish Packers Ltd., Clark's Harbour C.S.I.; E.C. Nickerson & Sons Ltd., Clark's Harbour C.S.I.; Stoddard's Fisheries Ltd., Clark's Harbour C.S.I.; F.E. Cunningham & Sons Ltd., Clark's Harbour C.S.I.; C.A. Nickerson Ltd., Clark's Harbour C.S.I.; Etheron Nickerson Fisheries Ltd., Clark's Harbour C.S.I.; Charles & Robert Blades Ltd., Clark's Harbour C.S.I.; Joe E. Nickerson, West Head C.S.I.; Island Lobster Company Ltd., Clark's Harbour C.S.I.; Cape Lobster Ltd., Clark's Harbour C.S.I.; John C. Nickerson, Clark's Harbour; J. & J. Fisheries, Clark's Harbour; Woods Harbour Fisheries, Woods Harbour; James Wood Fisheries Ltd., Woods Harbour; Malone Brothers Ltd., Woods Harbour; Neil E. Nickerson Fisheries Ltd., Woods Harbour; Hopkins & Devine Fisheries Ltd., Woods Harbour; E.G.O. Fisheries Ltd., Woods Harbour; Clifford Greenwood, Shag Harbour; Howard Waybret, Shag Harbour; St. Clair Shand Fisheries Ltd., Shag Harbour; R.I. Smith Fisheries Ltd., Shag Harbour; Shag Harbour Fisheries Ltd., Shag Harbour; William C. Nickerson Fisheries Ltd., Crowell P.O.; Alpheus Hall, Bear Point; Clifford Hopkins, Bear Point; Cove Lobster Co. Ltd., Doctor's Cove; Stoney Island Fisheries Ltd., Stoney Island; Leroy L. Quinlan & Sons Ltd., Stoney Island (McGray's P.O.); Arthur Atkinson Fisheries Ltd., Newellton; G.M. Newell Fisheries Ltd., Newellton; Oscar Smith Fisheries Ltd., Shag Harbour; Charles E. Leblanc, Wedgeport; Leblanc Fisheries Ltd. (Alfred C. Leblanc), Wedgeport; Wedgeport Seafoods Ltd., Wedgeport; Chester C. Leblanc, Wedgeport; Maritime Packers Ltd., (National Sea Products), John's Island; Argyle Fish Products Ltd., Lower Argyle; D'Entremont Fisheries Ltd., Lower West Pubnico; Inshore Fisheries Ltd., Middle West Pubnico; Mitchell Atkinson Ltd., Middle West Pubnico; Walter D. Surette, Lower West Pubnico; East Side Fisheries Ltd., Lower East Pubnico; A.D. Cunningham & Son Ltd., Pubnico; Roderick S. Murphy, Little River Harbour; Bonda Foods Limited, Yarmouth; Amos Brannan & Sons Ltd., Yarmouth; L. Sweeney Fisheries Ltd., Yarmouth; Wilfrid Koritem Ltd., Yarmouth; I.M.O. Foods Ltd., Yarmouth; Atwood Brothers Ltd., Yarmouth Bar; Pinkney's Point Fisheries Ltd., Pinkney's Point; (b) 7, Woods Harbour Fishermen's Co-op Ltd., Woods Harbour; St. Michael's Coop Ltd., Wedgeport; United Maritime Fishermen Ltd., Lower Argyle; De La Tour Coop Society Ltd., Lower West Pubnico; Pubnico Coop. Association Ltd., Middle East Pubnico; Cape Fourchu Coop Ltd., Yarmouth Bar; Pinkney's Point Coop Ltd., Pinkney's Point.

DEPARTMENT OF SUPPLY AND SERVICES—PUBLICITY AND INFORMATION EXPENDITURES

Question No. 82—**Mr. Nystrom:**

1. What were the amounts of money spent by the Department of Supply and Services on publicity and/or information in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72?

2. What were the names and addresses of firms or individuals who received these contracts, what amounts of money were spent in each case and what was the purpose of each contract?

3. What contracts for publicity and/or information were awarded in the current fiscal year, what are the names and addresses of contractees, what are the amounts of money involved in each case and what is the purpose of each contract?

Hon. Jean-Pierre Goyer (Minister of Supply and Services): 1. 1968-69, The DSS was not established until April 1, 1969; 1969-70, Nil; 1970-71, $28,823; 1971-72, Nil.

2. For the fiscal year 1970-71: A contract for publicity was awarded to Gordon Hill Advertising Limited to carry out special advertising in Canadian daily newspapers to

inform government cheque recipients of a change in the format of the cheques.

3. Nil.

CANADIAN PENSION COMMISSION—DISABILITY PENSIONS

Question No. 140—**Mr. Forrestall:**

1. As of December 15, 1972 (a) how many applications for disability pensions had been received by the Canadian Pension Commission (b) how many applications for appeal of decisions made by the Canadian Pension Commission on applications for disability pensions had been received by the commission (c) how many applications for disability pensions (i) had completed statements of case prepared for adjudication by the commission (ii) had been refused by the commission (iii) had been approved, either wholly or partially, by the commission (d) how many applications for appeal of decisions had been decided by the Canadian Pension Commission?

2. What is the total number of cases either under appeal or not yet decided upon by the commission as of December 30, 1972?

3. Is the government intending to increase the number of support staff for the commission to speed up the adjudication and preparation for adjudication of applications or appeals of decisions and, if so, on what date?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Statistics shown in the following answers cover the period from March 30, 1971, the effective date of the extensive amendments to the Pension Act, to December 24, 1972, the cut off date for preparation of monthly pension statistical returns. 1. (a) On March 30, 1971 there were 2,497 applications for disability pension before the commission. This included approximately 900 Appeal Board applications which had been pending and which were held for consideration as first applications under the more liberal provisions of the revised Pension Act. Between March 30, 1971 and December 24, 1972 an additional 15,412 applications for disability pensions were received; (b) Between March 30, 1971 and December 24, 1972, the commission received 2,108 applications for appeal of decisions on applications for entitlement to disability pensions; (c) (i) Statements of case are required only in respect of applications for appeal to Entitlement Boards of the commission. 1,515 applications for disability pension which had been turned down in whole or in part have had Statements of Case prepared for consideration by Entitlement Boards; (ii) Between March 30, 1971 and December 24, 1972, 7,515 applications for disability pension were refused by the commission at the first level. (See Note); (iii) Between March 30, 1971 and December 24, 1972 4,422 applications for disability pensions were approved by the commission, either wholly or partially, at the first level. (See Note); Note: the number of applications shown as refused in (c) (ii) above and approved in (c) (iii) above are totals of decisions tabulated separately in respect of periods of service in World War I, World War II, Korea and Peacetime Service. Some applicants had claims in respect of more than one period of service. (d) Between March 30, 1971 and December 24, 1972, 576 applications for appeal of entitlement decisions were decided by Entitlement Boards of the commission. Of this number 244 were wholly or partially allowed and 332 were disallowed. In addition 257 appeals on quantum of awards were decided as a result of personal appearances before two Commissioners under section 67 of the Pension Act. Of these 111 were wholly or partially allowed and 146 were disallowed.

2. As of December 24, 1972 there were 9,591 applications for disability pension awaiting a decision of the Commission at the first level. In addition there were 1,532 appeals to Entitlement Boards of the commission not yet decided on. Of these 1,532 cases, 382 have been heard or are listed for hearings in the near future; 557 are awaiting certification by the applicant or his representative that he is ready to proceed with the hearing; and 593 are awaiting preparation of Statements of Case.

3. An increase in the support staff of the commission has been approved. The additional staff is being hired and trained as rapidly as possible on a priority basis.

TOLL FREE TELEPHONE CALLS

Question No. 151—**Mr. Forrestall:**

1. Is it the intention of the government to give active consideration to issuing, where it has the authority to do so, instructions which would permit constituents to call the Ottawa office of a Member of Parliament toll free?

2. Is the government doing so now?

3. What would be required to effect such a decision, in the way of authorization?

[*Translation*]

Hon. Gérard Pelletier (Minister of Communications): Insofar as the Department of Communications is concerned: 1. The matter as to whether or not the government intends to issue instructions that would provide for constituents to call the Ottawa office of a Member of Parliament toll free is one for consideration by the Committee on Internal Economy and approval by the Speaker of the House of Commons since it is within their purview and responsibility.

2. See above.

3. The Sergeant-at-Arms would be required to authorize the Government Telecommunications Agency to provide the necessary leased telecommunications services on a reimbursable basis, including nominal overhead charges, in order to provide for constituents to call the Ottawa office of an M. P. toll free.

[*English*]

CMHC—MORTGAGE INSURANCE CLAIMS

Question No. 212—**Mr. Gilbert:**

How many properties were acquired by Central Mortgage and Housing Corporation under Section 8 of the National Housing Act for every hundred mortgaged loans insured by CMHC, in each of the past five calendar years, distributed according to family income groups of the borrower ($1,000 interval with no cutoff)?

Hon. Ron Basford (Minister of State for Urban Affairs): See following table. Data on family income of borrowers at the time of mortgage foreclosure are not available.

Order Paper Questions

Number of Claims Paid by the Mortgage Insurance Fund, 1967-71
NHA Section 8

Year	Approved Lenders (Sec. 6)		CMHC (Sec. 58)		Total	
	No. of Loans Outstanding[1]	No. of Claims Paid	No. of Loans Outstanding[1]	No. of Claims Paid	No. of Loans Outstanding[1]	No. of Claims Paid
1967	265,312	113	206,247	235	471,559	348
1968	276,948	28	216,428	131	493,376	159
1969	280,983	41	228,427	135	509,410	176
1970	300,470	57	241,020	98	541,490	155
1971	345,862	116	247,488	94	593,350	210

[1]As at December 31st.

STRONTIUM 90

Question No. 218—**Mr. Forrestall:**

By region in Canada, what was the strontium 90 level at the end of (a) January 1970 (b) January 1971 (c) January 1972?

Hon. Marc Lalonde (Minister of National Health and Welfare): 1. The strontium 90 levels, in units of picocuries per litre of milk, are as follows:

	January 1970	January 1971	January 1972
British Columbia	8.0	7.2	5.9
Prairie Provinces	8.2	6.6	6.9
Ontario	7.4	8.0	7.6
Quebec	8.1	8.4	8.3
Maritime Provinces	10.7	9.7	9.7
Newfoundland	16.0	11.8	14.0

FORESTVILLE AIRPORT

Question No. 242—**Mr. Caouette (Charlevoix):**

What were the costs of (a) construction of the airport at Forestvelle (b) maintenance of the airport since its opening (c) repairs and improvements since that date?

Hon. Jean Marchand (Minister of Transport): (a) Construction cost, excluding land purchase, of the airport at Forestville was $469,000; (b) The airport is maintained by the municipality and received an average of $4,000 per year in operating subsidies from 1961 to 1969 inclusive. It ceased to be eligible in 1970 when Class II service was discontinued; (c) Improvement has been made in the form of an NDB building at a cost of $11,000; (NDB: Non-directional beacon).

REMOVAL OF COAT OF ARMS PLAQUE FROM CUSTOMS OFFICE, JOHNSTOWN, ONTARIO

Question No. 243—**Mr. Cossit:**

Was the Canadian Coat of Arms removed from the main wall of the Canada Customs Office at the Port of Johnstown, Ontario, at some point prior to October 30, 1972 and, if so (a) what was the source of the instructions to the Collector of Customs to make this removal (b) for what reason were such instructions later reversed?

Hon. Robert Stanbury (Minister of National Revenue): Yes, it was removed at the Bridge Customs Office, Johnstown, Ontario. (Port of Prescott). (a) During 1971-72 a survey was taken to determine what unilingual identity signs were in existence in order that the Department could plan a program for conversion to both official languages. The plaque in question containing the Coat of Arms was inadvertently reported as a unilingual sign and removed. (b) It was later determined that this plaque should not have been reported as a unilingual sign.

CUSTOMS AND EXCISE OFFICE, PRESCOTT, ONTARIO—PHOTOGRAPH OF HER MAJESTY QUEEN ELIZABETH II AND PRINCE PHILIP

Question No. 244—**Mr. Cossitt:**

Was a photograph of Her Majesty Queen Elizabeth II and Prince Philip placed on the main wall of the Canada Customs Office at the Port of Johnstown, Ontario, shortly after October 30, 1972 and, if so, what was the source of the instructions to the Collector of Customs in this regard?

Hon. Robert Stanbury (Minister of National Revenue): Yes. Photographs of Her Majesty Queen Elizabeth II and Prince Philip are listed in the Department of Supply and Services catalogue for issue to departmental requisitioning officers on an as required basis. The Collector of Customs and Excise at Prescott, Ontario, within his authority, requisitioned for this photograph to be displayed in the Bridge Customs Office at Johnstown, Ontario. No specific instructions were given to the Collector concerning this matter.

NATIONAL DEFENCE—CIVILIAN PERSONNEL, COLLECTIVE AGREEMENTS

Question No. 254—**Mr. Forrestall:**

1. (a) How many collective agreements have been signed by the Department of National Defence and the General Trades and Labourers group of the Union of National Defence Employees in the past four years that involved any retroactive payments of wages (b) on what date were the agreements signed (c) what were the effective and expiry dates?

2. How many workers affected by the collective agreements received retroactive pay back to the effective date of the collective agreements?

3. How many persons affected by these agreements received retroactive pay for a period less than their full period of employment covered in the agreement, because they were designated new personnel according to the Public Service Staff Relations Act, and obliged to serve six months before eligibility for this entitlement?

4. How many persons hired before the expiry date of the former agreements were laid off within a 30 day period prior to the effective date of the renewal agreements, and rehired within a 30 day period after the effective date of the renewal agreements and were thus excluded from receipt of retroactive wages for the first six months of their employment covered by the renewal agree-

ment and to how many such persons did this happen on more than one occasion?

5. What is the total retroactive wages lost by persons covered by collective agreements in DND and as a result of such lay-offs occurring within 30 days prior to the expiry date of their collective agreements and rehired within 30 days after the effective date of the renewal agreement?

Hon. James Richardson (Minister of National Defence): 1. (a) No collective agreements have been signed between the Department of National Defence and the Union of National Defence Employees in the past four years. However, three collective agreements were entered into between the Treasury Board and the Public Service Alliance of Canada on behalf of the General Labour and Trades bargaining unit.

(b) Date Signed	Effective Date	(c) Expiry Date
September 27, 68	October 1, 66	September 30, 68
March 12, 71	September 30, 68	November 23, 71
October 31, 72	November 23, 71	November 24, 74

2, 3, 4 and 5. This information is not readily available and in view of the continuing heavy commitments and workload of the Departmental Personnel Officers, additional staff would be required in a large number of field units to compile the requested information. The department does not have the resources that would be required to employ such additional staff.

NATIONAL DEFENCE—CIVILIAN PERSONNEL, COLLECTIVE AGREEMENTS

Question No. 255—**Mr. Forrestall:**

1. How many collective agreements have been entered into by the Department of National Defence and the General Trades and Labourers group of the Union of National Defence Employees in the past four years, and in each case (a) on what date were they signed (b) how much time had elapsed between the signing date and the effective date of the renewal agreement?

2. By trade classification (a) how many of those employed by DND were affected by each of these agreements (b) how many persons in the bargaining unit were laid off within a 30 day period prior to the date the agreements were signed (c) how many such persons were rehired within a 30 day period after the signing of the agreements?

3. Were all persons as described in Part 2(c) granted full retroactive pay for the period worked under the renewal collective agreement and, if not, (a) how many (b) for what reasons?

4. What was the total retroactive pay lost by persons so employed, laid off and subsequently rehired as defined above?

5. Have any persons as described in Part 2(c) lost retroactive pay on more than one occasion in the past four years as a result of being so laid off and subsequently rehired after the signing of the renewal agreement and, if so (a) how many by trade classification (b) on how many occasions?

Hon. James Richardson (Minister of National Defence): 1. No collective agreements have been entered into between the Department of National Defence and the General Labour and Trades group of the Union of National Defence Employees in the past four years. However, three collective agreements were entered into between the Treasury Board and the Public Service Alliance of Canada on behalf of the General Labour and Trades bargaining unit.

(a) Date Signed	(b) Effective Date
September 27, 68	October 1, 66
March 12, 71	September 30, 68
October 31, 72	November 30, 71

2, 3, 4 and 5. This information is not readily available and in view of the continuing heavy commitments and workload of the Departmental Personnel Officers, additional staff would be required in a large number of field units to compile the requested information. The department does not have the resources that would be required to employ such additional staff.

FISHERIES—STUDY OF CAPLIN OFF THE CANADIAN EAST COAST

Question No. 277—**Mr. Carter:**

1. Has the Department of the Environment or any other department undertaken studies into the distribution and abundance of caplin off the Canadian East Coast and, if so, what was the result of the study and are further studies into this matter planned?

2. Was a promotional demonstration carried out in 1972 in the USA and this country by the Department of Industry, Trade and Commerce to determine the acceptability of caplin as a marketable food fish and, if so, what was the result of the demonstration and will further demonstrations be undertaken?

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of the Environment and the Department of Industry, Trade and Commerce as follows: 1. Yes, results of the 1972 survey by Federal Fisheries indicate that offshore caplin resources are distributed throughout the Grand Banks fishing area during late winter and early spring, and off Labrador in early winter. Experimental fishing on the Grand Banks produced catch rates between 30-50 tons per set (midwater trawling and purse seining). Estimates are that at least half a million tons of caplin can be harvested from the offshore stocks annually. It is planned to continue caplin explorations during 1973.

2. A promotional demonstration was carried out in the United States, in 1972 by the Department of Industry, Trade and Commerce with results indicating that caplin has potential as a food fish. Depending on the supply situation, further demonstrations will be considered.

APPOINTMENT OF MR. IVAN HEAD TO OFFICE OF THE PRIME MINISTER

Question No. 409—**Mr. Wagner:**

1. On what date was Mr. Ivan Head appointed to the Prime Minister's office?

2. What is his position and what are his duties?

3. Since assuming his post, how many countries has he visited in the performance of the duties of his office and on what dates?

4. With what national leaders of ministerial rank did he hold discussions?

5. On how many occasions did Mr. Head visit the United Nations in the performance of the duties of his office?

6. Upon his return from such missions is it usual for Mr. Head to report to the Secretary of State for External Affairs?

7. What External Affairs officers accompanied him on visits referred to in Parts 3 and 5?

Right Hon. P. E. Trudeau (Prime Minister): 1. September 1, 1968.

2. Special Assistant to the Prime Minister. To assist the Prime Minister in the preparation of public statements; to offer such advice and assistance on policy matters and to undertake such assignments as may be requested of him by the Prime Minister.

3 and 4. The following list excludes visits made by Mr. Head in circumstances of a non-inter-governmental nature. Nigeria, October 1968, Head of the Federal Military Government, General Yakubu Gowon. Great Britain, January 1969, accompanying the Prime Minister to the Commonwealth Prime Minister's Conference. Italy, January 1969, accompanying Prime Minister. U.S.A., March 1969, accompanying Prime Minister. Nigeria, June 1969, Head of the Federal Military Government, General Yakubu Gowon. Tanzania, June 1969, President Julius Nyerere. U.S.A., September, 1969. Nigeria, December, 1969, Head of the Federal Military Government, General Yakubu Gowon. U.S.A., March, 1970. New Zealand, May, 1970, accompanying Prime Minister. Australia, May, 1970, accompanying Prime Minister. Malaysia, May, 1970, accompanying Prime Minister. Singapore, May, 1970, accompanying Prime Minister. Japan, May, 1970, accompanying Prime Minister. USSR, June, 1970. Sweden, June, 1970. Great Britain, July, 1970. U.S.A., August, 1970. U.S.A., November, 1970. Tanzania, December, 1970, President Julius Nyerere. Zambia, December, 1970, President Kenneth Kaunda. Pakistan, January, 1971, accompanying Prime Minister. India, January, 1971, accompanying Prime Minister. Singapore, January, 1971, accompanying Prime Minister to Commonwealth Conference. Indonesia, January, 1971, accompanying Prime Minister. Ceylon, January, 1971, accompanying Prime Minister. Iran, January, 1971, accompanying Prime Minister. USSR, May, 1971, accompanying Prime Minister. U.S.A., December, 1971, accompanying Prime Minister. Tanzania, January, 1972, President Julius Nyerere. Zambia, January, 1972, President Kenneth Kaunda. Nigeria, February, 1972, Head of the Federal Military Government, General Yakabu Gowon. Jamaica, August, 1972, Prime Minister Michael Manley. U.S.A., November, 1972. Great Britain, December, 1972, accompanying Prime Minister.

5. November, 1968 (with Prime Minister): November, 1969 (with Prime Minister): July, 1970: June, 1972.

6. Mr. Head reports to the Prime Minister during and on his return from these missions. Copies of these reports are made available concurrently to the Secretary of State for External Affairs and discussions with that Minister follow Mr. Head's return.

7. This answer refers only to those visits listed in parts 3 and 5 when Mr. Head was not accompanying the Prime Minister. In every instance but one, Mr. Head was accompanied in his discussions with Heads of Government by the Canadian Head of Mission. In discussions with senior officials he was accompanied by the responsible officer of the Canadian Embassy or the Canadian High Commission (which in some cases was the Head of Mission). On each visit to the U.N., he was accompanied by the Canadian Ambassador.

NATIONAL DEFENCE—MANPOWER STRENGTHS

Question No. 417—**Mr. Cossitt:**

What was the numerical strength of the Canadian Armed Forces at the end of (a) April, 1968 (b) October, 1972?

Hon. James Richardson (Minister of National Defence): Paid strength as of April 30, 1968, 100,897; October 31, 1972, 82,849.

ESTABLISHMENT OF TELESCOPE ON MOUNT KOBAU, BRITISH COLUMBIA

Question No. 430—**Mr. Whittaker:**

1. Was there a decision by the government to establish a telescope on Mount Kobau in British Columbia and, if so, when was that decision taken?

2. Was a subsequent decision taken not to go forward with the telescope on Mount Kobau and, if so, on what date and for what reason?

3. Was a telescope constructed for installation on Mount Kobau and, if so (a) by whom (b) at what cost (c) where is the telescope at the present time?

4. Has any reconsideration been given to the installation of the telescope at Mount Kobau, or at any other site, since the decision was taken not to install it on Mount Kobau and, if so (a) what other sites are being considered (b) on what date will a decision be rendered?

Hon. C. M. Drury (President of the Treasury Board): In so far as the National Research Council of Canada is concerned, the answer is as follows: 1. A decision to establish a telescope on Mount Kobau was taken by the government in September, 1964.

2. The government decided to discontinue the project in August, 1968. Revised cost estimates were far higher than earlier estimates and many scientists felt that the use of the telescope would be severely restricted by unfavorable viewing conditions.

3. Construction of the telescope had not begun when the project was discontinued. Feasibility studies only had been completed and the primary mirror blank and necessary polishing machines purchased. The blank and large polishing machine were turned over to WESTAR, a consortium of Canadian universities, in 1970 by the then Minister of Energy, Mines and Resources.

4. No further consideration has been given by the government to the installation of the telescope on Mount Kobau. Scientific appraisal has led to the conclusion that no site in Canada, including Mount Kobau, is as suitable as other sites such as Chile and Hawaii. The government has under consideration a proposal from France to share equally in the construction and operation of a telescope in Hawaii. No date has been set for a decision.

NATIONAL DEFENCE—REGIMENTAL BADGES AND BERETS

Question No. 502—**Mr. Schumacher:**

1. Is it the intention of the government and/or the Department of National Defence to do away with regimental badges and the black beret worn by members of the Royal Canadian Armoured Corps?

2. With what are they intended to be replaced?

3. Has any survey been taken on the effect of such removal of insignia and uniform on the morale of the men involved?

Hon. James Richardson (Minister of National Defence): 1. No. It is not the intention to do away with regimental badges. Armoured Corps units have the option of wearing either the black or green beret.

2. Not applicable.

3. Field unit and individual preferences were considered in the decision to retain regimental insignia and other items that distinguish an individual's occupation or group affiliation.

NATIONAL DEFENCE—ARMED FORCES AND CIVILIAN PERSONNEL AT CFB GAGETOWN

Question No. 512—**Mr. Howie:**

What were the numbers in Camp Gagetown, New Brunswick of (a) armed forces personnel (b) civilian DND personnel, on January 1, in each year 1971, 1972 and 1973?

Hon. James Richardson (Minister of National Defence):

	January 1, 71	January 1, 72	January 1, 73
(a) Armed Forces personnel	3,729	3,349	3,250
(b) Civilian personnel	617	833	682

CBC—SIMULTANEOUS TRANSLATION OF THRONE SPEECH

Question No. 513—**Mr. Masniuk:**

Was there any English translation of the Throne Speech as it was being delivered in French on the English CBC-TV network and, if not, for what reason?

Hon. James Hugh Faulkner (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: There was no translation because, after the broadcast of previous Throne Speeches, when translation was provided, there followed a substantial public reaction against simultaneous translation. The Corporation recognizes the difficulties created for some viewers and is studying various alternatives for future use.

DEPARTMENT OF NATIONAL DEFENCE—PUBLIC SERVICE ALLIANCE CONTRACT WITH TREASURY BOARD

Question No. 532—**Mr. Godin:**

Has the Public Service Alliance recently signed a contract with Treasury Board on behalf of the Department of National Defence employees at Valcartier and, if so (a) what is the nature of the contract (b) what are the working conditions (c) will a salary increase be granted and on what date?

[*Translation*]

Hon. James Richardson (Minister of National Defence): Since October 1, 1972, the Public Service Alliance and the Treasury Board signed three contracts which affect the employees at CFB Valcartier: (a) (i) General Labour and Trades signed 31 October, 1972, expiring 24 November, 1974; (ii) Heating Power and Stationery Plant Operation signed 16 November, 1972, expiring 29 September, 1974; (iii) Drafting and Illustration signed 5 December, 1972, expiring 22 September, 1974; (b) The contracts are designed to maintain harmonious and mutually beneficial relationships between the employer, the employees and the alliance by setting forth certain terms and conditions of employment relating to remuneration hours of work, employee benefits and general working conditions; (c) Each one of these contracts contains salary increases which have been paid and future increases which will be paid as they become due.

[*English*]

PUBLIC SERVICE—NUMBER OF VACANT POSITIONS

Question No. 554—**Mr. Latulippe:**

How many vacant positions are there in the Public Service Commission?

Hon. James Hugh Faulkner (Secretary of State): I am informed by the Public Service Commission as follows: 148, as of January 25, 1973.

MR. M. PLAMONDON—PAYMENT FOR SERVICES RENDERED

Question No. 556—**Mr. Latulippe:**

1. During the fiscal year 1967-68, did the Department of External Affairs pay Mr. M. Plamondon of Sillery, Quebec any amount in return for services rendered?

2. What was the amount paid?

3. What was the nature of his services?

Hon. Mitchell Sharp (Secretary of State for External Affairs): 1. Yes.

2. $5,424.49

3. He sculptured a bronze statue of the Marquis de Montcalm for Canada House in London.

P.E.I.—SECOND NATIONAL PARK

Question No. 571—**Mr. Macquarrie:**

1. When is it intended to construct a second national park in Prince Edward Island?

2. What is the proposed location of such a park?

3. What proportion of the cost of acquisition of the required land will be borne by the government?

4. What representations have been made by the government of Prince Edward Island in reference to such construction?

5. In each of the provinces, what are the dates of establishment of national parks?

6. What is the area of each such park?

Order Paper Questions

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. No agreement has been reached for the establishment of a second national park in Prince Edward Island.

2. Discussions with the Province of Prince Edward Island have identified the area of East Point as having national park potential.

3. Under the normal terms of a national park agreement, the province provides a core area of approximately 25 per cent at no cost to Canada. Canada pays 50 per cent of the cost of acquiring the remaining lands.

4. Representations have been made on several occasions, the first being in 1969 and the most recent in January, 1972.

Park	5 Date Established	6 Area in square miles
British Columbia		
Glacier	1886	521.0
Kootenay	1920	532.0
Mount Revelstoke	1914	101.4
Yoho	1886	507.0
Pacific Rim*	1970	150.0
Alberta		
Banff	1885	2,564.0
Elk Island	1913	75.0
Jasper	1907	4,200.0
Waterton Lakes	1895	203.0
Wood Buffalo**	1922	13,650.0
Saskatchewan		
Prince Albert	1927	1,496.0
Manitoba		
Riding Mountain	1927	1,149.0
Yukon Territory		
Kluane*	1972	8,500.0
Northwest Territories		
Wood Buffalo**	1922	3,650.0
Nahanni*	1972	1,840.0
Baffin Island*	1972	8,290.0
Ontario		
Georgian Bay Islands	1929	5.48
Point Pelee	1918	9.6
St. Lawrence Islands	1914	1.6
Pukaskwa*	1971	725.0
Quebec		
Forillon*	1970	92.85
La Mauricie*	1970	210.0
New Brunswick		
Fundy	1948	79.5
Kouchibouguac	1969	87.0
Nova Scotia		
Cape Breton Highlands	1937	367.0
Kejimkujik*	1969	147.3
Ship Harbour*	1972	225.0
Prince Edward Island		
Prince Edward Island	1937	7.0
Newfoundland		
Terre Nova	1957	153.1
Gros Morne**	1970	750.0

* Will be added to schedule when negotiations or survey is completed.

** Wood Buffalo National Park lies partly in Alberta and partly in the Northwest Territories. Total area of this park is 17,300 square miles.

[Mr. Macquarrie.]

JUNE BUDGET—TAX DEDUCTIONS

Question No. 619—**Mr. McKenzie:**

Has a staff been allocated to monitor the hiring practices of corporations and business involved in the new tax reductions as set down by the June Budget and, if so, how many?

Hon. Robert Stanbury (Minister of National Revenue): No.

HER MAJESTY'S CHRISTMAS MESSAGE

Question No. 665—**Mr. Munro (Esquimalt-Saanich):**

Did the initial three minutes, 30 seconds speech of the Her Majesty's Christmas message televised by CBC at 11.00 a.m. PST, Christmas Day, 1972, reach Victoria, British Columbia and other western provinces without sound and, if so, for what reason?

Hon. James Hugh Faulkner (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: The broadcast in question originated in Toronto. It was fed to our delay centre in Calgary for broadcast to Western regions at 10 a.m. local time. While it was being received in Calgary for recording, a break occurred in the telephone lines between Regina and Calgary, cutting off the sound portion. Alternative facilities were provided by the network carrier, Trans-Canada Telephone System, after a break of nearly two minutes. The interim was filled with music. A repeat of Her Majesty's complete message was offered the same evening.

NATIONAL DEFENCE—ARMED FORCES STRENGTHS

Question No. 714—**Mr. Stackhouse:**

1. How many men and women are serving in the Canadian Armed Forces?

2. How many are (a) brigadier-generals or higher (b) officers of lower rank (c) non-commissioned officers (d) privates?

Hon. James Richardson (Minister of National Defence): 1. Effective December 31, 1972, the total strength of the Canadian Armed Forces was 83,048 including 1,810 female members.

2. (a) Brigadier-General and above, 110; (b) Officers of lower rank, 15,186; (c) Non-commissioned officers, 52,961; (d) Privates, 14,791.

REMOVAL BY NATIONAL FILM BOARD OF VOLUMES ASSOCIATED WITH THE MONARCHY

Question No. 771—**Mr. Diefenbaker:**

Has the National Film Board removed from its libraries across the country the following three films (a) "The Sceptre and The Mace" (b) "The Queen Opens Parliament" (c) "The Queen in Canada" and, if so, on what date and for what reason?

Hon. James Hugh Faulkner (Secretary of State): I am informed by the National Film Board as follows: Yes, for reasons mentioned in reply to Question 528 on January 31. National Film Board Headquarters advised their Regional Offices on the following dates to withdraw these films: (a) March 19, 1972; (b) July 12, 1972; (c) August 10, 1972.

* * *

QUESTION PASSED AS ORDER FOR RETURN

DEPARTMENT OF MANPOWER AND IMMIGRATION—PUBLIC RELATIONS EXPENDITURES

Question No. 70—**Mr. Nystrom:**

1. What were the amounts of money spent by the Department of Manpower and Immigration on publicity and/or information in each of the fiscal years 1968-69, 1969-70, 1970-71, 1971-72?

2. What were the names and addresses of firms or individuals who received these contracts, what amounts of money were spent in each case and what was the purpose of each contract?

3. What contracts for publicity and/or information were awarded in the current fiscal year, what are the names and addresses of contractees, what are the amounts of money involved in each case and what is the purpose of each contract?

Return tabled.

Mr. Woolliams: Mr. Speaker, I rise on a point of order. I have on the order paper questions Nos. 425, 426, 427 and 428. They have been there so long that the conference mentioned in 426, about which I inquired as to the date, is already over. I would ask leave to withdraw that question, but I wonder whether I could get an answer to the other questions next time?

Mr. Reid: Yes, Mr. Speaker, I will look into it.

MOTIONS FOR PAPERS

Mr. John M. Reid (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions for the production of papers Nos. 85, 124 and 131 are acceptable to the government subject to the usual reservations concerning confidential documents and the authorization of the government. Notice of motion for the production of papers No. 27 is acceptable to the government.

Mr. Speaker: Order, please. Perhaps we should try to take this in order. My understanding is that the parliamentary secretary is suggesting that motion No. 27 be adopted. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motions for Papers

TABLING OF REPORT ENTITLED "TASK FORCE ON MUNICIPAL SEWAGE DISPOSAL"

Motion No. 27—**Mrs. MacInnis:**

That an Order of the House do issue for the tabling of the report entitled "Task Force on Municipal Sewage Disposal" prepared by George Seaden under the authority of the Minister of Urban Affairs.

Motion agreed to.

Mr. Speaker: Subject to the reservations and conditions expressed by the hon. parliamentary secretary, is it the pleasure of the House that notices of motion Nos. 85, 124 and 131 be deemed to have been adopted?

Some hon. Members: Agreed.

CORRESPONDENCE CONCERNING THE PEACEKEEPING ROLE OF CANADA IN SOUTH VIET NAM

Motion No. 85—**Mr. Broadbent:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of correspondence between the government and the governments of the United States and North Viet Nam, concerning the proposed peacekeeping role of Canada in South Viet Nam.

Motion agreed to.

ISSUANCE OF SPECIAL STAMP COMMEMORATING THE SILVER ANNIVERSARY OF THE ROYAL COUPLE

Motion No. 124—**Mr. Dinsdale:**

That an Order of the House do issue for copies of all correspondence, telegrams, memoranda and other documents received by the government urging the issuance of a special stamp commemorating the Silver Anniversary of the Royal Couple and the replies thereto.

Motion agreed to.

CORRESPONDENCE RELATING TO ESTABLISHMENT OF THIRD NATIONAL PARK IN NOVA SCOTIA

Motion No. 131—**Mr. Forrestall:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of any correspondence exchanged between the province of Nova Scotia and the government of Canada, or any authority acting on their behalf, since December 1, 1969, together with maps and any other documents including the Memorandum of Agreement, and the minutes of any meetings that have been held by the Joint Federal Provincial Advisory Committee, with respect to the establishment of a third national park in the province of Nova Scotia along the eastern shore of that province.

Motion agreed to.

Mr. Speaker: Shall the remaining notices of motions stand?

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, two weeks ago I asked about notice of motion No. 34. May I ask the parliamentary secretary again when action will be forthcoming on this motion?

Mr. Macdonald (Rosedale): Mr. Speaker, motion No. 34 that has been approved for agreement of the House sub-

ject only to the consent of the government of British Columbia. If the House is agreeble perhaps the order could go subject to the approval of the government of British Columbia with regard to the tabling of these minutes.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

MINUTES OF THE BRITISH COLUMBIA-CANADA LIAISON COMMITTEE ON THE COLUMBIA RIVER

Motion No. 34—**Mr. Hamilton (Qu'Appelle-Moose Mountain):**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of the Minutes of the British Columbia—Canada Liaison Committee on the Columbia River from 1958 until the signing of the Treaty with the USA in January 1961.

Motion agreed to.

Mr. Howard: Mr. Speaker, earlier this session I raised a point of order regarding five notices of motions for the production of papers, numbers 36 to 40 inclusive, which are of a vintage long in advance of the commencement of this session. I understood that the parliamentary secretary was going to inquire about these motions. Could he now advise when we might expect them to be dealt with?

Mr. Reid: Mr. Speaker, I would hope by next Wednesday.

Mr. Speaker: Shall the remaining notices of motions be allowed to stand?

Some hon. Members: Agreed.

Mr. Speaker: Oral questions. Is the hon. member for Yukon rising on a point of order?

Mr. Nielsen: On a point of order, Mr. Speaker. Because of the importance of the matter raised by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall), I wonder whether the House would be disposed to give unanimous consent to refer the item listed under notices of government motions today, the report of the joint study group on basic rate of pensions, tabled on January 31, 1973, to the Standing Committee on Veterans Affairs, consent being required to refer it immediately rather than waiting?

Mr. Speaker: I am not sure whether that is a point of order. I think it would have to be charged to the hon. member as a question.

Mr. MacEachen: Mr. Speaker, I would prefer that we hold this over to decide whether it might be useful to have a debate on this motion for at least a day.

[Mr. Macdonald (Rosedale).]

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

EFFECT OF POLICIES OF MINISTER OF FINANCE ON JOB CREATION AND ECONOMIC GROWTH

Hon. Robert L. Stanfield (Leader of the Opposition): I have a question for the Minister of Finance, Mr. Speaker. Has the minister any explanation, be it fear of inflation or something else, why he has not adopted a more expansionary stance when it has become apparent that the target he set in his budget last May for job creation has not been met? I ask this question in view of the minister's statement at that time that—"the growth of jobs should be considerably larger than last year", whereas in fact figures issued by Statistics Canada indicate that the number of jobs created in 1971 was 334,000 as against 220,000 in 1972, about one-third short of the minister's target.

• (1430)

Mr. Speaker: Order, please. The Chair will not object to the minister replying to the hon. member's question, but it seems to me that a question of this kind, while being of interest to all members, is so wide in its nature that it invites a somewhat lengthy reply which normally should be made on motions. The Chair will recognize the minister for the purpose of replying as briefly as possible to the question posed by the Leader of the Opposition.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the hon. gentleman has really brought up a debating point which I will deal with on another occasion. Job creation in terms of jobs created has been very encouraging this year, only outdistanced still by a rapidly increasing labour force which we have to expect for the next two or three years.

Mr. Stanfield: Mr. Speaker, I have to ask the Minister of Finance whether he feels he has met his target when he is 114,000 jobs short of it. Does he also feel he has met his target when he predicted an increase in the rate of growth in 1972 of between 6 per cent and 6.5 per cent whereas indications now are that the real growth figure will be in the range of 5 per cent to 5.5 per cent?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman does not know at the moment, nor do I, until the fourth quarter figures are available. We will not know until we get the final figures on the national accounts which will be published three or four weeks from now, and even after that they are subject to revision. The hon. gentleman is no more sure of his figure of 5 per cent to 5.5 per cent than I am of 6 per cent to 6.5 per cent at the moment.

Mr. Hees: What about jobs, John?

Mr. Stanfield: Mr. Speaker, I should like to ask the Minister of Finance whether he is aware that ministers of finance who take this attitude toward jobs are also subject to revision?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Would the hon. member resume his seat. The Chair will recognize the hon. member for Don Valley in a moment. I thought I should caution hon. members that we should attempt not to get involved in a general debate as we did yesterday.

An hon. Member: Why not?

Mr. Speaker: I suggest we should not and should attempt to give an opportunity to other members who are anxious to ask questions. From the point of view of the Chair, that is the only consideration I have in mind. A number of hon. members are anxious to ask questions. For the moment the Chair will recognize the hon. member for Don Valley.

Mr. James Gillies (Don Valley): Mr. Speaker, my question is also for the Minister of Finance. Have he or officials of his department calculated what the unemployment rate would be had the provinces of Ontario and Quebec not been following such expansionary fiscal policies?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

FISCAL MEASURES TO STIMULATE EMPLOYMENT IN AGRICULTURE

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct my question to the Minister of Finance. In light of the fact that employment in agriculture is down by some 20,000 people compared with January, 1972, will the minister indicate whether he is going to undertake any new fiscal measures to stimulate employment in the Canadian agricultural industry?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am in touch with the very progressive and ambitious Minister of Agriculture who makes that point—

Some hon. Members: Oh, oh!

An hon. Member: And very talkative, too.

An hon. Member: Aggressive and confused.

Mr. Turner (Ottawa-Carleton): He makes that point in far more succinct terms than the hon. gentleman.

Mr. Murta: Mr. Speaker, I should like to ask the minister whether there will be any specific employment measures for the agricultural sector in the budget, and whether the government has reversed its policy with regard to reducing manpower in agriculture?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I am not going to accept the argument within the question, but I hope the hon. gentleman is here on the night of February 19.

Mr. Baldwin: We will be here for the vote anyway.

Mr. Sharp: He doesn't care about the budget, he just cares about the vote.

UNEMPLOYMENT LEVEL IN NEXT FEW MONTHS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my supplementary question to the Minister of Finance. In view of the disclosure yesterday that one of the reasons the unemployment insurance fund went over the ceiling was the inability of the minister's department to forecast the unemployment level properly, can the minister indicate whether he has corrected that situation and is now in a position to indicate what the unemployment level will be in the next few months?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I have never been in the business of forecasting.

Some hon. Members: Oh, oh!

An hon. Member: Who is the next leader of the Liberal party?

Mr. Peters: This is going to be some budget.

Mr. Saltsman: Mr. Speaker, in view of the disastrous consequences of the minister's complacency, will he give some attention to forecasting?

Some hon. Members: Hear, hear!

[*Translation*]

LOCAL INITIATIVES PROGRAM—SUGGESTED ALLOTMENT OF ADDITIONAL FUNDS TO REDUCE UNEMPLOYMENT IN QUEBEC

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to ask a question of the Minister of Finance.

After the publication of the latest figures on unemployment which indicate that unemployment is more than 10 per cent in Quebec, could he tell the House whether he intends to earmark additional funds for the Local Initiatives Program in Quebec in order to contribute with the people to stop unemployment?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I am still considering the representations made by the hon. member.

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

Does the hon. minister mean, as I did not understand his answer, that he is agreeable that an increase of at least $10 million be included in the budget of the Local Initiatives Program in Quebec?

[*English*]

UNEMPLOYMENT TARGET

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my supplementary question is directed to the Prime Minister. Now that his government has established a new all-time record of having an average of 564,000 Canadians out of work for 12 straight months—

Mr. Speaker: Order, please. I think the hon. member knows that questions should not be prefaced in this way. Hon. members know they should ask questions and not

make statements. I invite the hon. member to do this and ask his question now.

Mr. Stevens: Thank you, Mr. Speaker. Would the Prime Minister indicate to the House what his actual target is in respect of unemployment in Canada?

Right Hon. P. E. Trudeau (Prime Minister): As low a rate as possible, Mr. Speaker.

Some hon. Members: Hear, hear!

POSSIBILITY OF INCREASED DEPRECIATION ALLOWANCES FOR CORPORATIONS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I direct a supplementary question to the Minister of Finance seeking clarification of an answer he gave yesterday to the hon. member for York South. Is it his intention to propose further increases in depreciation allowances in the corporate sector beyond the first six months of the present year, in terms of future budgetary policies of the government?

An hon. Member: They are as worried about this as you are.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I think the hon. member will just have to wait and see.

REQUEST FOR TABLING OF DOCUMENTS ON WHICH UNEMPLOYMENT FORECAST IN MAY, 1972, BUDGET BASED

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to direct a supplementary question to the Minister of Finance. Will he give consideration to placing before the House the internal or working documents on which he based his forecast in respect of unemployment, particularly in the context of a budget that was dedicated to reducing unemployment significantly, before the new budget is presented on February 19 so we may have some idea of just what priority the government accords employment in the country?

Mr. Baldwin: Benson left some of his papers behind.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the problem here is, as I tried to explain to the House on another occasion—

Mr. Fairweather: We know all about the problem.

Mr. Turner (Ottawa-Carleton): —that we cannot look at individual targets separately. Our goals of full employment, growth and price stability are interrelated and, as the Economic Council of Canada pointed out in its ninth annual review, for the purpose of forecasting targets there has been too much emphasis placed on too few indicators. I say again to the House that targets cannot be stated with mathematical exactitude. The Canadian economy particularly is a vulnerable one, subject to world movement of trade and prices.

An hon. Member: Tell us on the 19th.

[Mr. Speaker.]

Mr. Turner (Ottawa-Carleton): I am just suggesting—

An hon. Member: Bring back Benson.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The Chair will recognize the Leader of the Opposition for a last supplementary question on this subject for the time being and then go to the next matter. If we have time we will return to this subject which is obviously of interest to hon. members.

Mr. Stanfield: Mr. Speaker, in view of the answer just given by the Minister of Finance suggesting that unemployment and inflation are not all-important as priorities—I say all-important as priorities—

Mr. Sharp: You said that.

Mr. Stanfield: —and that other indicators ought to be upgraded, I should like to ask whether this means the minister has abandoned the statement he has made frequently that the creation of employment and the reduction of unemployment is his first goal?

• (1440)

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman is again playing with words. Of course the provision of jobs is my number one priority and will remain so. But in terms of the setting of targets and looking at the statistical targets about which I was asked in the House, I accept the advice of the Economic Council of Canada that a number of interrelated targets, 14 or 15 in number, must be considered in order to get an over-all view of the economy. That does not mean in any way that I have abandoned the human priority I set, and the hon. gentleman knows it.

* * *

GRAIN

PROVISION BY RAILWAYS OF SUFFICIENT CARS FOR MOVEMENT—UPGRADING OF TRACKS NOT ABLE TO BEAR WEIGHT OF HOPPER CARS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to direct a question to the minister in charge of the Wheat Board. In view of the fact the government has purchased 2,000 grain hopper cars and put them at the disposal of the CPR and CNR and that in spite of this they are still not providing adequate service in some of the major shipping blocks and elevator and grain delivery points are congested, will the minister bring pressure to bear on the railroads to provide the adequate service we deserve?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, in terms of grain arriving at destinations for export, Vancouver and Thunder Bay, it is evident that the railways are in fact putting into service the equipment required to move the grain. There are, of course, individual points in the prairie region at this time of the year that are congested as a result of the rather rapid increase in quotas prior to freeze-up which the Wheat Board put into effect in order to offer the farmers an opportunity to deliver before they

were snowed in. This congestion will certainly be removed rapidly as the record flow of grain for export continues.

Mr. Gleave: Mr. Speaker, it would need to be rapid. May I point out to the minister—

Mr. Speaker: Order, please. The hon. member should ask a question as much as possible.

Mr. Gleave: In view of the statements made in the Miscellaneous Estimates Committee that over half the trackage in western Canada is of such a standard it will not carry the grain hopper cars the Canadian people purchased and gave to the railroads, will the minister hold discussions with the two major railroads and take up with them the matter of improving the condition of the railway tracks in western Canada?

Mr. Lang: Mr. Speaker, this is a matter which has already been discussed with the railways. Of course, the question of whether certain trackage could carry hopper cars was not very relevant until we began to acquire this kind of equipment. The tracks that can carry hopper cars are numerous enough to make full use of all cars acquired to date. The railways appreciate that as this equipment of the future is used more and more there are certain stretches of track that must be brought up to standard, and we are pressing them for action on that.

ANALYSIS BY WHEAT BOARD OF QUESTIONNAIRE ON HOLDINGS SENT TO PRODUCERS—SALES ACTIVITY

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to ask the minister whether the Wheat Board has yet analysed the questionnaire sent to 170,000 farmers to find out whether the results indicate some disparity between the estimates made and the actual holdings of grain on farms?

Hon. Otto E. Lang (Minister of Justice): The Wheat Board has been analysing the returns as they flow in. Something like half of the returns had been received as long ago as two weeks. The Wheat Board does intend to retain as confidential the information in these returns. A number of farmers made this very express condition in respect of supplying information. Therefore the board does not intend to reveal the facts which are compiling but they will certainly make use of them for their own marketing guidance.

Mr. Korchinski: May I ask the minister whether as a result of the information received so far the Wheat Board is actively bidding on weekly tenders or whether, in view of the fact Commissioner Gibbings stated to the Palliser wheat growers that wheat stocks will be depleted by October, depending on deliveries by the farmers, the Wheat Board rather than seeking markets is twiddling its thumbs until October?

Mr. Speaker: Order, please. I doubt whether a question asked in those terms is in order.

[*Later:*]

Mr. Korchinski: Mr. Speaker, perhaps the minister might be permitted to reply to my serious question concerning whether the Wheat Board is actually seeking new markets or is just biding its time.

Mr. Lang: Mr. Speaker, I am happy to tell the hon. member that the Wheat Board is continuing very actively in the selling business on world markets, and that we do have adequate supplies to achieve a record for the movement of grain into export this year and to start next year with record volumes again.

PROVISION OF RAILWAY CARS TO POINTS WITH LARGE SUPPLIES OF NON-BOARD GRAINS

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, I have a supplementary. Since the congestion at a number of points is due to very large supplies of non-board grains such as rye, flax and rapeseed which have accumulated because of the administration of the quotas by the Canadian Wheat Board, will the minister take such action as is necessary to provide additional railway cars to those points?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, the Wheat Board through the block shipping system is placing the cars where the required grain can be obtained, with special attention to those areas where there is congestion. I drew this matter specifically to their attention. They agreed they would do everything possible within the block system to put the cars where they are needed. I do not agree with the hon. member's premise that it is non-board grains rather than board grains which are involved at this time.

* * *

[*Translation*]

MANPOWER

LOCAL INITIATIVES PROGRAM—CRITERIA FOR APPROVAL OF PROJECTS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I would like to ask a question to the hon. Minister of Manpower and Immigration.

Could he tell the House whether he is aware of the fact that, prior to the approval of a local initiatives project in Shefford, the municipal council or the individuals who are making an application must first obtain the blessings of the Liberal organization of the town or municipality?

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I am not aware of that information. If the hon. member will give me the details I will look into it forthwith.

[*Translation*]

Mr. Rondeau: Mr. Speaker, I have a supplementary question for the minister and I thank him for his good intentions.

Is the minister ready to intervene with the municipal authorities involved to ensure that these problems will not be repeated and important projects will not be blocked because of local political manoeuvring?

Mr. Speaker: Order, please. These are representations. The hon. member for Edmonton Centre has a supplementary question.

Mr. Steven E. Paproski (Edmonton Centre): Thank you, Mr. Speaker.

[*English*]

Mr. Speaker, my question is for the Minister of Manpower and Immigration in charge of the local initiatives program. In view of the minister's direct contribution toward a research program to establish the rate of incidence of child battery in Canada and in view of the fact that the program will investigate the socio-economic situation of the families in which child beating occurs, may I congratulate the minister on awarding a LIP grant to a very fine woman—

• (1450)

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member cannot congratulate the minister. He can ask him a question.

Some hon. Members: Hear, hear!

Some hon. Members: Withdraw!

Mr. Paproski: I withdraw the congratulations. But may I say that the minister awarded this grant to a very fine woman who was shafted out of the Liberal nomination in Edmonton Centre in the last federal election.

Mr. Speaker: Order, please.

Mr. Paproski: My question, Sir—

Mr. Speaker: Order, please.

Mr. Paproski: On a question of privilege, Mr. Speaker—

Mr. Speaker: The hon. member rises on a question of privilege.

Mr. Paproski: Mr. Speaker, I still think you're a great guy!

Some hon. Members: Hear, hear!

Mr. Andras: On a point of order, Mr. Speaker, I should think that if the hon. member is not permitted to congratulate me he should not be permitted to congratulate anybody else in the House.

Some hon. Members: Oh, oh!

* * *

AGRICULTURE

ALLEGED STATEMENTS BY MINISTER ON FOOD PRICES—GOVERNMENT POLICY

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my question is directed to the Prime Minister. Would the right hon. gentleman inform the Houses whether his Minister of Agriculture was expressing the policy and views of the government when he stated on February 3 in London, Ontario, that "I am pleased that food prices have finally started to turn the corner and are rising", and again in Ottawa yesterday, I believe, when he used words to the effect that he welcomes a rise in food prices because this will mean a rise in farm incomes?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is obviously not a matter of policy. The minister was expressing pleasure, and I think it is normal for a Minister of Agriculture to tell farmers that he is happy they are getting more revenue.

Some hon. Members: Hear, hear!

Mr. Lawrence: Mr. Speaker, in view of the endorsation of those words by the Prime Minister, may I then ask him whether it is now the policy of the government to leave the impression that the blame for high food prices should be laid at the door of the farmers?

Some hon. Members: Oh, oh!

Hon. E. F. Whelan (Minister of Agriculture): On a point of order, Mr. Speaker, at no time did I say that the farmers were causing the high increase in the cost of food to consumers. I said that the farmers were now getting a fair return for the input for which they are responsible, and anybody who says differently is not stating the facts as I stated them.

Some hon. Members: Hear, hear!

Mr. Lawrence: You can suck and whistle at the same time.

* * *

INCOME TAX

ADVERTISING CAMPAIGN EXPLAINING FORM FOR 1972—SUGGESTED EXTENSION TO WEEKLY NEWSPAPERS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, would the Minister of National Revenue advise the House why it was, in the current campaign on the part of his department to explain the unexplainable, that is, the difficulties in the income tax form, that while various media were chosen the weekly newspapers were not, a group that make a tremendous contribution not only to their localities but to Canada as a whole?

Some hon. Members: Oh, oh!

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I noticed the same lack myself, and I have asked my officials to see whether it might be possible to find the money to extend this excellent campaign as the right hon. member suggests. As one who comes from an area where people rely very much on weekly newspapers for their information, I welcome his support of my efforts to extend this campaign into the weekly newspapers.

Mr. Diefenbaker: Now that we have received convincing evidence that the government is starting to think about the subject, will the minister press forward to assure that many thousands of Canadians, who otherwise will not be

acquainted with the intricacies of the explanations, will have them available to them?

Mr. Stanbury: Yes. As I have indicated, Mr. Speaker, I shall be glad to press for an extension of this highly informational campaign into those additional media.

TAXATION OF DIVIDENDS

Mr. A. D. Hales (Wellington): Mr. Speaker, I wish to direct a supplementary question to the Minister of National Revenue. Is it the intention of his department to use the Fred Davis close-up advertisements to explain to the Canadian people the facts about the income tax on dividends and why Canadians are being asked to pay tax on money they never received?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, the hon. member is one who took an active part in the debate on tax reform and he will know that the Department of National Revenue is administering and applying the law as he and other Members of Parliament passed it.

Mr. Hales: Mr. Speaker—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Wellington for a last supplementary on this subject and then recognize the hon. member for Sault Ste. Marie.

Mr. Hales: My supplementary will be brief. Does the minister propose to explain to the Canadian people how this comes about?

Mr. Stanbury: Yes. There have been some very excellent columns in some of the daily and weekly newspapers, contributed by chartered accountants and other professionals, on this subject, and I will send the hon. member copies of them.

* * *

INDUSTRY

POSSIBLE CLOSURE OF ABITIBI MILL IN SAULT STE. MARIE—USE MADE OF DEVELOPMENT GRANTS BY COMPANY

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. In view of the fact that officials of the Abitibi Pulp and Paper Company in Sault Ste. Marie have openly threatened to close the mill unless the employees agree to certain conditions, would the minister inform the House what measures, if any, he contemplates taking to prevent such overt intimidation and what contingency plans he has for the 500 unemployed workers should the company close the mill?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, this matter has just been brought to my attention by my colleague, the Minister of Industry, Trade and Commerce. I will be looking into it from the point of view of the Department of Manpower and I think the Minister of Industry, Trade and Commerce may have additional information now or later.

[*Later:*]

Mr. Symes: May I direct my supplementary question to the Minister of Regional Economic Expansion. Since Abitibi Pulp and Paper has received regional development grants in excess of $300,000, does the minister intend to investigate this urgent matter and tell the House whether or not Abitibi funnelled DREE grants into its other operations, concurrently allowing the Sault Ste. Marie operation to become inefficient and outdated?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I shall be very glad to look into the question the hon. member has raised. I would doubt very much whether the last part of his question is correct, but I will refrain from being dogmatic about it until I have looked into it.

* * *

[*Translation*]

CRIMINAL CODE

AMENDMENT RESPECTING ESTABLISHMENT OF CASINOS

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I have a question for the Minister of Justice or the Solicitor General.

Following the efforts made by Quebec, does the minister intend to introduce a bill to amend the Criminal Code in order to allow the establishment of casinos?

[*English*]

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I think I would like to see the actual statement, if the hon. member would bring it to my attention. There has been an exchange in the House over the past months about the extent to which the law now allows for such things, and it may well be that it is provided for already.

* * *

REGIONAL ECONOMIC EXPANSION

PLANS TO ASSIST CANADIAN INDUSTRIES RECEIVING GRANTS IF COUNTERVAILING DUTIES WIDELY APPLIED

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, I wish to direct a question either to the Minister of Regional Economic Expansion or to the Prime Minister. Could either of these two gentlemen advise the House whether the government has any contingency plans to assist Canadian industries if the imposition of countervailing duties is widely applied against products manufactured by Canadian firms which receive DREE grants or other aid, or will we be reacting instead of acting?

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I heard this question but I thought it was directed to another minister. In reply and without being evasive, I think it is hypothetical at the moment. There is no evidence of any further application

of countervailing duties, but we are watching the situation very closely and examining the incentives program with a view to achieving something along the line the hon. member has suggested.

* * *

TRADE

CANADA-UNITED STATES—ACTION TO ENSURE ADJUSTMENT BY NEGOTIATION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. Is the minister aware of indications in the United States that the U.S. government may resort to unilateral action to improve its trade position? If so, can the minister tell the House whether the government has taken any direct action to ensure that Canada-U.S. trade relations will be adjusted by negotiation, so that the Michelin case will not be a preview of things to come?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, there will always be news reports speculating on what the United States may do or may not do. I consider that a hypothetical kind of question. The fact of the matter is that our two nations are enjoying trade of the order of about $23 billion. There will be irritants from time to time, but that is in the nature of things. In the meantime, we have made strong representations with respect to the Michelin case and we are awaiting the reply of the United States on that matter.

* * *

• (1500)

ENERGY

JAMES BAY HYDROELECTRIC POWER PROJECT—QUEBEC INTENTION RESPECTING SALE OF POWER TO UNITED STATES

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is addressed to the Minister of Energy, Mines and Resources. In view of the fact that the Quebec National Assembly's Bill 82 of 1972 respecting Hydro-Quebec calls for exportation of power to Consolidated Edison or the New York State Power Authority beginning in June, 1977, for a period of 20 years, would the minister reconsider his answer to my question last Monday, namely, that Quebec does not intend to sell any power from the James Bay power project to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I would be happy to repeat the statement I made, which was that we have received no notification from Quebec that they have any intention to sell James Bay power in the United States.

Mr. Hamilton: I have asked the minister this but I will repeat it. Is it a fact that the minister has no knowledge and no information that the Quebec government has changed its position?

[Mr. Jamieson.]

Mr. Macdonald (Rosedale): Mr. Speaker, the information that we have from the Quebec authorities is that they intend to use the James Bay supply for the purpose of meeting the domestic load.

REQUEST FOR STUDY TO ASSESS RESOURCES

Mr. Eldon M. Woolliams (Calgary North): I have a supplementary question, Mr. Speaker. In light of the fact that there is considerable propaganda at this time to the effect that there seems to be a shortage of energy not only on the North American continent but throughout the world, will the government take the lead, separate from the National Energy Board which does not have the facilities, to study and reassess energy supplies, particularly natural gas, crude petroleum and electrical energy, so that we may know just what supplies are on hand?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, studies such as this have been under way for some time now and I expect to be laying them before the House in several months time.

* * *

IMMIGRATION

STATUS OF FOREIGN STUDENTS—NECESSITY TO SEEK WORK PERMITS

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Minister of Manpower and Immigration of which I have given him notice. What are the government's plans to alleviate the hardships that are being worked on a significant number of students from overseas who are in various stages of their university careers and are caught by the new regulations regarding applications for landed immigrant status and employment?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, foreign students who have come to Canada came on the basis and understanding that they were, unless otherwise declared specially exempted, capable of supporting themselves. Generally speaking, most of them will be required to seek employment visas. However, that is not to say that they will be unable to get employment visas, provided that the jobs they are seeking cannot be filled by Canadians. As I say, there are some exceptions to this. I cannot give them from memory, but special exceptions are made in cases where people were brought over under special international arrangements. Nevertheless, generally speaking we do require these non-immigrants to seek employment visas and I hope they are able to find work, provided Canadians are not displaced.

EXTERNAL AFFAIRS

VIET NAM—ROLE OF CANADIAN RED CROSS IN RELEASE OF PRISONERS OF WAR

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the Secretary of State for External Affairs. Can the minister inform the House whether the Canadian Red Cross has undertaken a role in connection with the release of captured military and foreign civilian personnel in Viet Nam?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, I can confirm the reports that have been made. At the request of the Canadian government the Canadian Red Cross is sending a team of ten members, led by the national commissioner, General Wrinch, which left for Viet Nam this morning. This comes about as a result of the wish of the parties to the Viet Nam agreement that the Canadian Red Cross should play such a role, which I am sure will be welcomed by everyone in the House.

NORTH VIET NAM—CONSIDERATIONS IN CONNECTION WITH DECISION ON RECOGNITION

Mr. Donald W. Munro (Esquimalt-Saanich): Thank you, Mr. Speaker, for recognizing the back row again. My question is also addressed to the Secretary of State for External Affairs and arises out of his statement on motions relating to the recognition by Canada of the Democratic Republic of North Viet Nam. Can the minister assure the House that in reaching its decision the government took fully into account the many obstacles placed in the way of the activities of the International Control Commission in Viet Nam, and specifically the Canadian delegation on that and other commissions, in their search for missing Canadian civilians during the past 19 years, and particularly during the past ten years?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, and as a result of our recognition we hope to do better.

* * *

CANADA LABOUR RELATIONS BOARD

REQUEST THAT WESTERN MEMBER BE APPOINTED

Mr. John Reynolds (Burnaby-Richmond-Delta): Mr. Speaker, my question is for the Minister of Labour and is one that I asked him a few weeks ago about the Canada Labour Relations Board. Has the government appointed a western Canadian member to the board and, if not, when does the minister expect to appoint one?

Hon. John C. Munro (Minister of Labour): Mr. Speaker, I can advise the hon. member that there is latitude for further appointments at a later time. We did endeavour to seek out an appointee from western Canada for the position, but unfortunately at that particular time he could not accept. Of the members of the board, one was born in Manitoba, another was educated in that province, and another spent considerable time in British Columbia and was educated at the University of British Columbia.

Mr. Reynolds: Was there only one person in western Canada to whom the government felt it could offer the job?

* * *

INDIAN AFFAIRS

ESKASONI RESERVE—REQUEST FOR ASSISTANCE IN CONNECTION WITH FLOOD DAMAGE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the minister responsible for Indian Affairs. Is the minister aware of the flooding that took place over the weekend at the Eskasoni Indian reserve, resulting in the evacuation of ten families from their homes plus serious damage and loss of personal belongings? Would the minister investigate and ascertain what assistance, financial or otherwise, can be provided to assist these families?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not aware, and I do not think the minister is aware, of this regrettable situation but I will get the facts and will be happy to report to the hon. member as soon as I can.

[*Translation*]

Mr. Speaker: The hon. member for Bellechasse.

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish—

Mr. Speaker: Order, please. It might be simpler if I gave the floor to—

[*English*]

I recognize the hon. member for Cape Breton-The Sydneys on a supplementary and then the hon. member for Bellechasse.

ESKASONI RESERVE—REQUEST FOR GOVERNMENT ACTION ON UNEMPLOYMENT

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, in view of the fact that the right hon. member for Mount Royal went around this country tippy-toeing and pontificating about everyone never having it so good—

Mr. Speaker: Order, please. Would the hon. member ask his supplementary.

Mr. Muir: In view of the fact that there continues to be a rate of 80 per cent unemployment on this particular reserve, can we not get something better and have some action taken, instead of being told that notice will be taken of these serious problems?

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the government has taken several measures as the hon. member would see if he would read the annual reports of

the department. Although unemployment continues to be a very serious problem on a number of reservations across the country, I assure the House that some very substantive improvements have been made, particularly in the past four years.

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

Mr. Speaker: The hon. member for Cape Breton-The Sydneys on a point of order.

Mr. Muir: I do not know what the parliamentary secretary is talking about, but surely we do not have to listen to this drivel. That is not an answer to my question. The hon. member has not understood the question. He is pontificating in the same way as the right hon. member for Mount Royal.

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

Mr. Speaker: The hon. member for Yukon rises on a point of order.

Mr. Nielsen: Mr. Speaker, I raised this point of order previously, namely, that there is no acting minister who is responsible for answering our questions. The Prime Minister told us the other day that the Minister of the Environment is the first acting minister and the Minister of Energy, Mines and Resources is the second acting minister. Surely, there is some minister who is accountable to parliament and responsible for answering questions of this kind.

Mr. Speaker: Order, please. We have reached the end of the question period. The Chair will recognize the hon. member for Skeena on a supplementary, and I think the House owes it to the hon. member for Bellechasse to give him the chance to ask his question.

• (1510)

Mr. Frank Howard (Skeena): Mr. Speaker, may I direct a short supplementary to the hon. member for Kamloops-Cariboo. Can he explain what nutritional value there is in the annual report?

* * *

[*Translation*]

SHIPPING

INQUIRY RESPECTING CONSTRUCTION OF ICEBREAKERS

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to direct a question to the Minister of Transport.

In an answer which appears at page 941 of *Hansard* of February 5, 1973, the minister states that the government intends to increase coastal protection by building new icebreakers.

Can the minister tell the House if the order for the first icebreaker has been given? If so, which company or which shipyard received this order?

Hon. Jean Marchand (Minister of Transport): No, Mr. Speaker, no order has been given and the transaction has not yet been approved by Treasury Board.

[Mr. Marchand (Kamloops-Cariboo).]

[*English*]

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

SUPPLEMENTARY ESTIMATES (A), 1972-73

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order with respect to the order of business that has just been called, namely, consideration of the business of supply. My point of order relates to the nine notices of opposition which are on today's order paper and which presumably would be called, if they are in order, at this time; of course, they would be called only in order that there can be votes on the motions to approve the particular items which are on the order paper in the name of the President of the Treasury Board (Mr. Drury). It is my contention, Sir, that there is no provision for such notices of opposition to be entertained in the rules under which we are operating today.

Perhaps before I develop that point, which I think is an important one, I might say that even if there were provision for such notices of opposition in the rules that govern us today, it seems to me that the nine notices of opposition are poorly, if not incorrectly, drawn.

As I understand the rules, it is only open to a member putting down a notice of opposition to indicate that he is opposed to an item in its entirety. In the case of each of these nine notices of opposition there is not any notice of opposition in entirety, but only notice of opposition to a portion of the estimate. I do not allege that that is an extremely important point of order, because what is voted on under the provision in our rules is not the notice of opposition but the motion put down by the President of the Treasury Board, which of course presents the House with the choice of voting either for or against the entire item. In any case, that is not the question I am concerned about. Rather it is my point that there is no provision at this stage for notices of this kind.

I remind Your Honour and the House that we are operating under a rule, namely 58, which came into effect only in 1969, so that there is not a great deal of jurisprudence on it. However, I think the wording of the rule and our practice with respect to it are clear.

In December, 1968, when we passed the new rules that came into effect in 1969, we provided for the first time for an arrangement under which it was possible for main estimates, supplementary estimates, interim estimates, or what have you, to be brought before the House under conditions that would provide for no debate at all on them. We have been through this a good many times, both on main estimates as well as on supplementary estimates and interim supply. The theory behind that was that we would have the opportunity on opposition days to discuss any matters we wished, but if we used our opposition days on other matters, we then would be obliged to deal with the estimates without entering into any kind of debate.

However, when we drew the rule that way we made the special provision that, although estimates could be dealt with in the House without any debate, nevertheless there had to be provision for voting, if hon. members so wished.

We also felt that it would be ridiculous to call every item in the estimates and spend all night voting, and we felt that members should be given the right, by putting down notices of opposition, to call for a vote on any particular items in the estimates, main, supplementary or interim. That was the entire purpose of the provision for notices of opposition, so that when Mr. Speaker cuts off debate and calls for the vote, the House can vote on the individual items to which hon. members have indicated their opposition. This is spelled out in Standing Order 58(10) which reads as follows:

On the last allotted day in each period, but, in any case, not later than the last sitting day in each period, at fifteen minutes before the ordinary time of daily adjournment, the Speaker shall interrupt the proceedings then in progress and, if those proceedings are not in relation to a no-confidence motion, he shall put forthwith successively, without debate or amendment, every question necessary to dispose of any item of business relating to interim supply, main estimates, and supplementary or final estimates, the restoration or reinstatement of any item in the estimates—

And now come the words that are significant today:

—or any opposed item in the estimates,—

The Standing Order goes on to say:

—and for the passage of all stages of any bill or bills based thereon. If the motion under consideration at the hour of interruption is a no-confidence motion, the Speaker first shall put forthwith, without further debate or amendment, every question necessary to dispose of that proceeding, and forthwith thereafter put successively, without debate or amendment, every question necessary to dispose of any item of business relating to interim supply, main estimates, and supplementary or final estimates, the restoration or reinstatement of any item in the estimates,—

And again we come to the phrase that is significant today:

—or any opposed item in the estimates,—

I continue with the quotation:

—and, notwithstanding the provisions of Standing Order 72, for the passage at all stages of any bill or bills based thereon. The standing order relating to the ordinary time of daily adjournment shall remain suspended until all such questions have been decided.

I point out, Sir, that except for a reference in Standing Order 58(4) to the filing of a notice to oppose any item in the estimates, that is the only place in our rules where there is a reference to notices of opposition.

I point out, Sir, that certain conditions must obviously be met if opposed items are to be considered. In the first place, such opposed items can be considered either on the last allotted day in a period or semester, or on the last sitting day in such period or semester. This day is neither of those. This day is neither the last allotted day in a period or semester nor the last sitting day of the semester. We are not now operating under that rule at all.

• (1520)

The other thing I would point out is that the operation of the rules with respect to notices of opposition to items in the main estimates applies only when the Speaker is required to put questions without any opportunity for debate. I think we were wise in putting that device into the rules. It is very specific. It is only when those two conditions are met; (a) that it is the last day of the period or the last allotted day and (b) that we are operating under a system by which the Speaker puts the question without any opportunity for debate. It is only under those circumstances that there is any provision in the rules for using the device of putting down notices of opposition to items in the estimates.

Because those conditions are not met, because we are operating under Standing Order 58(18), these notices of opposition which are inscribed on the notice paper should not be considered at this time. We are operating under Standing Order 58(18). That has not been said as yet, but it is obvious to everyone.

Standing Order 58(18) provides that when there is an urgent necessity to deal with estimates, the government does not have to wait until we have had all of the allotted days in a period and do it in that normal way without debate, but it can at any time bring in a supply bill. However, if it does so, it must be treated as a government order and given all the treatment that goes with a government order. Perhaps I should put Standing Order 58(18) on the record. It reads as follows:

In the event of urgency in relation to any estimate or estimates, the proceedings of the House on a motion to concur therein and on the subsequent bill are to be taken under Government Orders and not on days allotted in this order.

When something is done under Standing Order 58(18) and a supply bill becomes a government order, there is no such thing as Mr. Speaker saying there is no debate. There is no time limit. The bill is treated as a normal government bill. Once it is introduced, it will have second reading which is debatable, followed by a reference to Committee of the Whole House where it is debatable both with respect to its various clauses and the schedule or schedules attached thereto and, finally, on third reading. There is no limitation in the rules. There is no provision to deny or cut off debate. If I may resort to simple logic, it would be ridiculous to import into a setup where we have debate a rule that is applied only when there is no debate.

For these reasons and one or two other comments I wish to make, Mr. Speaker, I suggest we should not proceed today by dealing with these nine notices of opposition. Rather, we should operate under the rule that says a report from a Standing Committee on Estimates shall be dealt with without debate and then, when the bill is brought in, we should proceed in the normal way which, as I say, includes freedom of debate and no time limit in order to deal with it.

I go a step further and suggest that if this practice, which as I say is not provided for at all, were followed, certain points of confusion would arise. For example, would these notices of opposition be debatable as is implied because we are under Standing Order 58(18) where there is no prohibition against debate or would it be required that they be voted on without debate as is set out in the only section of the rules that deals with notices of opposition, namely Standing Order 58(10)? What are we under, 58(18) or 58(10)? Are we under Standing Order 58(18) where there is debate or 58(10) where there is no debate?

Another point of confusion is, if we take these votes on notices of opposition that Procedure will not be quite correct because we do not vote on notices of opposition. We vote instead on the positive motions put down by the President of the Treasury Board (Mr. Drury). If we do have these votes, with or without debate, then the House, not the committee, will have made a decision. If the vote is negatived, that is the end of the estimate. However, if the vote is in the affirmative, the House will have taken a decision and we will likely have trouble later on if members at second reading or in committee of the whole try to debate the various estimates.

These confusions, in my view, support the proposition that the whole provision for notices of opposition was designed to fit into one situation only, namely that occasion where, on the last allotted day in a period or on the last sitting day of the period, we are faced with the necessity of dealing with the estimates without debate. In that situation, we have the right to put down these notices of opposition and get recorded votes on any estimates about which members are concerned.

May I emphasize that in taking this stand, and I am sure my hon. friends in the Progressive Conservative party who put down these notices of opposition will realize how true this is, I am not interfering in any way with their right to have votes on the nine items to which they seem to be opposed, either in whole or in part. If these motions are not voted on, but instead we proceed in the normal way and have the second reading debate followed by committee of the whole, which would include a consideration of the schedule attached to the bill, they would be able, once that schedule is called, to single out every one of these nine items and any other items, move amendments that they be reduced to $1, move amendments that they be deleted or force votes on them. In fact, they would have much greater freedom in committee of the whole with respect to these items than they would have by taking votes now. If votes are called now, they cannot say a word, at least if we are under Standing Order 58(10). If the votes are taken now, Your Honour will have to rule that they be taken right away without debate. However, if we do it in committee of the whole, they can expand their reasons. They can get around the problem that is created by the faulty wording of the motion that it be reduced to a certain amount and so on.

At third reading, if they are not satisfied with what happened in committee of the whole, they can move a motion to have the bill referred back to committee of the whole to delete any of the items to which they may be opposed. I hope hon. members will believe me when I say that the purpose of this intervention is not to deny to my friends to the right their desire to debate these estimates or vote on them, but rather it is out of a desire that our procedures not become mixed up and confused.

As Your Honour and hon. members who have been around for awhile will recall, this is all new. This procedure was adopted in December, 1968, and came into effect in 1969. This is the first time this particular kind of situation has arisen. In almost all cases since the beginning of 1969, we have dealt with the estimates under what is sometimes called the guillotine of the last day. It was under that last day guillotine that we exercised the right to put down these notices of opposition. We have done it ourselves. Every time the estimate for the Senate was there, I put down an opposition motion and we got a vote on it. It is too bad there is not a Senate item amongst these votes. I could make a little speech on it.

[Mr. Knowles (Winnipeg North Centre).]

The point is that today we are not operating under Standing Order 58(10). We are operating under Standing Order 58(18) which puts this supply bill in the category of being a normal government bill to be dealt with in government time with no time limit and no restrictions on debate. Therefore, I think the matter should be resolved in that way. Instead of dealing with these notices of opposition or the motions of the President of the Treasury Board, we should simply follow the provisions of Standing Order 58(16), have a motion to concur in the committee report, then bring in the bill and proceed with the bill as an ordinary bill on second reading, through Committee of the Whole and, finally, to third reading.

• (1530)

Mr. Nielsen: I do not see the same confusion as the hon. member for Winnipeg North Centre apparently sees in these notices. He suggests to Your Honour that the notices have been poorly drawn. I took the trouble to do some research on the procedure which has been followed since the introduction of these new rules. I followed precedents set by members of the hon. member's own party in the preparation of these notices. I shall be referring later in detail to a point of order which the hon. member for Winnipeg North Centre raised in this House on June 22, 1972. This is to be found at page 3415 of *Hansard* of that date.

Ordinarily, in my submission, the House would be proceeding under Standing Order 58(16) if we were to follow the full intent of the committee on procedure which brought forth the rules which were finally adopted by the House. We would be proceeding in that way because there would have been an established pattern which was spoken of in the Special Committee on Procedure which originally recommended the changes we finally adopted. I want to refer Your Honour to the proceedings of that Special Committee because I think it is necessary to go back that far. No doubt Your Honour has already dug them up. They are to be found in the *Journals* of December 6, 1968, at pages 429-464. These explanations for the rule changes appear at pages 430 and 434. I wish to review, just for a few moments, the proceedings referred to in the short report of the committee.

> The reforms related to supply procedure which are embodied in the recommendations contained in the fourth report of your Committee are based upon a number of crucial principles and assumptions which it would be convenient to list.

Your Honour will note the word "crucial" in that context.

> (a) A pattern of regular parliamentary sessions is assumed whereby a session would normally commence in September or October and the House would rise for the summer recess on or about July 1.

We are not in that situation today. The Special Committee on Procedure made that assumption, and on the basis of that assumption came to what it called a value judgment founded on a number of crucial principles. These crucial principles, in my submission, relate directly to the

pattern the Committee tried to block out for the handling of parliamentary business. We are not in that situation today, by virtue of the fact that an election was called on October 30 and we did not find ourselves back here until January 4. In the meantime, one of the periods which the Committee had in mind had gone by.

(b) For the purposes of supply, the parliamentary session would be divided into three periods ending on December 10, March 26 and June 30, respectively.

Hon. members will see that the period ended December 10, which would normally have been the period in which we were considering these matters, had more than half gone by.

(c) The main estimates to be presented to the House as early as possible in February and certainly before March 1.

(d) The Committee of Supply will be abolished.

(e) All estimates would be referred to standing committees for detailed scrutiny before March 1.

(f) The Standing Order would provide that the supply resolutions and the bills based thereon would be disposed of by the House by the dates specified above. Interim supply to cover the months of April, May and June would be disposed of by March 26; the main estimates would be disposed of by June 30, the standing committees having reported by May 31 . . .

I shall be giving some citations from May in support of my submission to Your Honour, but at this point I should like to suggest that the design of these new rules was based liberally on the procedure which is followed in Westminster when fiscal matters are dealt with. But paragraph (f) goes on to say:

—and the supplementary and additional estimates would be disposed of by December 10, March 26 or June 30, depending on the periods in which they are presented.

We find these estimates, supplementary estimates (A) for 1972-73, presented to us in the period which would normally end on March 26. So, we come face to face with Standing Order 58(16) which contemplated precisely this procedure. But when referring to Standing Order 58(16) we find that the government faces problems, because that Standing Order stipulates there shall be no debate on any motion to concur in the report of any standing committee on estimates except on an allotted day. All right. The government does not want to wait for the stipulated number of allotted days to go by, because, in their view, that would take up too much time. So they look around to find some other order under which they can bring the report of the committee into the House to deal with the appropriation bill. Unfortunately, the only other order available to them is 58(18) and, for the reasons I intend to advance in a few moments, reasons which will be in opposition to those advanced by the hon. member for Winnipeg North Centre, I submit that 58(18) does not apply.

We do not intend, however, to take the position that we should prevent the government from proceeding under 58(18) if that is what they desire. But in extending this co-operation to the government we must insist upon the right to a free and full debate of the notices which have been filed. As I say, we believe that 58(18) places no restriction whatsoever upon the debate of notices; it would be different if 58(16) were applied. I am reinforced in this belief. I would commend the reading of paragraph 19 of the Report of the Special Committee on Procedure from which I have already quoted. At page 435 of the report appears the following:

There are occasions when it is in the national interest that parliament should consider or expedite an item of business with the minimum of delay, and Your Committee believes that the standing orders should make provision for such situations. Two kinds of eventuality are envisaged. In the first place the House should be free to deal without delay with any item of government business calling for immediate consideration on the first day of a session or the resumption of a session following an adjournment.

Here we are getting at the historical roots of the reason for the existence of 58(18).

• (1540)

Secondly, it seems reasonable to expect that the normal requirement of a notice of motion in relation to the introduction of business or the hours and days of sitting might be dispensed with for the purpose of dealing with matters of urgency when the overwhelming majority of the House recognizes that it would be desirable to do so. It seems intolerable to your committee that a single dissenting voice should be permitted to frustrate the otherwise unanimous will of the House, although we recognize that an objection registered by ten or more members should carry some weight. Accordingly your committee has included in its recommendations a revised Standing Order 41 and a new Standing Order 42-A which are designed to achieve the desired purposes, and which are set out in the committee's fifth report.

Mr. Speaker, in the latest revision of the little green book, Standing Order 42 has become Standing Order 44. In referring to Standing Order 44 I am getting into the argument with respect to the use of the term "urgency" in 58(18). My friend from Winnipeg North Centre has urged upon Your Honour that because the government has decided that the report of the committee on Supplementary Estimates and the appropriation bill has some urgency to it, we can proceed on this option. I most strongly submit to you, Sir, that there is no way this decision can be made by the government. The Special Committee on Procedures made that quite clear in the report from which I just quoted when they used the words:

. . . it seems reasonable to expect that the normal requirement of a notice of motion in relation to the introduction of business or the hours and days of sitting might be dispensed with for the purpose of dealing with matters of urgency when the overwhelming majority of the House recognizes that it would be desirable to do so.

I submit that if the government does place us in the position of restricting debate on these nine notices, then we will have to pursue, with vigour, our point that Standing Order 44 should have been invoked, which would give rise to the whole question of not only the urgency of the matter but the validity of proceeding under Standing Order 58(18). For the benefit of members who do not have their little green book with them, Standing Order 44 reads:

(1) In relation to any matter that the government considers to be of an urgent nature, a minister of the Crown may, at any time when Mr. Speaker is in the chair, propose a motion to suspend any Standing or other order of this House relating to the need for notice and to the hours and days of sitting.

(2) After the minister has stated reasons for the urgency of such a motion, Mr. Speaker shall propose the question to the House.

(3) Proceedings on any such motion shall be subject to the following conditions:

(a) Mr. Speaker may permit debate thereon for a period not exceeding one hour;

(b) the motion shall not be subject to amendment except by a minister of the Crown;

(c) no member may speak more than once nor longer than ten minutes;

(d) proceedings on any such motion shall not be interrupted or adjourned by any other proceeding or by the operation of any other order of this House;

The other two subsections are irrelevant to the argument I intend to urge upon Your Honour.

In order to proceed under Standing Order 58(18), I submit that the government must establish a prima facie case of urgency. The order clearly, specifically and cleanly uses the words:

In the event of urgency in relation to any estimate or estimates, the proceedings of the House on a motion to concur therein—

This is where we are now, Mr. Speaker.

—and on the subsequent bill—

Which will be coming before us.

—are to be taken under government orders and not on days allotted in this order.

This is what is being done, so that the government must show some urgency. The very fact that they have not chosen to proceed under Standing Order 44 is strong indication to me that they do not consider the matter so urgent as to invoke this rule. The real reason they are proceeding under Standing Order 58(18) is the fact that they are caught outside the pattern set by the Special Committee on Procedures and so have fallen into Standing Order 58(18).

To deal with Standing Order 44, and I suggest to you, Sir, that if the government insists on proceeding under Standing Order 58(18) and restricting the debate as the hon. member for Winnipeg North Centre suggests to Your Honour, at this stage, then they must go by Standing Order 44. This gives rise to Your Honour being required to permit debate for a period not exceeding one hour and the motion not being subject to amendment except by a minister of the Crown and the other concommitants which are set forth in that Standing Order, but certainly it is a condition precedent in my submission to the government proceeding under Standing Order 58(18) because that urgency must be established.

I was a little surprised when dealing with that point, Mr. Speaker, to hear the hon. member for Winnipeg North Centre say that what we should be doing by these notices, when he criticizes their form, is to eliminate the item entirely. I think I am paraphrasing him correctly when, making his point about the notice being properly drawn, he said that "notices such as these must oppose the items in their entirety". According to *Hansard* of June 22, 1972, this very question arose. At that time the hon. member for Winnipeg North Centre was dealing with a situation when there had been an allotted day set aside for discussion under Standing Order 58(16), so there may be a distinction to be drawn. I submit not—

Mr. Knowles (Winnipeg North Centre): It was 58(10).

Mr. Nielsen: There may be a distinction to be drawn, and maybe he is basing his argument upon such distinction, but my submission is that with respect to these notices and their treatment there can be no distinction save that in Standing Order 58(18) against any full debate on notices that have been filed.

[Mr. Nielsen.]

Urging his argument upon Your Honour at that time, the hon. member said, as recorded at page 3415 of *Hansard* in the right hand column

What my hon. friend wanted this House to do—

And he is speaking of notices that had been filed here.

—was vote on the reduction of that $244,000 for the information branch in this particular department to $61,000.

Now, that was not a notice to oppose the item in its entirety. He quite correctly said on that occasion, and I submit his argument is still valid, that the notice means a notice to oppose the approval of the estimate and, in effect, reduce it. That is precisely what we are purporting to do in the notice I have filed. I draw particular attention to the notice dealing with the Department of Finance and the capital works project where we want to reduce the $350 million in the estimates to the $75 million which has been estimated by the minister to be this winter's requirement. He went on to say, when being critical of the strictures being imposed to prevent them from moving a reduction:

I suggest this is making a mockery of such rights as remain to us for the voting of supply as set out in Standing Order 58.

I submit to you, Sir, that it would indeed be making a mockery of such rights as remain to members in this House to control supply if we were denied the right to debate this notice in the clear absence of any prohibition to do so in 58(18). The hon. member for Winnipeg North Centre went on to state:

• (1550)

But tonight, for the first time since this procedure came into effect, we are faced with a different situation because what we are asking for now is not the right to vote against an entire item . . . but for the right to vote for or against the reduction in the amount of an item.

I think that effectively disposes of the position taken by the hon. member for Winnipeg North Centre unless, of course, he has completely changed his mind between last June and today.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I ask a question at the risk of leading with my chin? What was the ruling on that?

Mr. Nielsen: The ruling was unimportant because the point the hon. member on that occasion was making—

Some hon. Members: Oh, oh!

Mr. Nielsen: Hon. members laugh, yet if they listened for a moment they would get the explanation. If they went back and read these debates they would realize it does not matter, and I will explain why. The hon. member for Winnipeg North Centre will remember that he insisted the notices filed on that occasion should have taken precedence over the motion by the President of the Treasury Board in presenting an estimate, and thus give rise to a debate. That was the point which was established. The hon. member for Winnipeg North Centre in arguing that point made these other comments.

The ruling was that the motion of the President of the Treasury Board did take precedence, and the notice had to be voted on without debate under Standing Order 58(10), where a prohibition against debate is clearly laid out on an allotted day.

Mr. Knowles (Winnipeg North Centre): Was it the notice for a reduction in the item that was voted on or the full item as proposed by the President of the Treasury Board? In other words, what did the Chair rule?

Mr. Nielsen: The Chair ruled that the item of the estimates must be called by the President of the Treasury Board first, and then when the notices affecting the items which were called eventually came up in the ordinary course, the motion was voted on which disposed of the notice. From reading these debates that is what I got from the Speaker's ruling.

There were three exceptions to that because, as the hon. member pointed out, in that debate three of the notices purported to delete the entire item. I have certain remarks to make about that procedure which I will not make here. I only refer to this debate to point out that on that occasion the hon. member took the position that it was quite proper to file a notice of opposition that had the effect of reducing but not entirely eliminating an item. Unless he has changed his position, we feel that the argument is just as forceful today as it was then. Merely because we are proceeding under Standing Order 58(18) does not alter the force of that argument in my submission.

I think I can leave those two points now, Mr. Speaker. The proceeding obviously is under Standing Order 58(18). I do not think there can be any suggestion that we are proceeding under Standing Order 58(10) because it simply does not apply. Standing Order 58(10) is thrown out the window on the very first five words. Those words are "On the last allotted day".

My submission is that the old Standing Order applies only in circumstances where we are dealing with the last allotted day, and we are not there. We are not proceeding under Standing Order 58(16) because that only applies on an allotted day. We must be proceeding under Standing Order 58(18), because that is the only other place in the standing order where we have a vehicle to deal with the report of the standing committee on the appropriations bill. There is nothing in Standing Order 58(18) which in any way restricts debate.

We are prepared to go along with the government's suggestion that we proceed under Standing Order 58(18) and deal with the report stage of the appropriations bill, but I want to make it abundantly clear that we are not prepared to go along with the government under Standing Order 58(18) if the government intends to impose restrictions on the debate on these nine notices, because if it follows that course we want to forcefully submit, Your Honour, that the government must establish the urgency and, in order to do that, go through the procedure which is set out by Standing Order 44.

Mr. Baldwin: Mr. Speaker, I normally would be inclined to let Your Honour rule on this without any further intervention, but because of the importance of the issue and the fact that this is the first time it has been raised, I feel compelled to do so.

I think the hon. member for Yukon (Mr. Nielsen) has disposed quite effectively of the laboured, forced, contrived and tortuous argument of my hon. friend, the member for Winnipeg North Centre (Mr. Knowles).

Mr. Knowles (Winnipeg North Centre): My hon. friend!

Mr. Baldwin: I know that Your Honour will probably smile to yourself and say that hon. members in procedural arguments sometimes do embark upon discussions which sound like that, and I suppose if I were to go back far enough in *Hansard* I might find some place where I, myself, was guilty of using expressions like that. If that is the case, I would plead in extenuation the fact that I was trying to widen the opportunity for divorce—

Some hon. Members: Oh, oh!

Mr. Baldwin: —for divorce between the two parties over there. I am sorry, I should have said "for debate". I am amazed by my hon. friend, the member for Winnipeg North Centre, with whom I have stood so stoutly on so many occasions in an attempt to find ways and means by which the House could widen opportunities for debate, to find him now attempting to foreclose, limit and restrict debate, and using arguments of this kind. I am happy to say, however, because of the attachment I have for him, that I will not have to deal with him as he has been effectively disposed of by the hon. member for Yukon.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Baldwin: Yes, indeed, I would be delighted.

Mr. Knowles (Winnipeg North Centre): Did he not hear me say that one of my main concerns was to get this supply bill into committee of the whole where we can have unlimited debate? Will he tell me how he can say I was arguing for restriction of debate when, in fact, I was arguing the very opposite?

Mr. Baldwin: It is quite plain because the hon. member is saying we are going to debate this particular notice, and if that is not an attempt to restrict the debate I do not know what is.

I should like to go a little further into the historical reasons behind this particular ruling and practice to which we are adhering. I think this is what the House and the Chair are interested in and should bear in mind. If we go back to the days when we had the committee of supply and there was unlimited opportunity to discuss supply, I suppose some would say those were the good old days, being in the opposition, but those in the Cabinet would probably say they were the bad old days. I can recall occasions when my hon. friend said exactly the opposite. The government House leader was not sitting in the House then, but standing in the wings preparing the bullets his friends were firing when the then Liberal opposition took up to 75 or 80 days to deal with issues of supply. It was for reasons of that kind the House decided to find ways and means of restricting debate, wrongly so as the facts have proven. The Committee on Organization and

Procedure did in fact brood about this matter and came up with the recommendation that has been referred to in part by the hon. member for Yukon.

What was the case before that? On several occasions during the session, there would be a motion made that the House go into committee of supply. On those occasions there would be a two-day debate with an opportunity for amendment and sub-amendment. If I recall rightly, a government fell on one of those occasions. Mr. Speaker was in the Chair then, and there was a vigorous and forceful debate. Following that, we went into the committee of supply when there was an extensive opportunity for discussing the particular items of the estimates. Therefore, there was a great scope at that time, before we changed the rules and came up with the existing practice, for members of this House to debate extensively, compel votes to be taken and compel the House to divide on issues relating to supply.

• (1600)

The hon. member for Yukon referred to the third report of the committee. He quoted some pages from that report. I should like to go back to page 430 and quote paragraph 5 (g):

A total of 25 allotted days spaced throughout the session would be placed at the disposal of the Opposition. Five would fall before December 10, seven before March 26, and 13 before June 30. On these allotted days the Opposition would be free to select for debate any matter coming within the jurisdiction of Parliament, including the business of supply currently before the House, on motions of which notice would be required.

Then, it deals with a number of motions, so many of which would be motions of confidence and so many of which would be motions of non-confidence. The final sentence reads:

It is envisaged that during the latter weeks of a session these days . . .

That has reference to opposition days:

. . . would frequently be used for debating the reports on the departmental estimates presented by the various standing committees.

Then, we have paragraph (i) which states:

The final decisions in relation to the main estimates of each department of government would be held over until the end of the third supply period so that the opportunity to debate any department would remain open throughout the session.

Then, by analogy with regard to supplementary estimates, which almost invariably are brought in in this period, the final debate would have been left until the last of the seven opposition days.

Now, for various reasons which I shall not go into, this House has been deprived of the five opposition days it normally would have had in the period ending December 10 and will be deprived, so far as these supplementary estimates are concerned, of the seven days which would end on March 26. It is true enough that those days will be made available later on, unless some very fortuitous situation comes about and the members of this House go out to the happy hunting ground to engage in other activities. Normally, we would expect the seven days to be available, but for reasons of which I believe the Chair can take judicial notice the government decided to utilize this particular procedure in an attempt to secure expeditious approval of these estimates and the appropriation bill. Because of these facts, we are therefore prevented from engaging in debate, from putting down motions on opposition days, including motions of non-confidence, and from challenging the government on these estimates. By the time we have an opportunity to do so, the estimates will have been passed and the appropriation bill will have been passed.

I suggest it was with that possibility in mind that Standing Order 58(18) was brought in. If we do as the hon. member for Winnipeg North Centre suggests, we will be limited to dealing with items of estimates only when we are in Committee of the Whole. There would be no opportunity to challenge the government with Mr. Speaker in the Chair, have a debate or discussion, and then have the House divide on an issue, an opportunity which we would have had had the government not seen fit for its own purposes to adopt the procedure under Standing Order 58(18).

I realize that the Chair cannot be bound by questions of equity and so on if the rules say otherwise, as often is the case, but where there is a freedom, as in this case, I believe the Chair should be vigilant in respect of equity, freedom and opportunity for debate to the fullest extent possible. This can be done only by allowing two things. First, it can be done by having a procedure whereby, as was argued by the hon. member for Yukon, there is an opportunity to debate in this House with Mr. Speaker in the Chair items such as those which are now dealt with and set out for debate today. Second, having done that, we then get into the appropriation bill and there would be some opportunity at least for debate and discussion of some of the items at that time. That is something we will have to meet later. Having this situation and being in the position where the scope for dealing with estimates and debating supply is restricted compared to the situation which existed prior to these rules, and then having the hon. member for Winnipeg North Centre, who previously advocated eloquently and frequently the right of extending debate, tell us we cannot do this, I suggest is something which the Chair and the House should not tolerate.

Mr. MacEachen: Mr. Speaker, I realize we are discussing a new situation and that, because of the adoption of the new rules, it is a situation which we have not faced precisely before. I wish to make a number of comments. First of all, I ask myself whether the form of the notices given by the hon. member for Yukon (Mr. Nielsen) are correct. Secondly, I ask myself whether he is entitled to give these notices at this time. Then, finally, I must attempt to relate the situation in which we find ourselves today to the past parliamentary practice and the changing practice of supply in the House. In respect of point number one, which is not really the most important point, concerning whether the hon. member for Yukon has put his notices in a proper form, from my reading it would seem to me that all the Standing Order entitles him to do is simply to give a notice of opposition to any particular item. Once that notice of opposition is given to any particular item, it triggers the placing on the order paper of the motion to which that opposition is taken. It seems to me there is no provision whatsoever in Standing Orders

for amendment, qualification or alteration of an item. There is provision solely and simply for opposition.

Having stated that, I have looked at certain situations which have occurred in the past and I agree with the hon. member that notices of motion in opposition to items which have done more than oppose have been put down. They have attempted to overmodify or amend. However, I do not rest my case on that. I agree with the hon. member for Winnipeg North Centre (Mr. Knowles) that the hon. member for Yukon is not entitled to put these notices of motion on the order paper at all. The hon. member for Winnipeg North Centre presented the argument that such notices of motion could be put only on the last day of the supply period when the Speaker is obliged to put all outstanding questions at a final moment. I believe I would like to carry the argument one step further and say that what the hon. member for Winnipeg North Centre is really asking is whether today is an allotted day. If it is an allotted day, then the proceeding that is suggested here by the hon. member for Yukon could be regarded as a proper procedure. But there is no provision for this proceeding under our Standing Orders except on an allotted day, and I challenge hon. members on the other side to indicate where, in the Standing Orders, there is a foundation for this proceeding, namely, the proceeding of opposing an item in the estimates, except on an allotted day.

• (1610)

Mr. Nielsen: I will.

Mr. MacEachen: I suggest that there is no such provision. I move on further, Your Honour, to draw attention to Standing Order 58(10), the reading and contemplation of which helped me to clarify in my own mind the exact nature of the problem that we are faced with procedurally. However, before I go to Standing Order 58(10) may I refer to 58(5), in which a discussion is conducted as to the number of sitting days to be allotted to the business of supply. That discussion ends by saying:

These twenty-five days are to be designated as allotted days.

I ask myself, when the Chair is tabulating the 25 allotted days under the Standing Order, is today an allotted day? If it is an allotted day, then at the end of this day there will be left 24 allotted days.

Mr. Nielsen: Of course, it isn't an allotted day.

Mr. MacEachen: The hon. member says it is not an allotted day. He has agreed that it is not an allotted day. So, Mr. Speaker, the argument is ended, because if it is not an allotted day there is no possible foundation for this particular proceeding. I leave that case on that very simple ground. It is either an allotted day or not an allotted day.

Then, I ask myself what of the proposition in Standing Order 58(18) in which it is provided that:

In the event of urgency in relation to any estimate or estimates, the proceedings of the House on a motion to concur therein and on the subsequent bill are to be taken under Government Orders and not on days allotted in this order.

Are we proceeding here on a day allotted under Standing Order 58? Obviously, we are not. The hon. member for Yukon has just said so. This is obviously taking place as a government order. In a sense, it is a government day because under the new dispensation all the allotted days are opposition days. That was the purpose of it.

I merely say that it is one or the other. If it is an allotted day, the hon. member has a right to put down these proceedings. If today is an allotted day, then there will be 24 left, or the allotted days in this period will be reduced by one. But I cannot see that as a reasonable outcome, because the reason we relied on 58(18) was that in order to bring these estimates under the so-called guillotine, or to have an allotted day to deal with them, it would mean having the House contort itself for a short period of time to clean up seven allotted days before February 7, and you can imagine the screams that would have been heard if we had attempted to do that.

We said, "Let us take our chance. We go to the House without any guillotine, and we treat this situation as any normal bill, without any time allocation." That is what we are doing. There is no question in my mind that if you rule that this is a proceeding under Standing Order 58(18), and not an allotted day, then on second reading there is no time limitation, in committee of the whole there is no time limitation, and on third reading there is no time limitation. I confess that the House is totally free to deal with the matter without limitation on any of these stages, although I would hope the House would take account of the necessity for replenishing the programs that are involved in these estimates.

That was a risk we took in making up our minds to proceed this way. The only question that bothers me at this point is, if the motions put down by the hon. member for Yukon are ruled as improper proceedings, then is the main motion put down by the President of the Treasury Board (Mr. Drury) a debatable motion? It is obviously a votable one. It has to be concurred in or not concurred in. However, is it debatable?

Hon. members will recall that before we abolished the committee of supply, we would have discussed the estimates in that committee. But we abolished the committee of supply, and we used the standing committees to do the work that had been done formerly in the committee of supply. So, today we are in a sense at that stage following the completion of the work of the committee of supply, but in this case the work was completed by the standing committee.

Before we adopted the new rules there is no question as to what the situation would have been. The supply resolutions coming out of the committee of supply would have been concurred in without debate or without amendment, and if on this question we wanted to follow an exact parallel we would divide without debate or an amendment. But on that point, I really have not been able to reach a firm conclusion. It would be my feeling that it is somewhat incompatible with the over-all system of supply, incompatible with the regime we are following under Standing Order 58(18), to have an extended debate on a motion to concur in the estimates, which estimates have already been dealt with extensively in the standing committee. If the motion is not debatable and if it is concurred in, then it is clear that it will bring an appropriation bill before the House, and that bill is without time limit at any stage.

Further, when we go into committee of the whole on the supply bill, every item to which the hon. member takes exception will be before the committee, and all the others, for discussion and decision.

Mr. Nielsen: But no recorded vote.

Mr. MacEachen: And he will be able, if he wishes to follow the advice of the hon. member for Winnipeg North Centre to consider taking certain actions on third reading. He can have votes in committee, on second reading and on third reading. He has full parliamentary latitude. I would hope we would not find this was an allotted day and have a proceeding at this stage that I do not think is contemplated.

Mr. Speaker: I thank hon. members for their very interesting comments. Hon. members who have not studied this interesting procedural point too closely, I think, will have reached the same conclusion as I, that the matter is somewhat confusing. As some of the hon. members who took part in this discussion have pointed out, this is actually the first time we have been faced with this situation, with this difficulty, so it does take perhaps a bit of imagination, and I would think a lot of good will on the part of the Chair, on behalf of hon. members, to interpret the rules and the Standing Orders in a way that will be fair to the House, and to all hon. members. It is perhaps in this light that I have tried to interpret the arguments put forth by hon. members during the course of this discussion.

• (1620)

I should like to refer at the outset to the arguments advanced by the hon. member for Winnipeg North Centre. He made reference, in the first instance, to the form of the notices which have been filed. The President of the Privy Council also referred to that point, and I think it also was mentioned by the hon. member for Yukon. All who referred to this point agreed that it was not the substance of the discussion, and with this I also agree. However, I would still like to enter the caveat that, although this form of notice has been used before, it was used in circumstances where there was not too much time for the Chair to object. It is always difficult for the Chair to declare such motions out of order, preventing hon. members from having the opportunity of voting upon them. That is why in all such circumstances the Chair must exercise leniency and bring to the attention of hon. members that what the Standing Order provides for is for a notice of objection, not a motion or an amendment as such.

If hon. members were to adopt the practice of making these notices motions rather than notices of objection to an item, importing argument and debate, then I can see that we would get into some difficulties because they would be more motions, on which actually we could not vote, than they would be notices. I hope the practice will develop in the other direction and members will make an effort to limit the wording of these notices to that of a notice of objection, instead of making the notices amendments which are put in the form of argument. Therefore, I agree on this point with hon. members that a ruling on such an important matter should not be made on the form of the notices that are before us.

[Mr. MacEachen.]

The second point made by the hon. member for Winnipeg North Centre—so long ago that I forget whether it was his second, third, or fourth point, but I believe it was the second point he made—was to the effect that notices of opposition are intended to provide an opportunity to vote on certain items only at the cut-off time, or when the guillotine comes into play—if guillotines ever come into play. My impression is that this is the procedure that we have followed until now. Notices have been considered and a vote taken on the item opposed only at the very last moment when the guillotine came into play at the end of the period.

Actually, there is nothing to prevent the House from considering these motions outside of the provisions of Standing Order 58(10). I refer hon. members to the possibility of doing this under the provisions of Standing Order 32(1)(k), which reads as follows: "The following motions are debatable: (K) for the consideration of any motion under the order for the consideration of the business of supply." I have even wondered why the House has not taken advantage of these provisions to bring these items under consideration forward for debate before the House reaches the last minute on a finally allotted day. That is a possibility that is always open to the House, and for this reason I do not think I can accept the argument advanced by the hon. member for Winnipeg North Centre on this particular point.

I was also impressed, if I may say so, by his argument with reference to the difficulty of following the procedure now proposed by hon. members who have brought these notices of motions, namely that the House might be called upon to vote twice on the same item. It could be said that this situation is hypothetical or that the objection is premature, that it would be at a later date when the matter came up for a vote the second time that that argument could be taken.

It may be an obiter dictum at this time to rule on this point, but I think it might be worth referring hon. members to May's eighteenth edition, the last paragraph at the foot of page 483 and the first paragraph at the top of page 484. I will not read it all because it would take too much time, but the suggestion made by the learned author is that there is nothing wrong with this kind of procedure. He says:

> The various stages through which a bill progresses (normally but not necessarily on separate days) are intended by the practice of Parliament to provide so many opportunities not only for consideration, but also for reconsideration. Such stages may be taken to include the passage of any necessary financial resolution. Thus an entire bill may be regarded as one question which is not settled until it is passed. And hence no objection can be taken to an amendment on any particular stage on the ground that it raises again a question decided on an earlier stage.

And the author continues along this line. I think this is a relevant citation and that hon. members would like to think about it. In any event, I do not believe that this was the main point of contention of the hon. member.

The President of the Privy Council, supporting the hon. member for Winnipeg North Centre, said that this is either an allotted day or it is not an allotted day. I find it easy to rule that it is not an allotted day. My understanding of the rules presented to the House, and adopted by the House in 1968, is that they were intended to set up an

entirely new supply procedure and eliminate all other supply procedures so that there was only one way to proceed on supply. The way to proceed on supply is either on an allotted day, which is a certain day called an opposition day, or on a government day, at a time when the government feels there is a matter of urgency and, in its own time, asks the House to consider a certain item. It does this in its own time, as I say, and to my way of thinking that is the only difference between the two proceedings. In the one case the House is considering an item in opposition time; in the other case, where there is urgency or, in the view of the government, an emergency—and that must be the decision of the government—the matter is proceeded with in government time.

I think the government would have to feel deeply that this is an emergency, because they would have to give up their time for the purpose of considering business that normally would be studied by the House in opposition time, in conformity with the dispositions of Standing Order 58. The Standing Order as revised in 1968 establishes, as I say, a mechanism for the consideration of supply, and essentially this procedure contemplates a reference of estimates to a committee or committees, their return to the House under a timetable, and debate on allotted days.

The interpretation of section (18) of Standing Order 58 must be that, in certain circumstances, consideration of supply must take place in government time rather than on allotted days, which are opposition days under the provisions of the standing order. The proceedings are identical, except that opposition days cannot be used for the purpose of the business of supply when the government brings forward supply outside the cycle contemplated by the Standing Order. Except for the time allocation provisions of the Standing Order and the use of certain days by the opposition, the same machinery must apply in both cases.

In this particular case notice of objection to the passing of the estimates has been given in conformity with Standing Order 58(4)(a). The conclusion is that those notices are properly presented to the House and that the required motions should be made in order to bring the business of supply under debate.

MOTION FOR CONCURRENCE IN VOTE 1a, DEPARTMENT OF FINANCE

Hon. C. M. Drury (President of the Treasury Board) moved:

That vote 1a, in the amount of $200,000 of the Department of Finance for financial and economic policies—program expenditures in supplementary estimates (a) for the fiscal year ending March 31, 1973, be concurred in.

Mr. Nielsen: Mr. Speaker, could we stand the first one, please?

Mr. MacEachen: No.

Some hon. Members: Carried.

Mr. Speaker: It is a government motion, of course. Is the House ready for the question?

25714—68

Mr. Hellyer: Mr. Speaker, is the House not willing to allow this motion to stand?

Mr. Speaker: That is obvious. This is a government motion and the government alone can ask that it be stood. The hon. member for Trinity (Mr. Hellyer) and the hon. member for Yukon (Mr. Nielsen) appreciate that it is not for the Chair to determine whether a motion, if it is before the House, shall stand, unless there is unanimous agreement that the motion shall not be proceeded with.

• (1630)

Mr. Nielsen: Mr. Speaker, may I ask the government House leader for his co-operation in standing the first item and proceeding with the second item, Vote L12a to do with winter capital projects.

Mr. MacEachen: Mr. Speaker, I am not aware of the hon. member's reasons, but since it is our desire to co-operate I will certainly extend that co-operation. I hope it will be reciprocated, and not in the usual manner.

Mr. Speaker: Is it the wish of the House that Motion No. 1 shall stand?

Some hon. Members: Agreed.

Motion stands.

MOTION FOR CONCURRENCE IN VOTE L12a. DEPARTMENT OF FINANCE

Hon. C. M. Drury (President of the Treasury Board) moved:

That Vote L12a in the amount of $350,000,000 of the Department of Finance for Winter Capital Projects Fund—Loans in Supplementary Estimates (A) for the fiscal year ending March 31, 1973, he concurred in.

Mr. Erik Nielsen (Yukon): Mr. Speaker, I am about to refer to the document that was tabled by the President of the Treasury Board (Mr. Drury) entitled "supplementary Estimates (A)" which, on its front cover, is said to be "for the fiscal year ending March 31, 1973". I now refer to Vote L12a in the estimates, to be found at page 16. That item is described as a non-budgetary vote and is set out as being a request for funds for winter capital projects. The vote reads:

Winter Capital Projects Fund—Loans to provinces, provincial agencies and municipalities as defined in the Municipal Development and Loan Act in the 1972-73 to 1975-76 fiscal years inclusive for the purpose of creating employment through the construction, in the period commencing with December 6, 1972 and ending with June 30, 1975 . . .

I will not read the rest. The point I make is that this vote calls for authority to spend $350 million in three fiscal years, yet the supplementary estimate is described as being for the fiscal year ending March 31, 1973.

As I said just now, this vote covers three fiscal periods or years. To that extent the vote, in my submission, unless there is some rational explanation, is not in order. I do not think the government should be asking in supplementary estimates which purport to cover the fiscal year ending March 31, 1973, for authority to spend moneys as far in the future as 1975. To my knowledge, that kind of authori-

ty has never been asked for by governments in the past and, certainly, has never been granted by parliaments in the past.

I wish to make a further submission about the item which is described as being non-budgetary. The vote provides for the forgiveness of 50 per cent of the loans made. Actually, it reads that there shall be a forgiveness of, "50 per cent of normal direct onsite payroll costs". To that extent the vote, in my submission, is not non-budgetary, but is budgetary. These forgiven and to-be-forgiven amounts should be reflected in the accounts of government expenditures for each and every fiscal year in which they are incurred. This provision is set forth clearly in the treasury manual, which the President of the Treasury Board, who is intimately familiar with the treasury manual, will no doubt concede. Evidence that the forgiven amounts are continuing and immediate appropriations of public funds is contained in the words in the treasury manual, "Payment is hereby forgiven", rather than in the non-budgetary words "To be paid out of moneys to be appropriated by Parliament," under which a vote would have to be put in the estimates in each fiscal year and voted on by parliament in an appropriation act.

Clearly, the offence here is that of the government coming before parliament and purporting to ask for authority to spend money in one fiscal year, that ending on March 31, 1973, and smuggling into these estimates, by way of an expanded vote description, moneys to be spent during three other fiscal years.

In the case of the forgiveness provisions of the vote, that part, I say, would be non-budgetary, although the annual appropriations would be budgetary. In this supplementary estimate, the government is combining a budgetary element in the vote with a non-budgetary element. It has done something that is less than legitimate in calling this item non-budgetary, since it is a combination of budgetary and non-budgetary items. In my belief this is a misrepresentation of the true state of affairs and ought not to be accepted by the House. The result would be that the government would conceal expenditures of public funds which will be recovered from and paid for by the taxpayer. Both these points were raised in committee.

The Minister of Finance (Mr. Turner) appeared as a witness before that committee and attempted to explain his reasons. He did not satisfy me and I do not believe he really satisfied the members of his own party, even though they voted to pass this estimate out of committee, or at least voted that the government could proceed in this way. The minister's explanations were somewhat lengthy. The length of his argument belied the strength of it. It was because his argument was so weak that he had to speak so long. This matter raises the question of section 20 of the Financial Administration Act, which I quoted in committee. That section directly prohibits the government from proceeding in the manner which it now asks us to prove.

Section 20 of the Financial Administration Act provides:

> All estimates of expenditures submitted to Parliament shall be for the services coming in course of payment during the fiscal year.

Here we are being asked to fly directly in the face of that stricture in section 20 of the Financial Administration Act and approve amounts for services that will be paid during three fiscal years. I see the President of the Treasury Board is listening intently. How can the government justify requesting this House to approve moneys to be spent in three fiscal years in the face of that direct prohibition in section 20 of the Financial Administration Act?

It is inconceivable that there could be any other interpretation of that section than the one I have suggested. It reads:

> All estimates of expenditures—

This vote is an estimate of an expenditure.

> —submitted to Parliament—

It is now submitted to parliament.

> —shall be for the services coming in the course of payment during the fiscal year.

That means the fiscal year to March 31, 1973. The section, in effect, prevents the government from asking parliament to provide moneys for services coming in course of payment during any other fiscal year. However, the description of the vote asks for $350 million for three fiscal years. When asked a question in this House by an hon. member, the Minister of Finance (Mr. Turner) said he expected a cash flow during the first winter of operation of this project to amount to something in the order of $75 million. When pressed in committee, he gave us ball park figures for the second and third years. If my recollection is correct, it was $170 million and $105 million for the second and third fiscal years respectively.

• (1640)

In committee, what we suggested by way of compromise in order to legalize what the government is trying to do with this project, was to reduce the amount of $350 million to $75 million and to report back to the House that a separate appropriation be brought in by the government for the next two following fiscal years. That suggestion was not accepted. The answer of the Minister of Finance was, if we did that the provincial governments could not plan sufficiently far ahead because they would be uncertain about getting the money. That was a rather empty argument because if parliament appropriated moneys for the second and third fiscal years as well as passing an estimate for $75 million for this fiscal year, they could plan ahead just the same as they could if this unlawful, in my view, estimate were to be passed in this form. That argument really did not hold any water.

There is no restriction on the future planning capability of the provincial governments for these projects if we proceed in a proper way by appropriating the two fiscal years separately. I mean doing this now, not waiting for the second and third years to accomplish this. There is no reason why we cannot do it now. However, proceeding in this fashion is simply not correct. The law exists for a reason. The law is being flouted. I say to the Minister of Finance through you, Mr. Speaker, that we are talking about old Section 20 of the Financial Administration Act which, as I have been saying, places a direct prohibition against the government proceeding in this fashion.

Having made that point, I want to assure the President of the Treasury Board (Mr. Drury), the Minister of Finance and the government House leader that we are

perfectly prepared to give our consent to the minister's own estimate of $75 million now in this estimate. We urge the government to bring in separate appropriations for the years 1973-74 and 1974-75. I take it we will give our projected consent. In that way, the government will be acting within the terms of the Financial Administration Act and not flying in the face of it. Those are my three points on this item, Mr. Speaker.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, the government is being damned because of its complete mishandling of the economy which has produced the highest rate of unemployment of any country in the western world. In reply to a question asked during today's question period, the Minister of Finance said that he was not in the business of making forecasts. I suggest to the minister that he reread his budget speech of May 8, 1972 where he made a number of forecasts. He said, and I quote:

> Mr. Speaker, my first words to this House as Minister of Finance last February were that my most urgent priority was jobs. This remains my first priority. No economy is working as well as it should if there are men and women in this country seeking work who cannot find it. . . .
>
> I mean real jobs, not temporary jobs. I mean jobs that last and satisfy. . . .
>
> —the first priority of this government is to bring about a further substantial reduction in unemployment.

The minister has now been Minister of Finance for almost a year. He has failed completely, because the rate of unemployment today is almost exactly what it was when he took on the job of Minister of Finance. I predicted then that unless the government was prepared to change its policies, this minister would be the same as the previous minister except that he did not smoke a pipe. The figures which were released yesterday—

Mr. Deputy Speaker: Order, please. I hesitate to interrupt the hon. member, but the debate that is now taking place is squarely confined to Vote L12a concerning the amount of $350 million of the Department of Finance for winter capital projects fund. The hon. member should relate his remarks to this particular item.

Mr. Baldwin: On a point of order, Mr. Speaker—

Mr. Orlikow: Mr. Speaker, I suggest that the purpose of the capital works fund is to do something about unemployment. That is simply the point I intended to make before coming to the specifics of the proposal.

Mr. Baldwin: Mr. Speaker, I rise on a point of order. I am sure the hon. member will not mind because I am really on his side in this issue. I refer Your Honour to the wording of the vote. I quote:

> Winter Capital Projects Fund—Loans to provinces, provincial agencies and municipalities as defined in the Municipal Development and Loan Act in the 1972-73 to 1975-76 fiscal years inclusive for the purpose of creating employment through the construction, in the period commencing with December 6, 1972—

I recognize that we must confine ourselves to the vote, but nevertheless the words "creating employment through the construction" entitles the hon. member to speak on that aspect of it. I am sure that members of our party will follow along this line. It should give the hon. member some scope in that regard.

Mr. Orlikow: Mr. Speaker, the unemployment figures which were released yesterday indicate that in January, 1973 there were 688,000 Canadians unemployed compared to 665,000 in January, 1972. The seasonally adjusted rate of unemployment for the country was 6.2 per cent in January 1973, almost the same percentage as in January, 1970. According to the regional breakdown, the number of unemployed in the Atlantic provinces has increased from 85,000 in January, 1972 to 87,000 in January, 1973. In Quebec, the figure increased from 233,000 in January, 1972 to 247,000 in January, 1973. In British Columbia it increased from 79,000 in January, 1972 to 95,000 in January, 1973.

Today's Montreal *Gazette* headlines the unemployment figures for Quebec. This should be of concern to the Minister of Finance who first came to this House as a member representing a Quebec constituency. The headline reads "One out of every ten Quebecers reported out of work".

I submit that the Minister of Finance was wrong a year ago when he said that his first objective was to provide jobs. It may have been his first objective, but he certainly did not do anything about it. He ought to be criticized. Opposition members have been calling on the government to take action for the past two years. The provinces and municipalities have been calling on the government to take action. Month after month we get the answer from whoever is Minister of Finance that things are getting better; next week or next month we will turn the corner and the rate of unemployment will decrease.

• (1650)

In his budget speech on May 8, the minister predicted that the rate of unemployment would decline. I quote from that speech as reported at page 2,010:

> I expect that unemployment will fall, on the average, in the course of this year, although the extraordinary month to month fluctuation in the size of the labour force will likely continue and be reflected in an uneven movement in the unemployment rate.

The minister, who said earlier this afternoon that he is not in the business of making predictions, made a prediction. The only mistake he made earlier this afternoon was this: He should have said "I am not in the business of making accurate predictions." That would have been correct, because he did make a prediction and it was all wrong.

Finally, concern about unemployment, or, possibly, concern about a possible election and public reaction to this high rate of unemployment, prompted the government to bring forward a plan to put people to work through a winter capital projects fund program, a program which would commit the government to lending to the provinces and the municipalities in respect of approved projects $350 million over the next three years. And, as the hon. member for Yukon (Mr. Nielsen) has pointed out, 50 per cent of the labour costs of most of these projects are forgiveable to the provinces and to the municipalities.

The provinces and municipalities greeted this announcement with considerable enthusiasm. It is true

they had certain reservations, certain criticisms to make. One of them was that the program was not big enough. Another was that notice was too short to enable them to undertake projects on which they felt it desirable to proceed. I am sure that criticism on these lines could be directed against governments generally, whether formed by Liberal parties, as in Quebec and Nova Scotia, or the NDP, as in British Columbia, Saskatchewan and Manitoba, or by the Conservative parties, as in Newfoundland and Ontario. Time is needed. But this program we shall eventually vote on says the federal government is prepared to put into this winter capital projects fund program the sum of $350 million over the next three years.

I submit we can fault the government of Canada for being late with its proposal, a delay which means that not very much will be done to alleviate the unemployment crisis in the winter of 1972-73. But if this proposal is approved, the provinces and municipalities will be given notice that they can now begin to make their plans for the winter of 1973-74 and for the winter of 1974-75. This is precisely what they have sought—time to consider their requirements, time to prepare detailed plans, time to set up an organization to administer the plan and get the projects into operation.

But what do we find this afternoon? We get from the hon. member for Yukon the usual cynical, opportunistic speech I have come to expect from him, a speech in which he suggests it is somehow illegal or improper for the government to be committing money for the next two fiscal years. I shall not deal with the legality of his proposition; I shall leave that to the lawyers or to those who have learned a great deal more than I about the rules of this House. But I suggest it comes with ill grace from the representative of a party which has been beating the drums against the government because it has not done enough to counter unemployment to come out now with a legalistic argument and propose, in effect, that the government should not proceed with a program which would give the provincial governments and the municipalities the assurance that in the next two years they would have in the neighbourhood of $175 million to $200 million to spend.

Mr. Nielsen: That is a distortion; a deliberate distortion.

Mr. Orlikow: I listened to the hon. member for Yukon in committee. I have listened to him this afternoon—ad nauseam, if I may say so. I think he was all wrong, but that is my right. I am sure he thinks I am wrong. That is his right. I suggest that if any member of his party wishes to speak after I am finished he can rise and make a speech. But I suggest it is a cynical and shabby bit of business for the lead-off speaker for the Conservative party, which has been quite properly castigating the government for not facing up to its responsibilities of devising programs to deal with the serious unemployment situation, to say: Yes, we want you to deal with it, but you should not commit money for the next two fiscal years. This despite the fact that only in such a way can programs be arranged which would put the maximum number of people to work under this proposal on the most worth while projects.

I want to say to the hon. member for Yukon that if he is serious in his attitude toward unemployment he ought not to come here with what I consider to be spurious, legalistic arguments.

[Mr. Orlikow.]

Mr. Nielsen: On a point of order, Mr. Speaker. May I make a correction as I am entitled to do under the rules? The hon. member for Winnipeg North (Mr. Orlikow) has deliberately and grossly distorted what I said in my participation in this debate and in committee.

Some hon. Members: Oh, oh!

Mr. Nielsen: If hon. members will consult the rules, they will find I am entitled to rise on a point of order to correct grossly inaccurate and misleading statements. That is exactly what I am doing.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I have heard before, in committee, the argument put forward by the hon. member for Yukon (Mr. Nielsen), and I have dealt with one aspect of it. I should like to deal with another aspect of it this afternoon. No one doubts that section 20 of the Financial Administration Act is, indeed, the law of Canada. Nevertheless, I think it is also a parliamentary axiom that one parliament cannot bind or commit subsequent parliaments. In other words, it is always open to parliament to override any provision of the Financial Administration Act or any other legislation by means of subsequently enacted legislation.

• (1700)

Mr. Alexander: Why did you not tell us that the other day?

Mr. Turner (Ottawa-Carleton): I introduced the argument the other day in the committee but hon. members of the Conservative party were not in a mood to be convinced no matter how cogent the arguments.

Mr. Alexander: We were willing to listen, but you did not make sense.

Mr. Turner (Ottawa-Carleton): Vote L12a, which is before Your Honour, is set out in supplementary estimates A for 1972-73 as are the other items to which reference is made. When these are annexed as an addendum to the supply bill, that bill will pass and will become an act of parliament, as any other bill of this House, and in the same way as the Financial Administration Act itself. What parliament, therefore, does on any supply bill and what it will do on a supply bill that follows these estimates is override any contrary provision, including the provision of section 20 of the Financial Administration Act.

One does not have to say directly in the supply bill or estimates that this overrides section 20 of the Financial Administration Act; that is the clear effect of any subsequent piece of legislation that is drawn in more distinctive or specific terms. In other words, I am submitting to Your Honour that there is nothing illegal in what parliament has over and over again provided for in supply bills and has indeed effected through this vote in question.

I have some precedents for the House but I do not know whether they will convince the opposition because they seem to be dug in on a legalistic game. Take the estimates last year for the previous parliament—take the estimates

of 1970-71 for the Department of Finance which show, for instance, provincial employment loans program, 1971 and loans to provinces, provincial agencies and municipalities as defined in the Municipal Development and Loans Act, 1971 through 1973 fiscal years. It extends beyond one fiscal year as this does. It was for those three fiscal years and that was in the previous parliament. Take external affairs, the supplementary estimates (A), 1970-71—Canadian International Development Agency, vote 20A—the grants listed in the estimates—to extend the purposes of the special accounts established by Vote 33d of Appropriation Act No. 2, 1965 to provide for payments out of that account in the current and subsequent fiscal years for social development assistance. That is a clear precedent for what we are doing here. Or take the supplementary estimates, 1971-72 for the Department of Energy, Mines and Resources—Atomic Energy of Canada Limited, nuclear research and utilization program. Vote L51a—loans in the current and subsequent fiscal years to Atomic Energy of Canada Limited on such terms and conditions as the Governor in Council may approve, to finance the rehabilitation of the Glace Bay heavy water plant. Again, that is extending a vote beyond the fiscal year which was being reviewed in the estimates.

I want to go back to the years in which the government was under the leadership of the right hon. member for Prince Albert (Mr. Diefenbaker), and I should like to submit to the House a few precedents where authorization was granted beyond the fiscal year in question.

Mr. Alexander: With or without argument?

Mr. Turner (Ottawa-Carleton): Let me turn to further supplementary estimates for 1958-59 for the Department of Transport for air services, civil aviation division, vote 793 for airways and airports—construction or acquisition of buildings, works, land and equipment. There is a further amount required including authority to contribute during the current and fiscal years amounts not exceeding in the aggregate $196,000 and so on. Or look at the estimates for 1959-60 for loans, investments and advances for the Department of National Defence. Vote 475 was to authorize loans to be made in the current and subsequent fiscal years in respect of housing projects constructed pursuant to an agreement with the Minister of National Defence for occupancy by members of the Canadian forces. That is in the amount of $10 million. Or take the estimates for 1958-59. Vote 285 relates to the Department of Northern Affairs and National Resources for the northern administration and lands branch, Yukon Territory. It authorized payments to be made in respect of each of the fiscal years for the period commencing April 1, 1957 and ending March 31, 1962—a five year period, well beyond the fiscal period reviewed in the estimates. I submit to the House and Your Honour that I could introduce at least 100 precedents completely within the four corners of the item now before Your Honour.

May I say that the suggestion made in the House and before the committee by the hon. member for Yukon to the effect that the estimated cash flow—which may be more now because the provinces are applying pursuant to agreements to be signed, for an encouraging amount to meet winter unemployment this year—against the substantial amount of $350 million, were it divided into three, would completely destroy the purpose of the three year fund. The purpose, which the hon. member for Winnipeg North (Mr. Orlikow) has suggested, is to allow the provinces and municipalities to plan, to allow the municipalities who have limited resources in their budgets for future years to count on the fund as a continuing $350 million fund to meet winter unemployment so that they can plan ahead. The provinces can do likewise.

I went across the country in June, meeting my counterparts and their colleagues who were dealing with manpower and employment. Each of them stressed to me the importance of special planning and a sufficient period of time, consecutively taken, so that they could mount a consistent, logical and effective attack on winter and seasonal unemployment. This is the purpose—

Mr. Alexander: I wonder if the minister would permit one question in order to clear something.

Mr. Turner (Ottawa-Carleton): Certainly.

Mr. Alexander: Is the minister now telling the House that if this is passed it is a definite commitment. I get confused when I remember the failure of this government regarding certain commitments on urban renewal. Is this a definite commitment in the event that this vote is passed?

Mr. Turner (Ottawa-Carleton): This is a definite commitment. It will have two controlling authorities, the ultimate authority being parliament, if parliament should authorize the loan provision in the total amount over the three year period of $350 million, these loans to be forgiven at the rate of 50 per cent or 100 per cent labour intensive depending on the period the work is done. First, the authority is the authority of parliament pursuant to approval of this item and subsequent approval of the supply bill; second, individual contracts between the Minister of Finance of Canada and each of the provincial governments for the amount of their allocation and setting out the criteria under which the provinces are to disburse and later seek forgiveness. As I said, these contracts are reviewable by this House. Disbursements in future will be shown in future estimates before this House.

Mr. Alexander: I was just a little concerned with respect to urban renewal, Mr. Speaker. I thought definite commitments had been made and, all of a sudden, the government did a flip-flop and frustrated a lot of cities across the country. I want to elicit from the minister whether this is a definite commitment. I understand now that it is; it is in writing and is subject to the approval of parliament on a year to year basis.

Mr. Turner (Ottawa-Carleton): The commitment will take—

Mr. Andras: Mr. Speaker, on a point of order and, with apologies to my hon. colleague. The hon. member's comment on urban renewal, with which I was associated at the time is really a misinterpretation of the type of commitments made to the municipalities. There was no legal commitment made at that time.

An hon. Member: No legal commitment, but there certainly was a moral commitment.

Mr. Deputy Speaker: Order, please. I think we are straying from the subject of the debate before us. I would recognize again the Minister of Finance.

Mr. Nielsen: With all due respect, Mr. Speaker, I think—

Mr. Deputy Speaker: Order, order. I recognize the hon. Minister of Finance.

• (1710)

Mr. Turner (Ottawa-Carleton): I am perfectly willing to continue the conversation with the hon. member for Hamilton West (Mr. Alexander) after hours, and I will do so in the appropriate way.

Mr. Alexander: I want to talk to the Minister of Manpower and Immigration (Mr. Andras).

Mr. Nielsen: Will the minister permit a question at this stage?

Mr. Turner (Ottawa-Carleton): I wonder if I might just finish the argument, and then certainly I will entertain a question from the hon. member for Yukon.

In other words, the provinces asked for, and we are providing, a three-year program that will allow them to undertake global planning and to mount a consistent and effective attack against unemployment. Any slashing or dividing of this authorization will completely destroy the effectiveness of the program. It would convert it into a short-term plan, a stop and go work-related program and would have a disruptive effect on the planning of municipalities which will receive federal funds through provincial governments.

I say this new long-term program will give the provinces and municipalities more time to plan properly and to implement employment programs, avoiding inappropriate use of funds which sometimes results from shorter one year programs. That would be the result of the suggestion of the hon. member for Yukon. Frankly, we consider this to be a major attack on seasonal winter unemployment in this country, and whether or not some hon. members consider it to be sufficient is a matter of argument. If the opposition wants to cripple it, that is the business of the opposition.

An hon. Member: Oh, come on; get off it.

Mr. Turner (Ottawa-Carleton): That is the business of the government.

Mr. Nielsen: That is a gross distortion.

Mr. Turner (Ottawa-Carleton): The provinces need this authorization before the contracts within the authorization are valid and before any loans can be offered. Frankly, I think the people of this country ought to recognize that this is just legalistic tinkering by the Conservative party with the lives of the unemployed of this country.

Some hon. Members: Hear, hear!

[Mr. Andras.]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I listened intently to the remarks of the hon. member for Yukon (Mr. Nielsen) and to those of the hon. Minister of Finance (Mr. Turner).

What is the essence of vote L12a, which the House is being asked to pass to the amount of $350 million to create a Winter Capital Projects Fund? In his speech, the minister gave no details on the administration of this program. This is the only thing that troubles our party. We are told that the government is to spend $350 million for a Winter Capital Projects Fund. This money will be distributed among the provinces on a per capita basis. The type of assistance will be a loan, the purpose will be the creation of jobs and the period will be December 6, 1972, to June 30, 1975.

The minister would like to be granted a three-year mandate to fight unemployment in Canada. However, the government has been trying for four years to fight it and has met with no success. Still they are to be granted a three-year mandate.

Mr. Speaker, everything the minister has just said is very fine; it is extraordinary to see his determination to fight unemployment, for once, in co-operation with other levels of government, and this is appreciable. But from the moment he wants to co-operate with provincial and municipal governments to lick unemployment in Canada and at the same time promote investments and the implementation of long-desired projects, the minister who is concerned about public finance should at the same time be preoccupied about the financial situation of provinces and municipalities.

Mr. Speaker, in the detail of vote L12a, on page 16 of Supplementary Estimates, it is stated that the government shall grant loans to the provinces under the following conditions: every one of these loans must be secured by the obligations of the province or municipality—their indebtness is still increased—and the obligation shall be issued to or payable to the credit of the Receiver Genral for Canada.

Which means, as stated in sub-paragraph (i) of paragraph (b) of this vote, that through the Department of Finance the federal government becomes some kind of finance company for the provinces in order to create employment.

This vote provides also that the term to maturity is 20 years or such lesser period as may be fixed by the Minister of Finance.

About this matter, I would like the Minister of Finance to take the trouble of giving us an example or the result of discussions that he is deemed to have had with his provincial counterparts, in order that we may know what term the provinces have asked for to repay these loans.

Mr. Speaker, what concerns me most is the following paragraph, and I quote:

(iii) the obligation bears interest payable annually at the rate applicable pursuant to Subsection (1) of Section 113 of the Canada Pension Plan, at the time of the issue of the obligation for obligations issued pursuant to that Act at that time to the Canada Pension Plan;

Such is, Mr. Speaker, the crucial point of this program. Here is a specific example: one or two years ago, Victoriaville wanted to develop some parks but did not have the financial means to do so; it had to resort to a loan bylaw which in the end was rejected by a majority of citizens. The municipal council found another procedure to carry out its project, but it remains that at the present time, the municipal councillors, the mayor and the people are aware of the financial condition of the city. Let us say that it is no better or no worse than elsewhere.

In short, Canadian municipalities—including those in Quebec which concern me and which I have at heart—are head over heels in debt and the minister would like to obtain the co-operation of provinces and municipalities to set up a system increasing their public debt in order to create the jobs which he has been unable to provide in the past four years. All that because he was trying to check inflation.

Mr. Speaker, the Social Credit has been suggesting for a long time that public plans in the public sector of the economy should be financed interest free or at a rate of interest which should not exceed the administrative costs of the loans granted through the Bank of Canada or its branch at the provincial level.

• (1720)

Our Liberal colleagues come to us begging support in order to avoid the defeat of the government but when we talk about the Bank of Canada, they find us funny. I want to take the opportunity to tell them that I am a Social Crediter and that I am not ashamed of the Creditist theory and that if they were men they would listen before laughing.

Mr. Speaker, I will say to the hon. member for Quebec East (Mr. Duquet)—I understand that he is not interested in the financial problems of municipalities—that the municipalities of my constituency as everywhere else are indebted. His attitude is wrong to the point that he deprives the population of several desirable and necessary projects of public interest.

Provinces and municipalities endure hardships. The idea behind these $350 million is extraordinary in the sense that the provinces and the municipalities will receive some help at last.

But I draw the line, Mr. Speaker, when the government contributes to increase provincial and municipal indebtedness by charging high interest rates and by demanding the issuance of obligations when they borrow and even by requesting them to invest twice what they invested if the loans came under the second class, that is if they have been granted after December 6, 1972.

Mr. Speaker, some of my colleagues and other people consider interest-free loans as a very funny thing. However, the Minister of Finance or anyone who will replace him will have to think someday and tell us if our solution is that funny. What is the solution he proposes to stop the alarming indebtedness of provinces and municipalities? He will have tell us some day.

Mr. Speaker, I will give the example of Parisville, a very small municipality in my constituency. The hon. member for Quebec East does not talk about his constituency's problems; anyway, he does not have the right to rise and take the floor. Just today at noon, I was talking to the Mayor of Parisville who told me he submitted a local initiatives project for setting up a community leisure centre at the end of December. He has had no news about this project although it would create jobs. Having had no reply, he telephoned me at his own expense to solicit my assistance and the co-operation of the department.

His municipality spent $25,000 from its savings in a bank account in order to supplement the financial participation of Parisville citizens toward this centre. Might there be higher priorities in Parisville? That is not our problem, nor that of the Minister of Finance. We must abide by the choice of municipal or provincial authorities.

Mr. Speaker, I hope the government really means what it says about creating jobs. I have just heard the hon. Minister of Finance state that it is urgent that jobs be created. The Minister of Manpower and Immigration (Mr. Andras) should express the same opinion and start action, replying to applications submitted on the government's invitation in order to create jobs. He should at least have the decency to reply to those people, whether at the local or municipal level. Then, the government's good faith would find credibility.

Furthermore, Mr. Speaker, the government should strive very seriously for a solution to the problem of public financing in our country. What sources have provinces or municipalities for their financing? Would they be bond issues and foreign loans?

When a municipality or a province borrows, what does that involve? It must reimburse twice or three times the amount of the loan in interest, and once in capital. Who does this reimbursing? The taxpayer, who is taxed, bled white.

In order to finance itself the municipality may have recourse to the second expedient, namely taxation. No need to talk about it since all my colleagues who consider themselves honest will admit like me, I think, that Canadians are overtaxed.

Mr. Speaker, it is expected that the government will have a huge deficit. What will it suggest to make up for it? A tax increase, I am sure! We shall wonder whether to tax the rich, the poor or take from the rich to give to the poor, but the fact is, however, that the funds of the federal, provincial and municipal governments show a deficit.

As for private business, it is being bled white to pay for administrative mistakes and the mismanagement of our administrators who failed to develop a modern way of financing the growth of the public sector, thus enabling the Canadian people not only to take part in the growth of our country and to work, but to be able to make savings.

Mr. Speaker, some of my colleagues from the Liberal party find it funny, but when we come to the point of taxing the taxpayers' savings, it is no longer funny. This means that there is a problem in financing the public sector and one day the federal Minister of Finance will

have to study the proposals of the Social Credit Party or any other proposal in order to assist municipalities to create jobs without hopelessly sinking into debt.

Mr. Speaker, the principle of appropriating $350 million presents good aspects, but the terms and conditions of the repayment are dangerous, to such an extent that they will contribute to create at least $350 million of debts, in capital only, for municipalities and provinces. The hon. minister should be brave and frank enough to tell the House what interest rate will be charged, on the repayment of this $350 million loan granted by the federal government. My colleague from Richmond (Mr. Beaudoin) says one billion, and I do not doubt it because he is usually good at figures, and I believe him. And who will reimburse that billion? Of course, the good old "milch cows" of the federal government and the same "milch cows" with regard to the municipal and provincial governments; in other words, the average Canadian, whose taxes are pounced on.

Fiscal federal-provincial conferences are held not to find new ways of fincancing the public sector, or creating new jobs, or meeting the requests of the municipalities, but to find out who will be taxed.

Now, the Social Credit has a realistic solution. We ask the Minister of Finance to tell us, before this vote is passed—if he is honest enough to do so—how those $350 million will be reimbursed over 20 years and at what rate of interest. If he is honest enough to answer, then he will have proved to the House that there is no other solution to creating jobs in Canada and realizing long awaited municipal and provincial projects than by financing them through the Bank of Canada or its branch office in each one of the Canadian provinces with loans bearing no interest or at cost for the administration of the loan, so that the Canadian taxpayer, while finding employment through those projects, might reimburse only once what they cost to the financiers in Ottawa.

[*English*]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I was intrigued by the suggestion of the hon. member for Lotbinière (Mr. Fortin) concerning the method of financing this particular program. Who knows, it might well have some attraction to hon. members opposite. I regret that the Minister of Finance (Mr. Turner) is not here now, so did not hear the proposal and did not react to it. However, if I recall correctly the Minister of Finance was a member of this House on the opposite side when his colleagues voted for a proposition put forward by the Social Credit Party advocating interest-free money and the dealing with propositions of this kind. I cannot say for certain, because I do not have the record before me, whether the Minister of Finance voted for it, but certainly his party voted for it. The present distinguished Leader in the Senate, and all the rest of his colleagues stood up and voted for a proposition akin to that advocated by the hon. member for Lotbinière.

I hope the answers will be given by the Minister of Finance before this proposition is completed so far as our debate is concerned. I see that the Minister of Finance is here. That is good. Before he assumed this portfolio, the Minister of Finance was Minister of Justice. As Minister of Justice he should have acquired a healthy and fundamental respect for the law. Yet we have heard him today propose a proceedure in which he says in effect we should ignore the law or jump over it if it gets in our way. Then, he cited the improprieties of the past.

Mr. Deputy Speaker: Order. The hon. member for Lotbinière is rising on a point of order.

• (1730)

[*Translation*]

Mr. Fortin: I rise on a point of order, Mr. Speaker.

[*English*]

Mr. Deputy Speaker: The hon. member for Lotbinière on a point of order.

[*Translation*]

Mr. Fortin: Mr. Speaker, I am very sorry to interrupt the hon. member for Peace River (Mr. Baldwin). Since he said at the beginning of his speech that it was regrettable that the Minister of Finance was away and could not answer my question, would he allow me to ask a question to the hon. Minister of Finance with the consent of the House?

Could the Minister of Finance tell the House what will be the interest rate the provinces and the municipalities will have to pay in connection with the reimbursement of the $350 million?

[*English*]

Mr. Deputy Speaker: Order. I think we might get ourselves into difficulty if we stray back and forth and deal with this as if it were a matter being debated in Committee of the Whole House. If the measure is adopted and it subsequently forms part of a bill which is being considered in the Committee of the Whole House, the hon. member for Lotbinière (Mr. Fortin) and other members will have full opportunity to ask questions with respect to detail of the Minister of Finance (Mr. Turner) and other members of the ministry. I really think that, with members having limited time when taking part in the debate at this particular stage, it would be better if one were recognized and allowed to have his say. All these interesting questions could be stored up until we get ourselves into the committee of the whole at some future time. The hon. member for Peace River.

[*Translation*]

Mr. Fortin: On this same point of order, Mr. Speaker, I will respectfully obey your instructions. However, this will be in co-operation with my hon. friend from Peace River and with the minister who seems anxious to answer. Why not allow him to take a minute to answer my question which is surely of interest to all hon. members and which he forgot to discuss in his speech?

[*English*]

Mr. Deputy Speaker: I am tempted, but I think not. I prefer that the debate proceed in the regular way at this time. Otherwise, we might get ourselves into all kinds of difficulties. I think hon. members will realize that they are dealing with a rookie Speaker at this stage, and I want to appear as exact as possible considering my awesome

responsibilities. May I now call on the hon. member for Peace River.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, on the point of order raised by the hon. member for Lotbinière (Mr. Fortin), I would like to add that if we consider as a matter of no importance the interest rate which will be charged to municipalities and provinces, it is sufficient to refer to the item of the budget to find out that it is hardly irrelevant because the interest rate—

[*English*]

Mr. Deputy Speaker: Order. The hon. member is making a speech and not raising a point of order. I ask the House to co-operate with the Chair and proceed in the regular fashion. There will be opportunities to ask these questions of the Minister of Finance in due course. I now recognize the hon. member for Peace River.

Mr. Baldwin: Thank you, Mr. Speaker. I think your decision is very reasonable.

Mr. Fortin: Will you ask the question?

Mr. Baldwin: It has been suggested to me that I can relay the question to the Minister of Finance, if he did not hear it. At this point I would ask the Minister of Finance if, in the course of this debate, he would indicate not only to my hon. friends in the Social Credit party, but to all members of the House, what the interest rate will be?

Mr. Turner (Ottawa-Carleton): May I ask the hon. member a question?

Mr. Baldwin: No, I was asking the Minister of Finance a question. I asked him a question, and I hope that by the time I have completed my remarks he will have the information with which to answer. If not, he can take two days more to come up with the answer.

Mr. Drury: You haven't read the bill yet.

Mr. Baldwin: What bill? Mr. Speaker, this brings me to a very interesting point. That was a Freudian slip on the part of the President of the Treasury Board (Mr. Drury). We are not dealing with a bill. This is one of the complaints I am going to make about the way we are dealing with this issue.

I was just getting to the very interesting stage in my remarks where I was complaining about the attitude of the Minister of Finance who, as the first law officer—

Mr. Turner (Ottawa-Carleton): Former.

Mr. Baldwin: —who at one time was the first law officer and constitutional adviser to the cabinet. I was complaining about the very light way in which he now accepts his responsibility as a member of the Treasury Board when he advocates that we disregard the laws of this country. He cites improprieties in the past. He goes back to improprieties that were committed in a number of instances. Mr. Speaker, I don't care which party is in power, I take the position that there is a right way and a wrong way to proceed when we come to take tax money from the people of this country. No matter what was done in the past, the Minister of Finance would be well advised in this period in his career, which may very well shortly be curtailed—

Mr. Turner (Ottawa-Carleton): You were a parliamentary secretary to the then Prime Minister when all those things went through in 1959 and 1960.

Mr. Baldwin: In the very limited time left to him to hold his office, he would be well advised to comply with the law. I would suggest to him that he should remember the phrase, "Oh, what a tangled web we weave when first we practise to deceive."

An hon. Member: That is what he gets for following your practice.

Mr. Baldwin: This government has done this. If this were the first instance, I would take no account of it. A certain amount of ignorance goes hand in hand with the operations of the Minister of Finance and all hon. members opposite. But now it has become more than ignorance. It has become a stated method of proceeding. We have the case which the hon. member for Yukon so well illustrated.

We have some lawyers in this chamber. Some of us were lawyers before we progressed to become members of parliament and went upwards in the scale of society. But there is a very interesting proposition *scienter*, that every dog is entitled to one bite. However, having made that bite, he ought to be destroyed if he bites a second time.

Let me chronicle a few of the things that the government has done in this respect. We had the Temporary Wheat Reserves Act, and the Unemployment Insurance Fund, where we caught them out cold with their hands in the taxpayers' pockets, without licence to do so. Then, we had the case of the CNR which engaged an auditor for a year without any legal obligation to pay him. Then, we had the Export Development Corporation, and one of my colleagues who participated in that debate convinced the House that the government had exceeded its commitment under a legal ceiling at that time. I could go on, Mr. Speaker. This dog has been biting so often that it is about time it was put back in its kennel. A dog catcher will get him in the next election.

My hon. friend from the Yukon has well made his case with respect to illegality. I don't need to enlarge on that, but I want to deal with this issue in other areas of substance. I was shocked to see the Minister of Finance stand in his place today and, in his most pitiful and inadequate way, attempt to defend the program outlined in this estimate, saying, "Last June I went around the country. I went to the provinces and found out that measures of this kind were required." What a shocking admission that is. That was in June of last year. Obviously, the House was still sitting. We were attempting to drum the facts of life into the government. We were attempting to show the government what the situation would be in the fall and this winter. My hon. friends in the NDP were associated with us in our endeavours at that time. But in the face of all that, in face of these trips that the minister had taken in June, in face of the fact that he had come to the conclusion that measures of this kind were required, what happened? Nothing was done. The House recessed at the

end of June or at the beginning of July, against our protests.

Some hon. Members: Oh, oh!

Mr. Baldwin: We came back for two days in September to deal with a special problem at that time. We vigorously pressed for action to provide measures for the winter unemployment which circumstances at that time indicated would occur in Canada. But we were met with the story that everything was fine, everything was good, everything was rosy.

The Minister of Finance admits having gone around the country in June. He admits he knew what the problem was. But because the Prime Minister (Mr. Trudeau) and other hon. gentlemen opposite decided to call an election, then just as with the case of the Unemployment Insurance Fund, they hid the problem and did nothing about it. You do not turn on a winter works program like you turn on the tap on a beer keg. It takes time, it takes preparation, it takes notice. I come from a part of the country where there are a great many small communities that have to struggle desperately in order to provide the budgets they need for the social amenities for the people who live in them. In order for them to take advantage of a program of this kind they require several months notice. June, Mr. Speaker, is not too early at all. I say, shame on the government for its failure, having full and adequate knowledge of the facts, to act when it had an opportunity to do so.

• (1740)

There were as of January 688,000 unemployed people in Canada. How many will there be in February? What are the government's expectations that a program of this kind will have any alleviating effect during the balance of this winter? I suggest there will be very little indeed. It is true that, hopefully, this program might have some effect next year, but I think it is a shocking and shameful thing that it is February before we become involved for the first time in attempting to provide some measure of assistance through programs of this kind to the unemployed of this country. It is obvious—it has to be obvious—that the programs that will be engaged in will have little remedial effect during the balance of this winter, and the responsibility for this lies squarely at the door of hon. members opposite. The people of this country will not lightly forget that.

There are many other areas with which I could deal. The fact that this measure could well have been brought in in the form of a bill is one. The President of the Treasury Board (Mr. Drury) thought it was a bill. This government has become accustomed to dealing with matters of this kind in the estimates with all the particulars, exceptions and provisos. I suggest it should have been brought in as a bill last spring or summer. An opportunity should have been given the House to send the measure to a standing committee composed of Members of Parliament with far more knowledge of the needs and requirements of the people of Canada than have my hon. friends opposite. There could then have been included as input to the bill the views and representations of constituents all over Canada.

It is manifestly wrong to attempt to provide measures dealing with unemployment though items in the estimates. Fortunately, through our ingenuity and because of a very wise decision which was made, we now have a little better opportunity to discuss the matter than we otherwise would have had. If that were not so, there would have been some limited debate in the committee, and if the matter had been taken up at the end of the period of allotted days an item involving $350 million would have received no debate at all. This is no way to deal with such an important measure as this.

I have so many more things to say, Mr. Speaker, but I understand that hon. members on both sides of the House want to discuss the matter so I will reserve any further comments until such time as we go into committee of the whole.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I have often been asked whether, if a particular party were to take over the government, we would be able to do many of the things that are promised. Having watched the present Minister of Finance (Mr. Turner), I think we would have to come to the conclusion that that would not be likely. I was very surprised this afternoon when he said that what he was doing was all right because his advisers had told him so. These were the same advisers who told the previous government that it was all right to do this, and probably they also told the government before that. I am equally sure they will tell the government yet to come the same thing. It is time we took a look once more at the rules of the House so as to give Members of Parliament the chance to make some input, instead of having civil servants who do not really care about how legislation is developed as long as it is developed along their own lines provide the input.

I do not agree with the argument of the hon. member for Yukon (Mr. Nielsen). Perhaps he did have to take advantage of the opportunity of putting down a notice, for the simple reason that this has been the precedent that we have recently developed. But I think the real problem with this piece of legislation is that which was outlined in the remarks of the hon. member for Peace River (Mr. Baldwin). This estimate really is a bill. It has the power of a statute and it will be a statute because it will come in as another bill. It will become a statute following passage of the supplementary estimates. I say that is a lousy way of doing business; it is a terrible way to introduce legislation. This piece of legislation will be lousy legislation, and it will be bad for a number of reasons.

I totally agree that we need winter works projects. I have discussed this matter with a number of municipalities in my area and all agree they could probably scrape up some money if they could be given a long-term loan—which probably they cannot afford. If Members of Parliament would really think about supplying capital for winter works projects I am sure they would agree that there have to be certain criteria, and these cannot be outlined in supplementary estimates.

For example, let us suppose that the province of Ontario wants to use its three-year contribution of approximately $100 million to do something at the proposed Pickering airport. It is possible that the province of Ontario will find this a very useful winter works project

in that area. Although the Minister of Finance said that he had discussed this proposition with all provinces six months ago, the fact is that in Ontario to the best of my knowledge there are no application forms yet available for these projects. We are already well into the month of February, and the maximum advantage to be derived from this legislation will end in the latter part of May.

Mr. Drury: You have not passed the bill.

Mr. Peters: We do not have a bill. What we are talking about here is an estimate that seeks to provide $350 million over a three-year period. I do not know that it is a good idea to do this in the form of an estimate and for a period exceeding one year, but I am not prepared to argue that point. What I am prepared to argue is that the President of the Treasury Board (Mr. Drury) is right and that there should be a bill. All Members of Parliament should know what are to be the criteria governing the expenditure of this money.

In some of the communities I represent in the province of Ontario there is an unemployment rate of 25 per cent. I suggest that if any capital works projects are to be started in those municipalities, one of the criteria should be that there be a reasonably high level of unemployment in the area. A sum of $100 million over a three-year period is roughly $30 million a year, and this will probably allow 300 communities a $10,000 grant for each of three years. Thousands of communities in northern Ontario have an unemployment rate of 25 per cent.

It has been mentioned that Quebec will receive $113 million and that the province has a total over-all unemployment rate of 10 per cent. If that amount is divided up among the municipalities of Quebec, then there will not be much forthcoming in the form of capital grants. The same can be said of the local initiatives program. When we ask people to submit good LIP programs, there is not nearly enough money to cover the majority of them. There is nothing wrong with the projects; it is just that there is not any more money.

• (1750)

If we are to be fair to Members of Parliament and to the country, and if we are to be fair to municipalities, which really will be the ones to take advantage of this provision, we will need to spell out how the municipalities are to apply, on what grounds they can apply and who is to get the money. Toronto, in Ontario, hogs practically all the money available. If the people there decide to build a subway, they do so. Whatever they decide to build or do, you name it, they do it. Anything they decide to build may not do the rest of Ontario much good. It is my opinion, and I am sure it is shared by most hon. members present, that if this measure were to be introduced in a bill, in the normal way, most hon. members would stipulate as one criterion to be followed, the level of unemployment existing in those municipalities which apply for these loans. As the amount of money involved is so small, I suggest that the level of unemployment in those communities would need to be rather high, probably over 30 per cent.

I am violently opposed to legislation of the type now before us. We tried to get rid of what are referred to as dollar items in the estimates. They were statutory items and legislative items. I think most people agreed when the committee changed the rules that those items ought not to be included in estimates. Legislation ought not to be introduced in the form of dollar items, because major amounts should not be spent without Members of Parliament being given an opportunity to discuss the issues involving those particular items. We have now passed that stage, and most Members of Parliament welcome that.

I do not agree with the Minister of Finance (Mr. Turner) when he suggests that because someone else did this before or because we may list a number of projects that have been introduced in a similar manner that this is the right way to introduce the project being considered. He knew about this in June of last year and discussed it. I say this because I received, as all hon. members did, a sheaf of papers the other day indicating how the winter capital projects program would operate. The senior officials of municipal departments have known about it, as have officials of the province of Ontario. The matter has been discussed by some municipalities for some time. However, I did not know what was involved. I did not know who was going to make decisions and I did not know what the criteria were to be. I still do not know what the criteria are.

I suggest that we are not very honest in this House if we pass this kind of legislation, important though it is, and it is important. I agree that the three-year provision is necessary, because nothing will happen this year and the money will be applied to projects in the next two years. It takes that long to plan capital projects in most municipalities. However, I think we are dishonest if we pass this kind of legislation as a substitute for normal legislation introduced in the normal way.

Some hon. Members: Hear, hear!

Mr. Peters: This, Mr. Speaker, is a civil servant's dream, because he can make any kind of arrangement he wants with his provincial counterparts. He can make any kind of pork-barreling arrangement he wishes. Believe me, pork-barreling is not exclusively the prerogative of members of any legislative House, federal or provincial. The civil servants scratch each other's back all the time and this is an excellent opportunity to scratch somebody's back. Also, passing this item will not mean that winter capital projects will go to those municipalities most in need. They may not go to those municipalities that can provide the best type of permanent community activity, in view of the size of the expenditure to be made. Projects will be awarded to certain areas after provincial civil servants, in conjunction with their federal counterparts, have decided what is of most advantage to them.

I do not know why the Minister of Finance, who is a progressive, young and energetic person, even though he has been given a huge portfolio, has fallen into the trap of allowing the introduction of this type of legislation by estimate rather than by a bill. Surely, he agrees that criteria ought to be set out by Members of Parliament so that the municipalities can get the maximum benefit from the money. As I see it, we are putting up the money.

Some hon. Members: Hear, hear!

Mr. Peters: Why should we allow the provinces to decide what the criteria are to be? Why should we allow civil servants to decide what those criteria are to be? Why should we operate this winter works capital project by regulation rather than by legislation? On those grounds, Mr. Speaker, I do not support this type of legislation by estimate.

The minister said this type of program is required. Sure, it is required; there is no argument about that, but it is wrong to legislate this way. This is the same as passing a dollar item. It is wrong to enact legislation by the device of using dollar items in the estimates. We agreed it was wrong and we got rid of that practice; yet we are doing exactly the same thing under this supplementary estimate. I do not know whether the House would be agreeable to standing this particular item, in order to give the minister an opportunity to bring in a bill to implement the objective of the estimate. Obviously, he must know what that bill would contain, because if we pass this estimate, it would be as if we passed a bill which would become a statute. That bill would have no more in it than you see in the estimate. It will not deal with criteria; it will not set the levels of unemployment in municipalities that may take advantage of this measure. The estimate does not say how much the interest rate is to be.

Mr. Drury: Yes, it does.

Mr. Turner (Ottawa-Carleton): Yes.

Mr. Peters: Well, I do not read it that way, but it may say that. Certainly, my Social Credit friends who may be more interested in interest rates than I am do not read it that way. I do not think the Minister of Finance said what the rate is to be. In this item of the estimates we are not told what the basis of the winter capital works project is to be. I think it is wrong to do it this way. I do not think this item meets the needs that I should like to see met in these kinds of projects.

Let me add this, however. I believe the idea is excellent. I believe the proposition is good and I think the three-year provision is to be commended. All the same, I believe we ought to know how the money is to be spent. I am sick and tired of seeing money given to the provinces and seeing them pork-barrel it among themselves, if one may use that expression. This, apparently, will be another instance of that. Let the federal government be given some of the credit for the program. We ought to set the criteria; we ought to decide interest rates and, certainly, we ought to have some input in these programs. Every time I discuss a LIP program I hear officials in Toronto say, "We have to talk to the people in Ottawa before any decision can be made." We do not really make the decisions, Mr. Speaker. The same thing will happen with the winter capital works projects, and I think it is wrong.

May I call it six o'clock in order to give the minister an opportunity to consider a very serious proposition.

Mr. MacDonald (Egmont): Mr. Speaker, may we have an indication, possibly from the President of the Treasury Board or the Minister of Finance, as to whether we are to continue with this matter?

Mr. Drury: Yes, Mr. Speaker.

At 6.01 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, February 8, 1973

The House met at 2 p.m.

ROUTINE PROCEEDINGS

INDIAN AFFAIRS

LEGAL RIGHTS OF NATIVE PEOPLE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, pursuant to Standing Order 43 I ask leave of the House to move a motion on a matter of urgent and pressing necessity arising from the statement of the Prime Minister (Mr. Trudeau) to the delegation from the Union of British Columbia Indian Chiefs that "perhaps you have more legal rights than we thought you had when we did the white paper". I would therefore move, seconded by the hon. member for Churchill (Mr. Taylor):

That the Standing Committee on Indian Affairs and Northern Development be convened immediately and that the Prime Minister be asked to appear before the committee to clarify the government's position with regard to the legal rights of native people.

Some hon. Members: Hear, hear!

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

AIRPORTS

RECONSIDERATION OF PROTESTS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to move a motion under Standing Order 43. It may be that the Minister of Finance (Mr. Turner) or one of his colleagues would like to second it. If so, I should be glad if he would so indicate. I would move, as follows:

The landing of STOL aircraft in Rockcliffe having been stalled as the result of a citizen protest headed by Mrs. John Turner, this House calls on the government to indicate that it will reconsider the protests with respect to Sea Island Airport and the proposed Pickering Airport when it learns that those protests are headed, respectively, by Mrs. Ron Basford and Mrs. Alastair Gillespie.

Some hon. Members: Hear, hear!

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Speaker: The Chair heard two or three members say no.

Some hon. Members: Oh, oh!

* * *

FLOODS

FRASER RIVER PROTECTION PROGRAM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I rise to seek the unanimous consent of the House to move a motion pursuant to Standing Order 43 with respect to the continuing danger of flooding in the lower mainland of British Columbia. Therefore I would move, seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds):

That the Minister of the Environment be urged to give priority to discussions with the province of British Columbia for the purpose of developing and financing a program on the Fraser River that would remove this annual fear and safeguard the property and lives of residents of the valley and lower mainland area.

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

* * *

[*Translation*]

AGRICULTURE

FEED GRAIN—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, under Standing Order 43, I solicit unanimous consent of the House to deal with a matter of very urgent importance to all eastern producers concerning feed grains.

Since the hon. minister had committed himself to setting up a new policy in this field through consultation and that this morning the Union des producteurs agricoles and the Coopérative fédérée du Québec seceded from the Canadian Federation of Agriculture, thus breaking off any possible negotiations, the matter seems to me so urgent and important that it should be dealt with as thoroughly as possible.

I therefore move, seconded by the hon. member for Villeneuve (Mr. Tétrault):

That a special debate take place following an agreement between parliamentary leaders in order to deal as soon as possible with the new situation related to the development of a nation-wide

feed grain policy giving fair consideration to the rights of all producers, in all parts of Canada.

Mr. Speaker: Order. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: As there is no unanimity, the motion cannot be put.

* * *

[*English*]

GRAIN

SURVEY FIGURES—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Jack Murta (Lisgar): Mr. Speaker, I also rise under Standing Order 43 on a matter of urgent and pressing necessity pertaining to the refusal of the minister responsible for the Wheat Board to disclose figures, when available, in the Canadian Wheat Board's current grain survey. I would move, seconded by the hon. member for Swift Current-Maple Creek (Mr. Hamilton):

That this House instructs the minister to forthwith direct the Canadian Wheat Board to make available the information in the grain survey undertaken by it and to make public that information as to grain supplies on hand at the present time of the survey.

• (1410)

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

Some hon. Members: Agreed.

Some hon. Members: No.

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

Mr. Howard: Mr. Speaker, I rise on a point of order with respect to the item "Motions" on the agenda. My point of order is that this is the first opportunity available to the government and the Prime Minister (Mr. Trudeau), following the meetings he had yesterday with representatives of the Nishga Tribal Council and the Union of British Columbia Indian Chiefs, to make a statement to the House about the government's position with regard to aboriginal rights. I rise on this point of order not only because it is the first opportunity but especially because there is public indication that the position of the government and the Prime Minister has definitely shifted on the question of aboriginal rights and specifically because a letter was addressed this morning by my leader, the hon. member for York South (Mr. Lewis)—

Mr. Speaker: Order, please. I have some doubt whether this is a point of order. The hon. member might indicate how it is a point of order. It seems to be a question the hon. member might want to ask later.

Mr. Howard: I wish you would not have asked me to do that, Mr. Speaker. The point is that the Prime Minister has not taken this opportunity to disclose his feelings about aboriginal rights to the House and the public, and I think that is shameful.

* * *

CANADA ELECTIONS ACT

AMENDMENTS RESPECTING ABSENTEE BALLOTING

Mr. Frank Howard (Skeena) moved for leave to introduce Bill C-140, to amend the Canada Elections Act (a form of absentee balloting).

Mr. Speaker: Is it the pleasure of the House that the hon. member shall have leave to introduce the said bill?

Some hon. Members: Explain.

Mr. Howard: Mr. Speaker, there is a provision in the Canada Elections Act now whereby a resident in a rural polling division may vote by swearing in and being vouched for, even though his name may not appear on the voters' list. The purpose of this bill is to extend that provision to people ordinarily resident in urban polling divisions and also to permit a person to vote by using in effect an absentee ballot or swearing in within his own constituency.

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

* * *

[*Translation*]

VETERANS AFFAIRS

MOTION TO REFER REPORT OF JOINT STUDY GROUP ON BASIC RATE OF PENSION TO STANDING COMMITTEE

On the order: Government notices of motions:

February 6, 1973—The Minister of Veterans Affairs moved:

That the report of the joint study group on basic rate of pensions, tabled January 31, 1973, be referred to the Standing Committee on Veterans Affairs.

Mr. Speaker: Pursuant to section 2 of Standing Order 21, this motion is transferred to and ordered for consideration under government orders at the next sitting of the House.

[*English*]

MOTION TO ADJOURN UNDER S.O. 26

INDIAN AFFAIRS

ABORIGINAL RIGHTS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I rise under Standing Order 26 to ask leave to move a motion for the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the question of aboriginal

rights. I move, seconded by the hon. member for Kingston and The Islands (Miss MacDonald):

That the House do now adjourn and that a discussion on aboriginal rights in Canada be held.

Mr. Speaker: The hon. member for Athabasca has given the Chair due notice of his intention to request an opportunity to debate, under the provisions of Standing Order 26, the question of the aboriginal rights of Indians.

Hon. members know how difficult it is for the Chair to reach a decision under the terms of Standing Order 26, and in view of this I have given the usual very serious consideration to a notice given under the terms of that Standing Order. As hon. members know, it is only in very special circumstances meeting the specific requirements of the Standing Order that the ordinary business of the House can be set aside for the purpose of an emergency debate. The Chair has to take into account, particularly, whether the situation sought to be debated is one which is in the nature of a sudden emergency requiring the immediate consideration of the House and, in addition, whether there might be other opportunities for debate.

On the first point, the fact that the matter has been referred to in debate on so many occasions during the past weeks suggests that the situation is not one which would normally justify an adjournment under Standing Order 26 in spite of the special circumstances referred to in one of the motions under Standing Order 43 earlier this afternoon. Hon. members may have noted that there is a notice of motion dealing with essentially the same question standing in the name of the hon. member for the Northwest Territories. It may also be recalled that the hon. member for Skeena as well as the hon. member for Kingston and The Islands have proposed motions under the provisions of Standing Order 43 dealing with the same question. Such a motion was proposed earlier today by the hon. member for Kingston and The Islands and a point of order was raised by the hon. member for Skeena. These motions, and the point of order, dealt essentially with the same question. On several other occasions this session questions have been put forward leading to an exchange of views seeking ways and means of arriving at a solution to this problem.

The Chair recognizes that there are unique circumstances attendant upon this question, and while it is not my intention to close the gate on the possibility of a debate on this subject it is my feeling that a more effective vehicle could be found for a debate. I regret to say that the nature and the complexity of the many aspects of this problem, as well as the requirements of the Standing Order, suggest to me that the matter should not be put forward for debate at this time under the provisions of the Standing Order.

Oral Questions

ORAL QUESTION PERIOD

INCOME TAX

SUGGESTED ALLOWANCE AS DEDUCTION OF FEES PAID CONSULTANTS BY INDIVIDUAL TAXPAYERS—REPRESENTATIONS FOR POSTPONEMENT OF DEADLINE FOR FILING

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether he is prepared to permit individual Canadian taxpayers preparing their forms to deduct reasonable fees paid to tax consultants in view of the severe difficulty ordinary income taxpayers will encounter when they face the nine-page challenge that his colleague, the Minister of National Revenue, is trying to persuade people is really quite simple?

Some hon. Members: Hear, hear!

Mr. Stanfield: Is the Minister of Finance prepared, because this comes under his jurisdiction, to recommend to the House that arrangements be made to permit deduction for income tax purposes of reasonable fees paid to tax consultants by the ordinary Canadian?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I do not accept the preamble to the hon. gentleman's question. The answer, of course, would be a budgetary item in any event.

Mr. Stanfield: I suppose this is such a big step for the government to take that it has to wait for the budget. I should like to ask the Minister of Finance or the Minister of National Revenue whether representations have been received from firms of accountants or tax consultants seeking the postponement of the deadline for the filing of tax forms in view of the complexity of the forms and, consequently, the additional demands for their services which they are unable to meet within the deadline?

• (1420)

Hon. Robert Stanbury (Minister of National Revenue): As I have said previously, Mr. Speaker, there has been some suggestion that there might be an extension of the date for filing income tax returns, but I do not think there is any precedent for this and no decision has been taken on the matter. I might say that I am sure that the hon. Leader of the Opposition would not want to encourage most Canadians to think that it will be a difficult task to complete the tax form.

Mr. Hees: You do not have to encourage them; they know perfectly well it is.

Mr. Horner: Why advertise it so much if it is not difficult?

Mr. Stanbury: I think hon. members might take note of the analysis by Mr. Ken Hall, I think it was, in the Calgary *Herald*, who said that after looking at the form he found that it was no more frightening than Brigitte Bardot in a bikini.

Mr. Speaker: Order, please.

Mr. Stanfield: Mr. Speaker, now that the minister has repeated his indication that he is considering a deferment of the deadline for the filing of these tax forms, can he tell the Canadian people whether there will in fact be a deferment of the deadline, or does this too have to wait for the budget? Or is the minister really indicating to the House today that he has been thinking about it but in view of the fact that it shatters all precedent he is not in fact prepared to recommend an extension of the deadline?

Mr. Stanbury: Mr. Speaker, I think what I said was that it had been requested, but one of the bases for the request was that at that time it was expected there would be some delay in distributing the personalized forms. Actually they went out at about the same time this year as they have in the past.

Mr. Speaker: The hon. member for York South on a supplementary.

Mr. Lewis: Mr. Speaker, my question is in the general area but is not supplementary.

Mr. Speaker: Then the Chair will recognize the hon. member for Calgary South on a supplementary.

COST OF ADVERTISING RESPECTING 1972 FORM

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my supplementary is to the Minister of National Revenue. Would the minister indicate to the House the ultimate cost to the taxpayer of the tax advertisement, "It's new and easier than it looks", and what it has cost to date for television, radio and so on?

Mr. Speaker: Order, please. That question could be placed on the order paper. The hon. member for Moose Jaw on a supplementary.

Mr. Neil (Moose Jaw): Mr. Speaker, my question is to the Minister of National Revenue.

Mr. Woolliams: Mr. Speaker, a point of order.

Mr. Speaker: Order, please. I hesitate to interrupt the hon. member for Moose Jaw but the hon. member for Calgary North is rising on a point of order.

Mr. Woolliams: Mr. Speaker, with great respect, I think that ruling may have been made in a little haste.

Some hon. Members: Order!

Mr. Woolliams: Surely hon. members are prepared to hear me out. With the greatest respect, this is a very serious matter. These are difficult forms. We have seen today a misrepresentation of the facts about those forms, as has been the case for weeks. What we are looking for from the government are forthright answers on this subject. I would ask Your Honour to permit the hon. member for Calgary South to rephrase his question so that we can get some answers on this very serious matter.

Some hon. Members: Hear, hear!

[Mr. Speaker.]

Mr. Speaker: The Chair has recognized the hon. member for Moose Jaw. The hon. member for Calgary South did rise, obviously wanting to ask a supplementary, and he will be given that right in a moment.

REGULATIONS RESPECTING CLAIMS FOR DEPRECIATION BY FARMERS

Mr. Doug Neil (Moose Jaw): Thank you, Mr. Speaker. My supplementary is directed to the Minister of National Revenue. In view of the fact that the 1972 farmers' and fishermens' tax guide could create some misunderstanding on the part of farmers with respect to their claiming depreciation, would the minister undertake to inform farmers that they may continue to use Part XVII of the regulations for depreciation of assets acquired prior to December 31, 1971, and that it is only with respect to assets acquired after December 31 that Part XI should be used?

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I will be glad to have that looked into.

REQUEST FOR STATEMENT ON COST OF ADVERTISING RESPECTING 1972 FORM

Mr. Peter C. Bawden (Calgary South): Mr. Speaker, my supplementary question is directed to the Minister of National Revenue. Would he be prepared to make a statement on motions as to the cost of running these advertisements across the country?

Hon. Robert Stanbury (Minister of National Revenue): That would be rather odd, Mr. Speaker, since the hon. member's own colleagues have quoted a figure in the House. There is no secret about it. It is about in proportion to the amount spent by the governments of Ontario, Manitoba and Quebec on advertising their new tax departures this year.

Mr. Speaker: Order, please.

Mr. Bawden: Mr. Speaker, will the minister advise the House how Mr. Fred Davis is qualified to advise Canadians on their tax matters?

Mr. Speaker: Order, please. I suggest that this question is not in order. I recognize the hon. member for St. Boniface.

Some hon. Members: Hear, hear!

REQUEST FOR EXTENSION OF OFFICE HOURS TO ASSIST TAXPAYERS SEEKING INFORMATION

Mr. Joseph-Philippe Guay (St. Boniface): Thank you, Mr. Speaker.

An hon. Member: Give it to him, Joe.

Some hon. Members: Hear, hear!

An hon. Member: Sock it to him, Joe.

Mr. Guay (St. Boniface): Through you, Mr. Speaker, I should like to direct a question to the Minister of National Revenue. Would he now give consideration to the possibility of extending the office hours of income tax offices throughout the country so it will be more convenient for citizens to appear at these offices to get the additional information they require?

Some hon. Members: Hear, hear!

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I think this is an excellent suggestion.

An hon. Member: And a necessary one.

Mr. Stanbury: I have asked my officials to give it careful consideration. I just want them to try to be sure that the cost of doing it does not add to the burden of Canadian taxpayers too greatly.

* * *

THE CANADIAN ECONOMY

BODY RESPONSIBLE FOR FORECASTING TRENDS

Mr. David Lewis (York South): Mr. Speaker, I have a question for the right hon. Prime Minister. In view of the statement made in the House yesterday by the Minister of Finance that he has never been in the business of forecasting, would the right hon. gentleman please inform the House what ministry or other body or unit within the government is responsible for forecasting economic trends in order to assist policy-making in this area?

Some hon. Members: Hear, hear!

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as the House knows, the Economic Council of Canada under its legislative authority has a mandate—

Mr. Hees: You have never paid the slightest attention to anything they have said to you.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, I apologize, but the ebullience of some members of the House made it impossible for me to hear the Prime Minister's answer. With your permission, perhaps he might repeat it.

Mr. Trudeau: Mr. Speaker, I indicated that under its legislation the Economic Council of Canada was involved in the business of looking at the medium and long-term trends of the economy. Of course, the government is not without advice from its own internal advisers. We discuss these problems in cabinet and, indeed, I am sure the minister discusses them with his officials. When a budget is brought down they give the House and the country as much knowledge as possible about the economy, past, present and future.

SHORT-TERM MONETARY AND FISCAL TARGETS OR OTHER TOOLS USED IN ARRIVING AT POLICIES

Mr. David Lewis (York South): Mr. Speaker, may I direct a supplementary question to the Minister of Finance arising from the fact that he seems to me to be confusing forecasting with prophesying, and no one is asking him to prophesy. I should like to ask him to indicate to the House what short-term targets he has set for his monetary and fiscal policies and, in particular, the rate of unemployment in the short term? If he has decided not to set targets, would he please inform the House what other tools he and his advisers are using for arriving at policies to manage the economy?

An hon. Member: The NDP.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, this again is a debating point. I said yesterday that certain hon. gentlemen look specifically at some of the important targets in respect of unemployment and prices but, as the Economic Council of Canada pointed out, they are all interrelated and we really should be speaking in terms of targets over a range of 14 or 15 indicators. I said as well that there is a risk that targets might be confused in the public mind with forecasts. This is very difficult to do in a vulnerable economy like Canada's where we are so influenced by interrelated trade and price movements.

An hon. Member: A vulnerable government, you mean.

• (1430)

Mr. Lewis: Mr. Speaker, I hope the Minister of Finance, when he brings down his budget, will talk a little more sense. May I ask him whether he can give the House the reason for the resignation from his department of Cyril D. Hodgins, who was director of economic analysis, and particularly—I ask this seriously—whether his resignation was a consequence of the minister's attitude toward economic targets and guiding the economy on the basis of having the courage to set economic targets?

Mr. Turner (Ottawa-Carleton): That assertion of the hon. gentleman about Mr. Hodgins is unworthy of him. Mr Hodgins left because of other opportunities and, as a matter of fact, remains in close touch with the department on a contract basis. I deny that assertion very strongly. As for my speaking sense on budget night, I will do so if the hon. member can give me the same undertaking.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the statement of the Minister of Finance a moment ago that it is difficult to make forecasts and that he was reluctant to make them, I should like to ask the minister why he forecast with such emphasis during the budget speech that more jobs would be created during 1972 than in 1971 and that food prices would go up less in 1972 than in 1971?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I have listened to the hon. gentleman play with his selective memory in the hope that he can influence the House and the country with selective recall of facts and statistics. As a matter of fact, I find that the Leader of the Opposition is playing a rather cynical game of distorted numbers.

Mr. Speaker: Order, please. There are a number of members who wish to ask supplementary questions. They will be recognized, but first the Chair will recognize the hon. member for Bellechasse and then return to this matter in a short while.

* * *

[*Translation*]

AGRICULTURE

DISSENSION WITHIN FEDERATION OF AGRICULTURE ON FEED GRAIN POLICY—GOVERNMENT ACTION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the minister in charge of the Canadian Wheat Board.

As the minister in charge of the board recently gave an outline of the government feed grain marketing policy to the representatives of the Canadian Federation of Agriculture, and since Quebec producers were represented by the Union des producteurs du Québec and the Coopérative fédérée, is the minister aware of the scission recently brought about by the departure of the representatives of the UPA and the Coopérative fédérée from the ranks of the CFA over a difference of opinion on the important matter of feed grains?

[*English*]

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I have been following very closely the differences of view in the country both within different regions and between different regions with regard to this question. What I did indicate before the Canadian Federation of Agriculture yesterday was the confidence of the government about implementation of the principle with which all parties involved agree, namely that feed grains ought to be available to producers of animals across the country at prices which are equitable from one region to another. All parties agree with that and the Speech from the Throne adopted that principle. We also indicated that prior to the beginning of the next crop year we would have in place a solution that would stop the situation of several years ago from occurring again. So far as I know that is accepted by the Co-op Fédérée, among others, as a very important step in ensuring the principle to which, as I say, all parties in fact agree.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, a supplementary.

In view of the encouraging answer the minister has just given the House, can he tell us whether he intends to introduce legislation, as announced in the Speech from the Throne, to remedy a situation that is growing more serious every day?

[*English*]

Mr. Lang: Mr. Speaker, as regards the immediate situation I think most persons, including the producers and the organization to which the hon. member refers, realize that we are not in the difficulty we were in a year or two ago and, indeed, that the Canadian Wheat Board has been offering feed grains to eastern Canadian producers at prices below the prices they could have obtained from foreign sources. They do this in recognition of the importance of the eastern feed grain market to the western producers. Of course the Minister of Agriculture and I will be discussing the particular solutions we propose with the various interested agricultural groups. I do not expect that a bill will be involved in the solution, but that is still a possibility.

FEED GRAIN—SUGGESTED ADDITIONAL SUBSIDY TO ASSIST FARMERS IN ATLANTIC CANADA

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, in view of the fact the Minister of Justice has reaffirmed the federal government's commitment to solve the feed grain marketing issue before the end of July and has stated that Ottawa is considering easing Wheat Board control over the interprovincial movement of feed grain and that a bill would not be presented, is the government considering additional subsidies to defray expenses so that farmers in Atlantic Canada may buy feed grains at prices in line with those presently being paid in the west?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, that is in fact the situation at the moment. I think there is a good deal of misunderstanding in different regions of the country about the great cost involved in transportation, handling and, indeed, in the cost of services like storage or taking the risk of carrying grain. Those differences naturally are reflected in price differences between one region and another. The government will be looking at the whole range of alternatives in an attempt to improve the situation and essentially to ensure that the situation of a year or so ago does not occur again, namely, that distress priced grain is available in one region and only much higher priced grain is available in other regions.

[*Translation*]

FEED GRAIN AND MILK—INCLUSION IN AGENDA OF NEXT FEDERAL-PROVINCIAL CONFERENCE

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the right hon. Prime Minister.

Is it his intention to follow up on the statement made yesterday night by the Quebec Premier that he intends to move that the matter of feed grains and of milk prices be included in the agenda of the next federal-provincial conference?

Right Hon. P. E. Trudeau (Prime Minister): It is possible, Mr. Speaker, that the Quebec Premier has made such a statement but I am not aware of it; he will undoubtedly write to me about it. The House knows that when the agenda of these conferences is established, any reasonable request by the provinces is taken into account.

[*English*]

FEED GRAIN—SUGGESTED ADDITIONAL COMPENSATION TO WESTERN PRODUCERS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the minister in charge of the Wheat

Board. In view of the fact that the western grain farmer is now subsidizing the eastern feeder to the tune of about eight or ten cents a bushel, does the government intend to compensate the growers of feed grains in western Canada for that loss?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, it would be wrong indeed to refer to the pricing practice of the moment as a subsidy by anyone to anyone else. The Canadian Wheat Board, which the hon. member certainly ordinarily supports, has made a decision about the selling practices it ought to adopt in order to protect the market in eastern Canada for western Canada feed grain as one of the most important markets in fact available to the western producers of grain.

Mr. Speaker: Order, please. Again there are a number of members seeking to ask supplementaries. I think I owe it to hon. members to indicate there must be a limit to supplementary questions because from day to day we manage to consider only two or three matters. I know I hear from other members who are deprived from day to day of an opportunity to ask questions, and we perhaps are being unfair to these hon. members. The hon. member for Dartmouth-Halifax East.

Mr. Forrestall: Mr. Speaker, my question is not a supplementary.

Mr. Speaker: I will recognize the hon. member for Dartmouth-Halifax East.

* * *

URBAN AFFAIRS

CONSTRUCTION OF COMMUNICATIONS SPIRE IN PROPOSED TORONTO METRO CENTRE—POSSIBILITY OF FLIGHT HAZARD

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I ask the Minister of Transport a question with regard to the 1,800 foot thing that is going to be built in Toronto. I do not know whether it has been named. Has the minister assured himself through his departmental officials that this does not in fact constitute a very serious flight hazard, particularly for Toronto Island airport but also for the main international airport at Malton? Specifically, has the Department of Transport given the planners authority or approval for a structure of this height?

• (1440)

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, ever since it has been announced that a tower would be built in Toronto, first by the Canadian Pacific and then by the Canadian National, contacts have been made with our department, studies have been carried out not only about Malton, but also about the Hamilton airport and the one which is planned for Pickering. It has been concluded that the tower will not be a hazard for air traffic.

[*English*]

CANADIAN CULTURE

MULTICULTURALISM—MAINTENANCE OF RIGHTS OF CULTURAL GROUPS FOLLOWING TAKEOVER OF RADIO STATION CKSB BY CANADIAN BROADCASTING CORPORATION

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is directed to the Minister of State responsible for multiculturalism. Can he give us his assurance that the takeover by the Canadian Broadcasting Corporation of radio station CKSB in Winnipeg, which until now has been functioning as a multilingual station, will not result in the loss of the customary rights enjoyed by other cultural groups than those using the two official languages?

Hon. Stanley Haidasz (Minister of State): Mr. Speaker, I have discussed this matter with my colleagues in the cabinet and everything possible is being done.

Mr. Yewchuk: Would the minister ensure that the hearing on the application to take over CKSB, now scheduled by the Canadian Radio-Television Commission to be held in Montreal on February 19, will be transferred to Winnipeg so that the people concerned can be heard?

Mr. Haidasz: Mr. Speaker, I have made representations on this matter to the chairman of the CRTC.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question. In view of the electrifying and earth-shattering statement by the head in the Prime Minister's office that the Prime Minister has formed a new emotional attachment with the Canadian people, will the Minister of State not discuss this matter with the Prime Minister, or is this posture merely related only to the statement made last month by the Prime Minister that the primary responsibility of the government is to stay in office?

An hon. Member: Valentine's day.

Mr. Speaker: Order, please.

MULTICULTURALISM—POLICY OF CANADIAN BROADCASTING CORPORATION

Mr. Jake Epp (Provencher): Mr. Speaker, my question is directed to the Secretary of State and it is in respect of the change in radio station CKSB. Will the Secretary of State ask the Commissioner of Official Languages to investigate the report that it is CBC policy not to allow languages other than French and English to be used over its facilities and whether this is in keeping with rule 38 of the Official Languages Act?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, may I point out that any citizen can make such a representation to the Commissioner of Official Languages.

Oral Questions

CENTRAL MORTGAGE AND HOUSING CORPORATION

APPROVAL OF CAPITAL BUDGET FOR 1972-73

Mr. Terry Grier (Toronto-Lakeshore): Mr. Speaker, my question is for the Minister of Finance. Has the minister yet approved the capital budget for Central Mortgage and Housing Corporation for the fiscal year 1972-73?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will have to take the question as notice so my answer can be entirely accurate.

[*Later:*]

Mr. Grier: My supplementary question is directed to the Minister of State for Urban Affairs and it is further to the question I asked the Minister of Finance. Will the minister assure the House that he will see to it that capital budget is approved and tabled in the House before Bill C-133 comes up for second reading?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, I would be prepared to do that, but the capital budget would be examined in the committee when the estimates of the corporation are examined, and I would not want the passage of Bill C-133 delayed for that purpose.

* * *

FISHERIES

HERRING—ESTABLISHMENT OF CLOSING LINES IN PLACENTIA AND ST. MARY'S BAYS

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to direct my question to the Minister of the Environment and Fisheries. In view of the importance of the herring fishery to Newfoundland and to parts of my riding and in view of the fact insufficient research has been carried out to determine the quantities of stocks, will the minister say whether it is the government's intention to impose closing lines in certain bays—I am thinking primarily of Placentia Bay and St. Mary's Bay in my riding—to protect the existing herring stocks against possible depletion?

Hon. Jack Davis (Minister of Fisheries): Mr. Speaker, as the hon. member knows, we have set up a herring management committee for that area which is comprised of fishermen, representatives of the industry and so on, and I am awaiting recommendations from that committee, in the very near future.

Mr. Carter: I wonder if the minister would assure the House, again in view of the importance of this industry, whether sufficient data does exist and sufficient research has been carried out to enable the department to set quotas in these bays?

Mr. Davis: We have set over-all quotas, but I am looking to this industry committee for specific recommendations on quotas for individual bays.

[Mr. Faulkner.]

[*Translation*]

PUBLIC SERVICE

HULL, QUEBEC—MEASURES TO RESPECT BILINGUALISM IN NEW DEPARTMENT OF ENVIRONMENT OFFICES

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to ask a question to the Minister of Environment.

Can he tell the House if he has taken steps so that bilingualism will be respected among civil servants working in the Fontaine Building in Hull and to make sure that the French-speaking employees of that department may work in their mother tongue?

[*English*]

Hon. Jack Davis (Minister of the Environment): Yes, Mr. Speaker.

* * *

FLOODS

FRASER RIVER—DISCUSSIONS WITH BRITISH COLUMBIA ON PROTECTIVE WORKS

Mr. Alex Patterson (Fraser Valley East): Mr. Speaker, I should like to direct a question to the Minister of the Environment. In view of the annual fear of those on the lower mainland of British Columbia regarding the flood situation, may I ask whether there have been any recent discussions with the government of British Columbia on the question of diking, dredging or other works on the Fraser River to offset the flood danger?

Hon. Jack Davis (Minister of the Environment): Yes, Mr. Speaker, I have had a meeting with the minister of lands, forest and waters from British Columbia. I have also sent him several letters offering to extend the agreement, both in terms of dollars and in terms of the percentage of the federal contribution to the total cost of these dikes.

Mr. Patterson: May I ask whether there has been any agreement between the federal and provincial governments on the request that the two senior levels of government share the capital cost of any such works on a 50-50 formula?

Mr. Davis: The 1968 agreement adopts a 45-45-10 cost sharing formula. It is the local 10 per cent share that is at issue. We are prepared to go as high as 50 per cent of the total amount at the federal level.

* * *

GOVERNMENT ADMINISTRATION

INCREASE IN DEPARTMENTS AND BUILDINGS IN OTTAWA—FUTURE POLICY

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, I have a question for the right hon. Prime Minister. I want to assure him that in light of the forthcoming budget I consider it an important question. In view of the proliferation of government buildings and departments throughout Ottawa, which shocks me as one who has returned to this city after several years absence, and in

view of the government's stated intention to buy more property on Wellington Street, will the Prime Minister state what, if any, are the limits to government growth in Ottawa?

Mr. Speaker: Order, please. I would hope that if the Prime Minister is going to give this information he would give it by way of a statement on motions. Perhaps the hon. member might like to rephrase his question along those lines.

Mr. Roche: May I ask the Prime Minister, in light of the increase in the civil service by 10 per cent over the past year, whether this is an influencing factor in determining taxation in the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, if I might attempt to answer in the way you indicated would be in order, I will not be making a statement along those lines, but perhaps the Minister of Public Works might take it into consideration.

OPENING OF NEW BUILDING IN HULL—HIRING OF CONSULTANTS

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my supplementary question is for the Minister of Public Works. Can he explain why he hired outside consultants for $120,000 to open a new government building in Hull rather than using the services of Information Canada?

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, it is not correct to assert that it was merely for the opening of the building. The money will be spent on promotion of the shops, boutiques and restaurants which will bring in money to the government of Canada and make the building very interesting.

Mr. Paproski: This is not the first time that the services of this company have been engaged. Is the department following a policy of bypassing Information Canada? After all, they have been spending millions of dollars and nobody wants to use them. What is the matter with them?

* * *

CANADIAN CULTURE

MULTICULTURALISM—POLICY OF CANADIAN BROADCASTING CORPORATION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I would like to direct a question to the Secretary of State. In view of the government's repeated statements about its desire to encourage multiculturalism in this country, would the minister discuss with the senior officials of the Canadian Broadcasting Corporation their policy of banning broadcasting of programs in various languages on stations which are or will be purchased by the CBC?

Hon. James Hugh Faulkner (Secretary of State): Mr. Speaker, I would point out that the CBC's operations are governed by the Broadcasting Act. We did receive a letter. The Minister of State responsible for multiculturalism received a copy of the letter from the Ukrainian community to the president of the Canadian Radio-Television Commission. I take it that in time it will be replied to, but I suggest that the most—

• (1450)

An hon. Member: Sit down.

Mr. Faulkner: —correct course would probably be to raise this matter, following the reply of the president of the CRTC, in the committee when the CBC appears before it.

Mr. Hueglin: In view of the fact that CKSB—I am sorry.

Mr. Speaker: Order, please. The hon. member for Winnipeg North who raised the question should be allowed the first supplementary.

Mr. Orlikow: Is the minister suggesting by his answer that he has no right to discuss government policy in regard to broadcasting with the CBC and the government's desires and the desires of all the people of Canada?

Mr. Faulkner: Mr. Speaker, if it is simply a question of whether or not I am prepared to discuss it with the CBC; of course, I am prepared to do that.

Mr. Joe Hueglin (Niagara Falls): Mr. Speaker, it has been the custom that CKSB has been a functioning multilingual station in Winnipeg. Would the minister assure us that when it is taken over it will continue to be so rather than being forced to be French and/or English?

Mr. Guay (St. Boniface): A point of order, Mr. Speaker.

Mr. Speaker: The hon. member for St. Boniface rises on a point of order.

[*Translation*]

Mr. Guay (St. Boniface): Mr. Speaker, I would like to point out to the House that station CKSB is situated in the centre of St. Boniface and has indeed for several years provided services not only to French Canadians in the west, but also to all other ethnic groups.

* * *

[*English*]

INDIAN AFFAIRS

REPORTED STATEMENT BY PRIME MINISTER RESPECTING LEGAL RIGHTS—GOVERNMENT POLICY—REQUEST FOR STATEMENT

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my question is directed to the right hon. the Prime Minister. In view of the right hon. gentleman's statement to a delegation of the Union of British Columbia Indian Chiefs that "perhaps you have more legal rights than we thought you had when we did the white paper", can the Prime Minister now tell the House whether the government has changed the position it took in the 1969 white paper and, if so, when will a formal statement be made to the House?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the quotation by the hon. member for Kingston and The Islands is reasonably accurate in the sense that it did reflect some of the things said yesterday. I should point out, however, that I indicated also that if one aspect of the opinions expressed by the court was to be accepted by the Indian people and the rest of Canadians it would be to the effect that they were claiming not aboriginal rights but legal rights and this would be the case with the Nishga Indians. To that degree the position we put forward a few years ago on aboriginal rights is not affected by this judgment. It is true to say, however, that the judgment has indicated new possibilities for their legal rights, and we have asked the Department of Justice to advise us further on the consequences of some of the opinions expressed. As for the statement requested by the hon. member, we would plan some time in the future to make public the position on the whole matter of Indians, which we think would be updated by the experience we have had in communicating with them over the past few years and by the various briefs they have submitted to various courts.

Mr. Erik Nielsen (Yukon): I have a supplementary, Mr. Speaker. Would the Prime Minister's remarks with respect to the legal rights, as he calls them, of Indians be confined only to the Nishga people or would they be applicable to all Indian people? If the answer is yes, would they be applicable to the whole of the native population?

Mr. Trudeau: Mr. Speaker, the statement referred to by the hon. member for Kingston and The Islands was an opinion I expressed to the Nishga people, and the judgment that they were referring to of course concerns the Nishga tribe in their dealings with the government of British Columbia. I believe it would be the intention of the Minister of Indian Affairs and Northern Development, assisted by his able parliamentary secretary, to meet with the government of British Columbia to see how they react to the opinions expressed in the judgment brought down by the Supreme Court.

Mr. Frank Howard (Skeena): I have a supplementary, Mr. Speaker. Because this matter takes on additional urgency every day, I wonder whether the Prime Minister could be a little more precise in terms of an announcement by his government on the question of aboriginal rights generally? Could he inform the House with more precision when that statement might be made?

Mr. Trudeau: Mr. Speaker, I could not honestly think that the statement to which I referred would be forthcoming before at least a couple of months. We are, of course, prepared to have the minister and other officials deal with all aspects of the Department of Indian Affairs when the estimates come before the parliamentary committee. I understand that will be reasonably soon.

ABORIGINAL RIGHTS—REQUEST THAT SPECIAL COMMITTEE BE ESTABLISHED

Mr. Frank Howard (Skeena): Mr. Speaker, I have a further supplementary. Inasmuch as the Prime Minister is going to get some advice from the Department of Justice about the Supreme Court decision, may I address my supplementary to the government House leader and ask whether he is in a position to adopt the suggestion made by my colleague, the hon. member for Northwest Territories, that a special committee be established to examine the question of aboriginal rights so that this type of input will be considered as well and not just the narrow one of the Department of Justice?

[Miss MacDonald (Kingston and The Islands).]

Some hon. Members: Hear, hear!

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I am not quite prepared to accept the suggestion made by the hon. member for Northwest Territories but if it will facilitate the early discussion of the question that has been raised I would be prepared, instead of waiting for the reference of the estimates to the standing committee, to consider the possibility of sending the annual report to the committee, which would give the members on the steering committee the opportunity to decide the framework of the discussions that might take place within that committee. I have not undertaken that action up to the present time because of the developing situation and especially in view of the comments made yesterday by the Indians in question that they were not keen or did not want this matter to be examined at the present time by a parliamentary committee. That was very much in my mind in not reaching a decision to refer the report to the committee.

Mr. Nielsen: That is just the Nishga.

Mr. Frank Howard (Skeena): Mr. Speaker, I do not make this remark in an unkind sense but I think the last statement of the President of the Privy Council should certainly carry with it the thought that the expression attributed to the delegation that met with the Prime Minister arose because they thought the Prime Minister was on their side.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Kingston and The Islands for a last supplementary and then we will try before the end of the question period to have two or three quick questions.

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, my supplementary question is for the President of the Privy Council. Would he now give consent to the motion I moved the other day under Standing Order 43 that the annual report of the department be referred to the standing committee?

Mr. MacEachen: Mr. Speaker, I would prefer to put it down as a government order at this stage.

* * *

SPORTS

ASSURANCE THAT MONTREAL OLYMPIC STADIUM WILL NOT BE USED FOLLOWING GAMES BY POSSIBLE TEAM IN UNITED STATES FOOTBALL LEAGUE

Mr. Duncan M. Beattie (Hamilton Mountain): Mr. Speaker, my question is directed to the right hon. the Prime Minister. If one can accept the principle that the Canadian

Football League is a unifying force in Canada, and in light of the proposed 80,000 seat stadium to be built in Montreal, can the right hon. gentleman give an assurance to the Canadian people that in the aftermath of the Olympic games the stadium will not be used as a point of entry for the American football league?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is a sort of hypothetical question but in so far as it is based on facts I would point out to the hon. member that the matter of amateur sports and physical fitness comes under the authority of the Minister of National Health and Welfare.

* * *

HEALTH

ACTION TO ENSURE TESTING OF DRUGS BY MANUFACTURERS TO DEMONSTRATE SAFETY AND EFFICACY

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to ask a question of the Minister of National Health and Welfare. He may want to take it as notice or answer by a statement on motions. In view of mounting evidence of the existence of questionable drug manufacturers and questionable prescription products on the market in Canada, and in view of the tendency of provinces to allow pharmacists to substitute on prescriptions without the permission of the physician or the patient, can the minister assure me that the health protection branch will take action to ensure that prior to the initial distribution of a drug product or modification of an existing product every manufacturer will be obligated to perform tests which are appropriate and sufficient to demonstrate the clinical safety and efficacy claimed for the product?

• (1500)

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I wish first of all to thank the hon. member for raising this question with me earlier. I had the opportunity of discussing it with him. As he knows, the department has very elaborate control procedures at present with regard to drugs. However, in the light of the recent articles that have been published I have asked for a full report on this question and I might be able to give further information to the hon. member later.

* * *

[*Translation*]

AGRICULTURE

DISCUSSION WITHIN FEDERATION OF AGRICULTURE ON FEED GRAIN POLICY—SUGGESTION THAT MINISTER MEET REPRESENTATIVES OF QUEBEC FARM ORGANIZATIONS

Mr. Marcel Roy (Laval): Mr. Speaker, I should like to put a question to the minister responsible for the Canadian Wheat Board.

As a result of the decision taken by the Union des producteurs agricoles to withdraw from the Canadian Federation of Agriculture concerning the problem of feed grain does the minister intend to receive the representatives of the Union des producteurs agricoles and the Coopérative Fédérée in order to clarify the feed grain situation as soon as possible?

[*English*]

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I certainly will be glad to have my officials meet with the persons in these organizations. Indeed, we have had such meetings and I indicated to them yesterday I would look forward to such meetings continuing.

* * *

[*Translation*]

HARBOURS

CONSTRUCTION OF DEEP-WATER PORT AT ISLE-VERTE

Mr. Eudore Allard (Rimouski): Mr. Speaker, I have a question for the Minister of Transport.

In view of the present oil situation, could the minister tell the House what is the state of consultations or plans concerning a deep water seaport in Isle Verte?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, discussions are going on with reference to many sites for a deep water seaport. This is still under consideration and I cannot give any information today.

* * *

[*English*]

URBAN AFFAIRS

CONSTRUCTION OF COMMUNICATIONS SPIRE IN PROPOSED METRO TORONTO CENTRE—REQUEST FOR DELAY

Mr. John Harney (Scarborough West): Mr. Speaker, my question is directed to the Minister of Transport and is supplementary to the question asked earlier on the construction in Toronto of the Canadian National-Canadian Pacific communications needle. As development agreements between the city of Toronto and the developers, that is to say, CN and CP, with regard to Metro Toronto Centre in which the needle will be found in future, have not been finalized and as, particularly, there have been extremely significant changes in the composition of the council of the city of Toronto over the past few months, would the minister give serious consideration to having the start of construction of the communications tower delayed until further deliberations can take place between the developers and the city of Toronto?

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I think the City of Toronto and the CNR are having constant consultations on this matter. At first the contacts were between the CPR and the corporation which these two companies had created, and I cannot see why at this time we should delay the building of the tower.

[*English*]

Mr. Speaker: Order, please. We have gone beyond the end of the question period. Perhaps the Chair might recognize the hon. member for Prince George-Peace River on a quick question and then close the question period with a question from the Leader of the Opposition.

* * *

IMMIGRATION

ALLEGED PLAN TO ATTRACT IMMIGRANTS TO THE LUMBER INDUSTRY

Mr. F. Oberle (Prince George-Peace River): Mr. Speaker, I have a question for the Minister of Manpower and Immigration. In light of the fact that there seems to be no let-up in the high unemployment statistics, can the minister tell the House if he has any plans at this time to accelerate his recruitment program to attract a larger number of new citizens to Canada, in particular workmen who would be employed in the lumber industry?

Hon. Robert K. Andras (Minister of Manpower and Immigration): No, Mr. Speaker. This report, which I believe was in a west coast newspaper, is erroneous. It arises from the fact that in the ordinary course we are training foreign service officers, that is to say, immigration officers, for work abroad. There are 25 such foreign service officers just returned or on rotation leave in Canada and they are to be oriented toward Canadian industry so that they may do their jobs better in their assignments abroad. However, there is no special program to recruit immigrants with any particular skill at this time. Actually, we are adopting a rather low key approach abroad to immigration at this time. This hiring and training happens every year. We think it is rather good practice to have our people reoriented toward Canada after they have been away for some time or before they go abroad.

Mr. Alexander: A supplementary question, Mr. Speaker—

Mr. Speaker: Order, please. The Leader of the Opposition.

* * *

AIRPORTS

VANCOUVER INTERNATIONAL—REQUEST THAT MINISTER ATTEND AT RICHMOND, B.C., TO ANSWER QUESTIONS ON EXPROPRIATION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Transport. Is he prepared to go to Richmond, British Columbia, and, if so, when, to answer questions of concerned citizens who are disturbed about the airport expropriation proceedings? I ask this question particularly of the minister because officials have indicated there are certain questions they cannot answer as they are only civil servants. If the minister is prepared to go we would be prepared, of course, to allow him pairing privileges.

[Mr. Marchand (Langelier).]

[*Translation*]

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, last night there was a public meeting attended by more than 100 people, in the Sea Island area more precisely, to allow public servants to answer questions. Some of these were of a very technical nature, such as the explanation of the CNR system, that is Composite Noise Reading and another called NEF, or Noise Exposure Factor which is also quite a sophisticated system. All the computations must be redone for each request in order to explain one system in relation to the other.

This is the question which officials of the department could not answer immediately. This is strictly a technical question. As to the other answers, these people were able to get them.

[*English*]

Mr. Speaker: Orders of the day.

An hon. Member: Mr. Speaker—

Mr. Speaker: Order, please. I have allowed the Leader of the Opposition to ask his question. I think we should call orders of the day.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baldwin: On a point of order, Mr. Speaker, may I ask the government House leader about the business of the House for this week and next week, bearing in mind the announcement of the Minister of Finance that, finally, he will be able to make the budget speech on Monday night which would take us right up to next Monday, the nineteenth.

Mr. MacEachen: Mr. Speaker, we will continue today with the business of supply. If we conclude that today we would continue with the amendments to the Criminal Code followed, probably, by the bills on housing, on foreign investment and on crop insurance. If the business of supply is not completed today, I may feel obliged to vary the order in which I may call the other items.

Mr. Baldwin: Mr. Speaker, as a further question, could I ask the minister when he will take steps to activate the various standing committees? I particularly bring to his attention the need to activate forthwith the new joint committee on statutory instruments in light of the very large task that the committee will have in dealing with the large number of orders in council, regulations and decrees that are being issued.

Mr. Stanfield: Secretly.

Mr. MacEachen: Mr. Speaker, I will take steps to activate the joint committee, although I am surprised that my hon. friend would consider having such a joint committee in view of his recent estrangement from the other place.

Mr. Bell: They are doing a good job now.

Mr. Baldwin: It is provided for in the Standing Orders.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to ask the President of the Privy Council if he could indicate to the House if he intends to start other talks as early as this week so that the House will be able to decide about the new electoral map proposed by the commission?

[*English*]

Mr. MacEachen: Mr. Speaker, I take a risk in even discussing this subject, in view of my junior status in the House.

Some hon. Members: Oh, oh!

Mr. MacEachen: I have already had discussions with the other juniors who sit with me in that room and I am awaiting a response from them as to what the next step might be. If there is need for a discussion, I will have it at an early date.

[*Translation*]

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

Mr. Speaker: Order. Is the hon. member rising on another point of order? The question period has ended and I think other questions cannot be permitted at this time.

However, as the Chair has allowed the hon. member to ask his question, he may now ask a supplementary and I will then recognize the hon. member for Yukon.

Mr. Fortin: Thank you, Mr. Speaker.

A meeting of House leaders took place this week and I was told yesterday by the hon. minister that a second meeting would be organized to take action on this matter. My question is as follows. Does he intend to officially call for a new meeting of House leaders so that this matter can be settled as soon as possible.

[*English*]

Mr. MacEachen: Yes, Mr. Speaker, I will try to organize that meeting as soon as possible; tomorrow, if possible.

Mr. Nielsen: On a point of order, Mr. Speaker, may I follow up the question asked by the hon. member for Peace River and direct my question to the President of the Treasury Board or the Minister of Finance, as the case may be. Since the budget date has been announced and since the Standing Orders normally require the estimates to be brought before the House before March 1, can the President of the Treasury Board indicate when we will get the main estimates for this year?

• (1510)

Mr. Drury: I hope before March 1, Mr. Speaker.

Mr. Nielsen: Mr. Speaker, we normally get them before the budget as well. Will we be getting them before the budget?

Mr. Drury: Mr. Speaker, I hope the House will recognize that the budget this year is earlier than usual and, consequently, there is some confusion.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise with respect to the business of the House that was announced by the President of the Privy Council. May I ask him whether the bill to amend the Old Age Security Act will be tabled in the House next week so that we will know the amount by which pensions are being increased before we get to the budget?

Mr. MacEachen: Mr. Speaker, I have already discussed this question with my colleagues. There is a possibility but not certainty that it will happen next week.

Mr. Nowlan: Mr. Speaker, I have been trying to get your eye for the past two days. I appreciate the difficulty, but as the hon. member for Winnipeg North Centre has asked the House leader about a matter of order of government business, I feel I can ask just as basic a question.

Some hon. Members: Oh, oh!

Mr. Nowlan: I am coming to it. I have been waiting for two days and I can wait a lot longer. In view of the fact the Minister of Communications made a very interesting speech last night, the first real policy speech he has made in four years, and it is four years late, will the House leader consult with the Minister of Communications to find out when that minister intends to lay before the House the green paper setting out proposals for telecommunications and a communications policy?

While the House leader is discussing that with the Minister of Communications to try to clarify this House business, can he also find out from the Minister of Communications whether the rationalization of the legislative and regulatory authority for broadcasting and telecommunications means there will be one authority merging the CRTC, the CTC and DOT? If he can do this, Mr. Speaker, it might save some questions next week.

Mr. Speaker: Order, please. That is obviously a question. Hon. members will appreciate that the question period expired more than 10 minutes ago. The Chair was lenient in allowing points of order which were not really points of order. The hon. member for Peace River rose on a point of order to ask about the House business. If every Thursday this is going to bring on an additional 10 or 15 minute question period, these matters will have to be asked as questions and not as points of order. The question has been asked. If the President of the Privy Council can reply briefly, he will be allowed to do so.

Mr. MacEachen: With regard to the first part of the question, Mr. Speaker, it is my understanding that that document will probably be laid on the table in the spring.

An hon. Member: Which spring?

Mr. MacEachen: In connection with the second part of the question, I am afraid I cannot answer that.

Mr. Nowlan: A supplementary question.

Some hon. Members: Oh,oh!

Mr. Nowlan: I appreciate—

Mr. Speaker: The hon. member wants to ask a supplementary question. Obviously, he was asking a question. This was done with the indulgence of the House. If the hon. member wants to ask a supplementary question, the House must allow it.

Some hon. Members: No.

Mr. Speaker: Perhaps the hon. member would not mind waiting until tomorrow. I will give him some kind of priority so that he can ask all his supplementaries then.

Mr. Nowlan: I rise on a question of privilege, in a sense. You have me out of the way today but I do not think I am going to be here tomorrow.

Some hon. Members: Hear, hear!

Mr. Nowlan: I know that makes you happy. However, since I have started, may I just finish with one supplementary?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. Obviously when the Chair attempts to be helpful and lenient to hon. members we get into so many difficulties that there is not much inducement or encouragement for the Chair to do this.

Mr. Nowlan: I rise on a question of privilege.

Some hon. Members: Oh, oh!

Mr. Nowlan: I quite agree with the dilemma and the difficulty in which the Chair finds itself. I do not mind getting up all during the question period for the exercise and training for the Olympics. I am prepared to accept that the same as all members are prepared to accept it, but I am not going to sit here—

Some hon. Members: Oh, oh!

Mr. Nowlan: —and have other than the House leaders ask the government House leader to try in a normal way to outline the business of the House for the following week. I am not going to have other Members of Parliament rise on false points of order or questions of privilege to get their pet bills laid on the table when I have been trying to get Your Honour's eye for two weeks.

Some hon. Members: Oh, oh!

Mr. Speaker: Orders of the day.

[Mr. Nowlan.]

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

SUPPLEMENTARY ESTIMATES (A), 1972-73—MOTION FOR CONCURRENCE IN VOTE L12a—DEPARTMENT OF FINANCE

The House resumed, from Wednesday, February 7, consideration of the motion of Mr. Drury:

That Vote L12a in the amount of $350,000,000 of the Department of Finance for Winter Capital Projects Fund—Loans in Supplementary Estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I made some remarks on this supplementary estimate yesterday. I indicated to the Minister of Finance (Mr. Turner) that I, and I expect most other members, are not opposed to developing an extensive program that will affect a large number of people who are out of work this winter and will be out of work next winter and the winter following through Winter Capital Projects Funds. The funds for these projects have been distributed by the provinces and administered by the municipalities. Not being in the form of a bill—

Mr. Speaker: Order. May we have order, please? There are so many conversations going on in the House at the moment that it is highly unfair to the member who has the floor. Can we have order, please? I suggest to hon. members that these numerous conversations might take place outside the House. The business of the House is now continuing, and the hon. member for Timiskaming has the floor.

Mr. Peters: Mr. Speaker, I am not surprised that some members are not particularly interested in this subject. It only affects unemployed people and municipalities with very high unemployment. It also affects a program that will be in effect for the next three years. Therefore, the subject matter probably is not important to many members, although some of them may become unemployed much faster than they anticipate. It is interesting to look around the House. Although I have not been here very long, most members who were here when I arrived and many who came subsequently have become unemployed. Perhaps some of these members should look at this proposition as well.

This is an important piece of legislation. It involves a long-term program. This estimate contemplates a program that will extend over the next three years. When I first came to this House, I supported the proposition of emergency assistance to gold mines. The emergency had developed a few years previous. During this session, we will be asked to extend for another period of time that same emergency legislation. I presume that unless something drastic happens in this country, such as the election of the New Democratic Party—

• (1520)

An hon. Member: That would be drastic, all right.

Mr. Peters: I am not saying this will happen. But unless it does, it is very likely a critical situation will be faced in

the area covered by this estimate for many years to come. I expressed my view to the Minister of Finance that these measures should not be introduced by way of an estimate. Since making my comments yesterday I have had an opportunity to look at a sheaf of papers provided to all Members of Parliament, setting out what this program is intended to achieve, and, in general terms, the manner in which it will be operated. But the papers do not tell us in what directions the funds are to be spent; they merely say they will be spent over a three year period.

My province is no more fair than other provinces. I know it is true to say of the Province of Quebec and of the Province of Ontario, certainly, that there is no equality between opportunities in various parts of those provinces. A large proportion of the unemployment in Ontario occurs in your area, Mr. Speaker, and in my area—both in eastern and in northern Ontario. The measure we are considering by way of an estimate does not say that any criteria will be laid down by the federal government to ensure that areas of high unemployment will receive special consideration. The decision has been made by the federal government simply to allocate the money to the provinces. If the province does not express a direct interest, projects can be initiated by the municipalities themselves, with provincial agreement.

In my own area, as in other parts of Ontario, there are pockets, municipalities, where the unemployment rate is between 35 and 40 per cent. I will give an example. Probably 40 per cent of the work force in Cobalt is unemployed at the present time. Those who are working are willing to go out and raise money through the municipality for worthwhile projects, and I am sure they will be highly interested in getting some kind of capital grant in addition to the labour costs in connection with any project they might desire to undertake. Your Honour may be aware that the federal government did make an offer to the people of Cobalt under the terms of a DREE grant of $750,000. But because there was hanky-panky between officials of the federal government and officials of the company concerned, this offer was withdrawn. This was a calamity; the total loss to the community amounted to some $2.5 million.

I am sure the people of this community, as in others, would be pleased to take advantage of the government's proposals if they were to be made available to them on the basis of need for greater employment opportunities. They should be given preference when it comes to deciding the areas in which these funds are to be spent. I have in mind another community which has already raised $7,000—it is a very small community—toward constructing a skating rink and a municipal hall. I suppose they are thinking in terms of around $25,000. I appreciate that under the winter works program they can get assistance as far as the cost of labour is concerned. But it is the capital cost, in projects of this kind in rural communities which present the greater problem. Each Member of Parliament who has any interest at all in helping communities where there is an abnormally high level of unemployment should insist upon the inclusion within this program of a proviso which would oblige provincial governments to allocate funds to those communities whose need is greatest and whose interest in doing something for themselves is strongest.

I said yesterday, and it is true, that Toronto, for example, might decide to build what it might consider to be a vitally necessary road to the Pickering Airport. Or they might decide to build a trail over to Malton. Remember, we are talking about $100 million over three years. This is peanuts for projects of the kind I have just mentioned. But a fund of this size could be used to great advantage in many of the remoter areas of Ontario by smaller communities which want to help themselves and get men off the unemployment roll. The Town of Cobalt will probably get considerably more out of the unemployment fund and out of the welfare fund than will be necessary to enable them to embark on a substantial works project provided the capital required in connection with that project could be financed over a period of years.

If we pass the estimate in its present form, as we are invited to do, we are saying that the civil servants know best and that the civil servants, both federal and provincial, are to be allowed to make the decisions. I am shocked that members of the cabinet should pay no attention to running their departments and seeing what happens after they get bills passed by this House. But in this case, of course, they are not even bothering to bring down a bill which could receive some consideration. They are asking the House to pass an estimate. Of course, every reasonable effort to deal with unemployment ought to be supported, and I do not propose that hon. members should consider killing this proposal, but they should really give consideration—

Mr. Speaker: Order. I hesitate to interrupt the hon. member, but I am advised his time has expired. He can continue with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Mr. Peters: Thank you, Mr. Speaker. I shall close by saying that other hon. members, particularly those who have not been here very long, should consider carefully the effect of legislating in this way. They will have no opportunity to make an effective input in connection with the program. They will be unable to influence the criteria set. The ability of the provinces to do whatever they wish with these grants is in no way limited; there is no means of ensuring that those communities in the various provinces whose need is greatest will benefit from the money.

I sincerely hope other hon. members will concern themselves about the difficulties which arise when legislation is introduced by way of estimates, particularly since the programs introduced seem likely to last for many years to come. At least, if a bill had been introduced to provide for a winter works capital projects fund, rather than an estimate, a useful discussion could have taken place.

Mr. Hugh Poulin (Ottawa Centre): May I first of all comment on the concluding words of the hon. member for Timiskaming (Mr. Peters)? He shares the view held by myself and, I believe, by most members of the House, that the type of project envisaged by this vote is beneficial for the people of Canada, especially because of the high rates of unemployment which exist in so many parts of the country. After all, the primary objective of this fund is to reduce the high rate of unemployment which is apparent

in certain areas. Unlike the hon. member for Timiskaming I do have great confidence in the public servants of this country who are going to be asked to administer these projects should this vote be approved by the House.

• (1530)

I do not think it is the obligation, or indeed the duty and responsibility, of this House to write contracts entered into between the provincial governments and this government. Sufficient be it that the program is outlined in specific enough detail so that we can honestly and accurately appraise it and see that it is indeed for the benefit of the people of the country in the area it is intended to assist.

The Minister of Finance (Mr. Turner), in his remarks both before the Standing Committee on Miscellaneous Estimates and in the House yesterday, indicated that following consultations with the various ministers of finance across the country, agreements were entered upon which would be reduced to contract form indicating the rights and obligations of the provinces in the event that they do take the amount of money that would be theirs if this appropriation is approved.

It seemed to me that some members of Her Majesty's Loyal Opposition appeared to agree in principle that this project is worthwhile and of benefit to the nation, specifically in areas that suffer from a great deal of unemployment. They felt that unemployment should be alleviated as quickly and efficiently as possible in every and all such areas. However, notwithstanding that fact, they seemed to get caught up in a legalistic argument in order to defeat this vote, thus preventing the provinces, in co-operation with the federal government, from making global plans over the course of the next two to three years in regard to on-going projects that would ensure, so far as is possible, the alleviation of unemployment in those areas.

The hon. member for Yukon (Mr. Nielsen) had something to say about section 20 of the Financial Administration Act. He said that section 20 of the act makes illegal what this vote is attempting to do. This vote is attempting to place money in the hands of the provinces for worthwhile winter works projects. It is within the competence of this parliament to pass a law to this effect, thus providing funds for on-going projects, not just in this fiscal year but also in ensuing fiscal years.

Yesterday in his remarks the Minister of Finance mentioned many precedents that had been created over the years—precedents that in my submission to Your Honour become part of the law of the land—whereby the very same vehicle has been used to provide funds for worthwhile projects beyond the specific fiscal year in which they were voted. Indeed, the Minister of Finance referred to the same procedure being used during the period when the right hon. member for Prince Albert (Mr. Diefenbaker) was leader of the government. Surely, those precedents which were legal and which were followed at that time are no less legal today.

I suggest that attempting to bring forward in this House this kind of legalistic argument so as to defeat or to delay the passage of a vote that is needed immediately in order to ensure that the program gets underway at the earliest possible moment is unworthy of the hon. member's previous actions, and indeed his many other fine and worthwhile submissions to the House.

The objectives of this program are to bring about an increase in capital spending in order to sustain a high level of employment, particularly during the winter and especially in those areas of the country where there is at the present time, and where there can be anticipated to be in ensuing winters, a high level of unemployment. If we are to deny to the provinces and municipalities the financial means to plan, over a sufficiently lengthy period of time, on-going winter works projects, then we are not doing our duty in this House. We should make financially possible all the winter works we can in order to alleviate the high unemployment existing in some areas of this country.

Guidelines and administrative procedures have been set down to administer funds if parliament votes such funds. These guidelines are easily understood and can be easily administered by public servants. When each year the forgiveness clause contained in this vote comes before a parliamentary committee for approval, and before parliament itself, I understand, hon. members will have an opportunity to examine it in detail and either grant or not grant forgiveness of the loan, in accordance with the contract with the province or municipality concerned. As I understand it, what we are asking parliament at this time to do is not to spend money but rather to authorize a loan. According to my interpretation of section 20 of the Financial Administration Act, authorization of a loan in this fiscal year is not an expenditure. As the Minister of Finance clearly demonstrated, it is only upon the operation of the forgiveness feature that there is an expenditure in that fiscal year.

Therefore, Mr. Speaker, in my submission the legalistic argument that has been raised really carries no weight whatsoever. It attempts only to detract, and to some extent does detract, unnecessarily from the most worthwhile objectives of this program. I would urge the members of this House to join with me and vote for this item in its entirety, thus providing to provinces and municipalities $350 million to enable them to plan long-range projects to aid in alleviating unemployment in this country.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in rising to speak on the matter which is before us I should like to make it clear, particularly with reference to the comments made by the hon. member for Ottawa Centre (Mr. Poulin), that what we are suggesting is that rather than voting $350 million at this stage the amount should be $75 million. I point out that this amount is actually the amount the Minister of Finance (Mr. Turner) indicated would likely be the top amount to be spent by this government in the current year. This House should always remember that we in the Progressive Conservative party, and certainly I personally, believe that the on-going program should be put on a more practical basis than is being proposed at the present time in this House.

• (1540)

Some hon. Members: Hear, hear!

Mr. Stevens: I come from a riding which has had many problems over the years concerning winter works programs. Those problems are largely ones of not having sufficient lead time. This House should consider the possibility, and I emphasize that the government should consider this, of setting up a much more workable mechanism to ensure that the municipalities, the provinces and the federal government can plan ahead year by year in respect of what funds may be available from time to time for this type of approach.

In saying that, however, I should like to emphasize that it is totally unacceptable for the Minister of Finance and for the hon. member for Ottawa Centre (Mr. Poulin) to, in effect, say that parliament should delegate the direction of that on-going program to the public service. It is important that we keep control of the current year's expenditures in this House. I would suggest, and in this I think perhaps the hon. member for Timiskaming (Mr. Peters) is in agreement, that it is absolutely essential these funds be administered in a way that will be of maximum advantage to the municipalities and provinces concerned in this country.

If you take a look at the vote itself, you will see there are certainly some unanswered questions. For example, you will find that, while most members have referred to this as being a three-year program involving $350 million, the fact is the vote does not make it clear that the $350 million will be spread over three years. Our Minister of Finance has indicated that this year he feels the top amount which may be expended will be $75 million; next year, he thinks it might be $170 million, and the following year $105 million.

While the minister will not answer our questions concerning what rate of unemployment he finds acceptable, perhaps we can use as a barometer the fact that there are 688,000 people out of work today, and he anticipates substantially more unemployed next winter because he suggests there will be more than twice as much money used from this fund next winter. Let me emphasize that there is nothing to prevent the government, through the Minister of Finance, expending the entire $350 million within two years. There is no guarantee that this amount is going to be spread over three years, and I think the House should understand that.

When the hon. member for Ottawa Centre and the Minister of Finance continue to say that all we are talking about is a loan and that we are going to have a chance to speak later on expenditures when we decide how much is to be forgiven, I think they are taking an extremely legalistic approach. Rather than our group presenting legalisms, I believe if you read his evidence given before the committee which considered this matter, you will find that the Minister of Finance was extremely legalistic in his approach.

Mr. Baldwin: What a great slush fund it would be in an election.

Mr. Stevens: I would also point out that the wording of vote L12a has some small print. It sets out the various amounts of the $350 million that will be apportioned to the provinces, and then it provides that if the provincial ministers indicate in writing they will not use a portion of any allotted amount, that amount may be allotted to other provinces. I feel this is not a decision which should be left in the hands of civil servants.

The hon. member for Ottawa Centre, and I agree with him, has great confidence in public servants. However, I believe they must be given direction and leadership because this government is more in the hands of civil servants than directing them.

Some hon. Members: Hear, hear!

Mr. Stevens: Another thing that worries me a great deal about this vote is the fact that it will really be the wealthier municipalities and provinces that will get to the trough first in order to make use of the funds made available. I say that because if you read paragraph (b) in the vote you will notice a convenant is required from a province or a municipality. There may be small municipalities or smaller provinces which will find that, because of their own peculiar financing problems, they will not be in a position to take advantage of these funds to the extent that the more wealthier municipalities and provinces will. This I feel is one reason that, rather than having this type of approach, it would be more satisfactory to work out an on-going conference-like arrangement with the provinces and municipalities to make sure that the funds available, $75 million if you like this year, will in fact be available to the municipalities that need it most.

I am afraid that under the present wording of this vote the reverse will be true, and the wealthier municipalities and provinces with relatively low debts will be able to make the fastest and greatest use of these funds.

Mr. Stanfield: The same old gang.

Mr. Stevens: For example, in my own area, it is not the larger municipalities that have the greatest difficulty. I spoke to the chairman of York Region who pointed out that, although they have a great number on staff, they find it difficult to meet the deadlines generally set concerning winter works programs. He pointed out that if this is so at the regional level it is particularly so at the lower level where you are dealing with small towns or townships which do not have the staff to cope with the amount of red tape which is usually generated prior to one of these grants being approved.

I feel a much more satisfactory program has to be worked out by the government and accepted by this parliament. I am really puzzled as to why the government has chosen this approach. Oddly enough, there is reference in the vote to an existing act, namely the Municipal Development and Loan Act. I suggest that before we go too far in voting the $350 million suggested figure, those in this House should take a look at the Municipal Development and Loan Act, particularly Section 30 thereof, which set up in 1966 a process that could easily be amended to give effect to that which the government is proposing here today.

In fact, Mr. Speaker, when one begins to read that act I believe it gives one a few clues concerning why this vote L12a has been proposed in this form. You will notice that section 13 refers to a limit being placed on the amount which should be used for this type of activity. There is a

limit of $400 million. Subsection 2 of this section points out that no portion of the $400 million may be used in a province in a ratio higher than that province's ratio is to Canadian population figures of 1961. If you apply that formula to this amount, to arrive at the provincial figure you will find a ratio has been used, I suggest, which indicates that the government is attempting by a kind of back-door approach to reactivate a statute which is already on the books and yet it will not openly come to this House with an amendment to this statute, or be candid with regard to what it proposes in the future in respect of the fund for this program. I am particularly disturbed by this approach.

My apprehension was certainly confirmed by the remarks of the hon. member for Ottawa-Centre who spoke before me. He suggested that we should pass the vote and let the civil servants handle the program because they will do a good job. The Minister of Finance (Mr. Turner), when appearing before the committee, agreed that this is a non-budgetary item about which we are talking. I feel we have had too many non-budgetary items in this parliament produced by this government. I know it is very convenient to speak of a net liability in the country and whether we happen to have a deficit or whether we happen to have a surplus. However, I think it is also important that we should look at the total debt position of this country which in 1972 was $42.7 billion. That was an increase of $5 billion in one year and an increase of $15 billion since 1962. I feel that if one analyzes the main reason for such a substantial debt increase in this country one will find it is because of the so-called non-budgetary items, which have been channelled by the Minister of Finance into a Crown corporation or into a special fund such as he wishes to set up here. Certainly in such a case parliament would have very little opportunity to analyze what has happened in respect of such funds.

I feel very disappointed about the fact that neither the Minister of Finance nor the President of the Treasury Board (Mr. Drury) happen to be in the House today. Here we are dealing with an item of $350 million. We say we have no objection to an amount of $75 million because it is indicated that there is a need for this amount in the current year. However, for the reasons I have given, we do object to having our right to analyze how the government intends to spend the balance of that money taken away from us. We find that at the moment these two ministers do not have the courtesy to even be in the House in order to find out what members of this parliament think about this issue.

The hon. member for Ottawa Centre has said we should trust the public servants. There is a parallel situation I would like the hon. member to look into and then perhaps next time he will not be so keen to say that. I suggest the Minister of Finance who is proposing this vote today is certainly cognizant of what is transpiring with regard to certain other non-budgetary items which this parliament has very little opportunity to examine. For example, the Minister of Finance has indicated he feels may be spent in the current year something in the order of $75 million on behalf of winter works activities in the provincial or municipal field. I would point out that the vote refers to December 6. I believe it is interesting to remember that under another non-budgetary item the Export Development Corporation has spent, with no sanction from this Parliament, $90 million since December 7, including $26.5 million in the form of a loan to Brascan Limited of Toronto in respect of one of its subsidiaries in Brazil.

I would also point out that that same corporation has offers outstanding to three companies in Brazil which, if accepted by those companies, would mean that we are committed to another $75 million in long-term loans to Brazil. Those offers, for example, are good until June 30, 1973. But, when we take a look at this vote it is evident that they must be accepted by May 31. I suggest that not only has something in the order of $100 million been committed since December 7 to Brazil, but that through offers to five companies in Mexico there is an amount of $95 million outstanding in the program again until June 30. It is my understanding that this corporation alone, in a non-budgetary sense, has some $360 million outstanding until June 30 at least of this coming year. This is the situation in spite of the fact that parliament in its wisdom, placed a ceiling on the maximum amount that the Export Development corporation could lend of $850 million. I emphasize that that ceiling has already been violated, and I feel that we in this House must insist that a minimum of non-budgetary items be tolerated.

We owe it to the people of Canada to manage their funds better. I suggest if would be wrong to allow this vote to go through which would empower the government to get at another $350 million in the terms suggested. When the government has done this type of thing in respect of non-budgetary situations connected with the Export Development Corporation, I do not feel we should expect it will not do things we would find unacceptable in connection with this $350 million fund. That is why I believe our suggestion is reasonable that the amount of $75 million might be approved which the government says it intends to spend in the current year. In fact, I would suggest it is not only reasonable, but it is extremely difficult to identify the rationale behind any other suggestion.

If we look at the estimates we are discussing, we find that the title reads "For the fiscal year ending March 31, 1973". Why should there be any suggestion that in those estimates we would find amounts for 1974 and for 1975. Surely, that is most irrational. The suggestion that "we are just lending now and you are going to get your chance later" is a very poor answer because the fact is that the money will be expended and all that this parliament could do would be to meet some kind of a pressure play at that point, much as has happened with respect to the unemployment insurance fund.

• (1600)

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but the time allotted to him has expired. He can only continue with the unanimous consent of the House.

Some hon. Members: Agreed.

Mr. Blais: Would the hon. member permit a question at this time? The hon. member made quite a to-do about the question of civil servants handling all those funds. I recall the evidence of the Minister of Finance (Mr. Turner)

before the committee in which there was an indication that there was a pending agreement between the federal government and the provinces interested. I was wondering whether the hon. gentleman took the trouble to ask the Minister of Finance for a copy of that agreement or any of those agreements to find out what the terms of those agreements might have been.

Mr. Lambert (Edmonton West): The minister cannot produce them because he does not have them.

Mr. Stevens: Mr. Speaker, I can certainly assure my hon. friend that if the Minister of Finance were here right now I would be more than willing to ask him whether I could see any agreements that he can produce of the nature to which he referred.

Mr. Blais: Mr. Speaker, the Minister of Finance did indicate, according to the committee's proceedings, that that agreement was available to all members at any time. Surely, the hon. member knows of the offer made by the Minister of Finance. That agreement would have been available, notwithstanding the fact that the minister is not here at this time.

Mr. Lambert (Edmonton West): The minister was never before the committee.

Some hon. Members: He was.

Mr. Deputy Speaker: Order, please.

Mr. Alexander: He was there in spirit only.

Mr. Stevens: In conclusion, may I emphasize that I feel this is one more example of the government trying to cut down the right of this parliament to examine expenditures. There is no question, and let there be no doubt, that we are in favour of a winter works program, but surely that does not mean that fact can then be used as a lever to have us accept something that is so totally unacceptable as this present procedure. I would also emphasize that we in the House have ample evidence to justify a lack of confidence in the government's handling of such money matters and that we would be irresponsible if we did not object, as we are doing, to this blanket endorsation of the $350 million.

If we are to learn any lesson, let us take a look at what has transpired in one Crown corporation, namely the Export Development Corporation. May I point out that that corporation, for example, with no reference to this House, has $1 billion of outstanding financing contracts, 50 per cent of which are for the benefit of eight corporations in this country of which 50 per cent are subsidiaries of foreign concerns. This is the way in which the Minister of Finance and the Minister of Industry, Trade and Commerce (Mr. Gillespie) have been handling funds of a non-budgetary nature, and I feel it is time that parliament, and certainly the people of Canada, dug in their heels against this irresponsible management of finances.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, we have now before us a very important budget item according to the statement made jointly by the Minister of Finance (Mr. Turner) and the Minister of Manpower and Immigration (Mr. Andras) on December 6, 1972.

So we have the impression that the government realized that there was to be an increase in unemployment during the first months of 1973. Yet, former federal minister Kierans had predicted a high rate of unemployment and stated that not only would employment become a very crucial problem but that there would also be a strong increase in inflation.

We realized one day that Mr. Kierans' predictions were accurate. And, on September 7, the government published a release announcing that a new local initiatives program would be set up in the first days of December to allow the creation of a number of jobs and also to reduce the scourge of unemployment.

The process is excessively slow although it had been announced at the time that the required forms would be available starting October 1 and several people realized that a few days had elapsed in October before the forms were available to allow the promoters of projects to submit them early enough to be activated and create a certain number of jobs.

Mr. Speaker, at December 31, according to the information published, 13,163 projects had been submitted under the local initiatives program. This shows that Canadians believed very seriously in the worthiness of the program and the good intentions of the government since this figure exceeds by far the number of projects submitted during the last fiscal year.

• (1610)

Mr. Speaker, of the 13,163 projects submitted, only 1,400 had been approved on December 31, which means that very few projects had been carried out before the end of 1972. In Quebec, also according to my information, only 427 projects had been accepted as at December 31. This is probably the explanation for the figures relating to unemployment then, because of the delay in the execution of these projects, the number of jobs available was of course decreasing and, automatically, the unemployment rate increased.

On December 6, the Minister of Finance had his colleague the Minister of Manpower and Immigration announced a special program for municipalities and provinces, requiring $350 million. The department involved had issued a most elaborate press release to invite provinces and municipalities to participate in a most active way in order to help the federal government reduce unemployment.

But most municipalities are indebted to the extreme and one only has to meet municipal administrators and talk a little about their problems to find out very rapidly that the same problem faces all municipalities. In fact, the rate payers are asking for improved public services; they want to get better water, sewer, depollution and road services, but municipalities do not draw the required revenues to meet immediately this demand and the needs of rate payers.

I have often pointed out in the House that the federal government should pay more attention to municipalities and their sources of revenue and transfer as soon as

possible the sources or revenue which would allow them to provide the services for which they are responsible as the government closer to the people.

According to the statistics for Quebec in 1970, 1652 municipalities had a debt of $2,083 million with annual interest of $232,470,000 seriously affecting their budget.

For example, the budget of Trois-Rivières is burdened with interest on the public debt of 28 per cent, while that of Cap-de-la-Madeleine reaches 34 per cent and that of Trois-Rivières Ouest 57.4 per cent.

We could draw up a very long list of municipalities affected by the very heavy burden of interest on the public debt to which they must devote a considerable amount of their revenue.

Now, the government is introducing supplementary estimates to give effect to the statement of December 6, 1972 restating the contents of the press release and allotting the share to each province, provided they sign the agreements with the federal government to carry out some projects which were also listed in Annex I to the press release of December 6.

At first glance, it seems advantageous; one has the impression that the government is very generous, but on reading page 16 carefully, one realizes the government is using the provinces and the municipalities, under the present financial system, to mortgage the Canadian taxpayer even further for the benefit of those who control credit.

The federal government is placing $350 million at the disposal of the provinces but it has yet to decide to obtain that money from our banking institution, the Bank of Canada. In fact that money represents loans from those who control credit or taxes on the income of workers and corporations.

The cost of financing in the public sector is thus doubled, because the federal government itself pays interest, and then lends to the provinces and municipalities at an unknown interest rate, since the credit under study states, and I quote:

the obligation bears interest payable annually at the rate applicable pursuant to Subsection (1) of Section 113 of the Canada Pension Plan, at the time of the issue of the obligation—

If you get down to the bottom of things you discover that again we cannot base ourselves on a predetermined rate of interest because under the paragraph I have just quoted the Minister of Finance is authorized to set the rate under certain circumstances.

Further on, it seems an attempt is made to gild the pill; it is said that the federal government will be generous provided the municipalities are willing to invest in public works.

Municipal projects usually cover water and sewage works, road building, paving, etc., difficult to carry out in our province during the winter months because of our country's very severe climate.

I feel the program should not be carried out exclusively during the winter months, from December 1 to May 31, but during a more favourable season, which would bring down the cost of operating machinery and result in better work. After all, it is not only in winter that the unemployed eat. So it would be normal that they be given the opportunity to work in more human conditions so that they can be shown that they are not considered as slaves but as full citizens who have a right to the benefits of modernism.

It is said in paragraphs d, e, f and g that the government will forgive that portion of the principal amount in a proportion of 50 per cent of the normal direct costs of labour hired locally during the period commencing December 6 1972 and ending May 31, 1973. And it will be repeated until the end of 1975.

Everyone knows today that in the building industry, and mainly in the area of the works I mentioned earlier, less and less labour is used. The job is performed mainly by heavy machinery; one operator with his machine can do the work which would have required hiring 25, 30 or 40 men 15 or 20 years ago.

On this 50 per cent forgiveness the municipalities should be allowed to include the operating cost of machinery used to carry out these investment works. I could go further but I think that the time has not come yet. Hopefully the day will come when we will have progressed to the extent of using, as I said earlier, our national financial institution to finance the public sector at the level of the municipalities, of the provinces and of the federal government, at administration cost. The Bank of Canada should be able to create the required credit to grant loans at cost to these various government levels, loans refundable at the rate of depreciation which we shall have created when spending this money.

I think we are appreciably moving in this direction since the Canadian Union of Mayors and Municipalities has already presented two briefs to this effect to the federal government. In time and with up-to-date members—because there are many young members in this House and they are willing to put progress at the service of society—for progress to be put at the service of society we shall have to modernize our financing system. We shall have to give up this outdated financing system which was suitable a few years back but does not fit at all our modern techniques, the quick rate of production which we know now and which we will know even more in the years to come because progress is with us to stay.

• (1620)

Mr. Speaker, I feel that we should try to have our whole society benefit from the advantages provided by that progress, instead of having it become its victim, this being contrary to reason.

Therefore, in order to have such progress really serve society, we must very seriously consider the principle that everything materially possible for men—because men exist, as well as materials, but funds are lacking—should be possible financially, because finance is an artificial creation. I have never seen dollars growing in my fields; yet, I have tilled them for a long time, and I was doing it seriously. I have not seen dollars growing behind my plough. I have not seen the thing happen either inside industries. Money is made somewhere; the point is to know where and how it is controlled. More and more people realize that the dollar is an artificial creation and

that it should exist in quantities sufficient to allow men to trade or to create services useful to society.

Evidently, this budget provides some benefits, for instance, funding investments aimed at helping the municipalities to do something. I am sure, and I am saying it now, that the greater obstacle the municipalities are bound to encounter will not be planning, because they have had projects in mind for a long time, though being unable to carry them out. And a date is being set. The thing should not be considered before December 6, I believe that we must show some leniency on that point. Nonetheless, we must give municipalities a chance, even though they have put their projects on paper before December 6, though they were not in a position to carry them out; we must be generous and not unduly hinder the municipalities willing to take part in those programs.

Mr. Speaker, if the government worked seriously to deal with the unemployment problem, we should not always be starting all over again. We are going to have to think about setting up an income security plan as soon as possible in order to enable individuals—no matter how old—to meet their essential needs.

Mr. Speaker, this morning I received a letter from an unemployed worker who would like very much to work so as to be able to build a house. He tells me in his letter that his rent is $130 a month and that if there existed a program to help low-wage earners to build a house, this monthly rent could be used to meet the cost of building the house, on really favourable loan terms. If the government really wants its program to be effective, the hon. Minister of Finance is going to have to be mindful of what he has promised to announce when he will be tabling his estimates on February 19. It will be realized then . . .

[*English*]

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member, but the time allotted to him has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Is it the wish of the House that the hon. member be permitted to continue his speech?

Some hon. Members: Agreed.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I wish to thank my hon. friends for allowing me to conclude . . .

Mr. Leblanc (Laurier): Mr. Speaker . . .

[*English*]

Mr. Deputy Speaker: Order, please. The hon. member for Laurier rises on a point of order.

[*Translation*]

Mr. Leblanc (Laurier): Before allowing the hon. member for Bellechasse to continue his speech, I would ask him to confine his remarks to the subject now under study and not discuss housing, because this subject is not being debated. Therefore, I would rather see him stick to the item under study.

[*English*]

Mr. Deputy Speaker: Order, please. No strings can be attached to the consent. The Chair will have to determine whether the hon. member is in order. I must ask again whether it is agreed that the hon. member may continue his speech. Is that agreed?

Some hon. Members: Agreed.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I was under the impression that I was in order as I was discussing the causes of unemployment. It is not only a matter of applying a band-aid on a wooden leg, but of finding ways to avoid a repetition of this situation.

Furthermore, taxes on building materials are interfering with the construction of a great number of housing projects, which results in many workers being unemployed. In fact, such taxation is only an indirect cause of unemployment and it is my opinion that this problem should be settled, not only for months but for the years to come.

I believe these supplementary estimates have some value though I would have preferred to see more included in them. This is the reason for the suggestions made in my comments. I understand that we might not be able to do it in the next following weeks. In any event, however, it is a member's duty to make really serious suggestions to improve the situation.

• (1630)

Mr. J.-Roland Comtois (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I will try to be quite brief, but I still would like to make a few comments on the matter now before the House.

We seem to forget that the $350 million fund for winter projects will simply allow the government to grant loans to the provinces and municipalities until May 31, 1975. And what surprises me, Mr. Speaker, is that for once the official opposition seems in agreement with the government estimates, because the Minister of Finance (Mr. Turner) said in committee last week that he estimated at $75 million the needs of the provinces until March 31, 1973, and we see now the opposition for once agreeing with the estimates and ready to grant its support for this amount of $75 million.

Mr. Speaker, we want to allow the provinces and the municipalities enough leeway to present projects which will really meet their needs and which, at the same time, will reduce unemployment especially during the winter months.

In order to promote this concentration of supplementary works during the next two years, this same program includes an important stimulus providing for the forgiveness of an amount equal to 50 per cent of the direct onsite payroll costs until May 31, 1975.

And in answer to the hon. member for Bellechasse (Mr. Lambert), I must remind him that this forgiveness applies 12 months a year and not only during the winter months.

As for the second part, this is a supplement of 50 per cent of the direct onsite payroll costs from December 6,

1972, to May 31 of the 1972-73 winter, and from December 1 to May 31 of the 1973-74 and 1974-75 winters.

Now, what do we want to do here? We simply want to allow the provinces to better plan their works. In my opinion, the hon. member for York-Simcoe (Mr. Stevens), who wondered how this money would be administered, should have read the guidelines and the administrative forms that the Minister of Finance was kind enough to send to all members when the statement was made. He would have seen then what the controls are and which way these funds are administered.

Now, Mr. Speaker, I would like to point out that several provinces have already submitted their projects to the federal government and that the whole thing will be late owing to objections encountered in this House and in committee.

I would like only to remind opposition members that as far as New Brunswick is concerned, it has submitted projects for more than $3 million and so did Nova Scotia, and Newfoundland submit projects for some $2 million. I believe that Manitoba will come to Ottawa tomorrow with its list of projects. Quebec also has already prepared a long list of similar projects and it will give it to federal government for approval.

Mr. Speaker, I have been a member of this House for seven years and always heard opposition members say "too little, too late" about anything the government might introduce, including legislation and estimates. And for once the opposition has changed its position. Now $350 million is much too much and it is too early to bring it before the House.

I would like the opposition to make up its mind once and for all on what it wants and on its priorities since this is what we have been attempting to learn for a long while.

Now, Mr. Speaker, when the eligibility of a project is being discussed consideration is given to the additional direct or indirect employment which will stem from the suggested expenditure. Particular attention is paid to areas where the unemployment rate is high. And if all the loans requested by a province and its municipalities exceed the amount awarded to that province, they must give preference to projects which are labour intensive or which will be carried out in sectors where unemployment is at the highest.

The unemployed seem to be forgotten in this debate, because they are indeed the ones we want to help and, whatever the reasons for this unemployment, I suggest that we must not delay the passage of such an important measure which will enable the various provinces and especially the municipalities to undertake works deemed essential.

Mr. Speaker, I do not wish to delay unduly this debate because I suggest that the only objective of the government is to help provinces and municipalities. As someone said earlier, some municipalities are over-taxed and it is that very assistance from the federal government which enables several small municipalities to implement some works for the welfare of their citizens. Anyone with a bit of experience can see that the labour used in municipal projects, in road works carried out by provinces or in building construction are very often difficult to place; I refer to those people who are 40, 45 or 50 years old who could easily be employed in such municipal or provincial undertakings.

I suggest that we are dealing with a need which must absolutely be met now in Canada. We must encourage these people to find a job. I do think that for once this program is neither too early nor too late, but just in time. The amount of $350 million, when one considers that it will be for a three year period, is very realistic and reasonable. I will wonder why the opposition seems to be willing to freeze these credits, for this project only represents the authorization to lend money to provinces.

Mr. Speaker, I think that when the House is asked to vote, most hon. members will approve the amount $350 million which I hope will be loaned as soon as possible to provinces and municipalities to enable them to create jobs, something every member of this House must wish.

[*English*]

Mr. James Gillies (Don Valley): Mr. Speaker, I rise to enter the discussion on these estimates with a combination of concern and some sanguinity. My sanguinity comes from the fact that I do not believe I am detracting from other urgent business that the government may have by participating in this debate at this time.

I have been singularly unimpressed by the fact, possibly because I am a new member having been here only five weeks, that parliament has been able in that period of time to put through only the Pilotage Act, a housekeeping bill, establish a food prices committee and pass Bill C-124 which was needed because of the government's incompetence of the past, but absolutely nothing else.

Some hon. Members: Hear, hear!

Mr. Gillies: In spite of all the efforts we in this party have made to try to progress and move forward, it has been very, very difficult to do so. My concern about this matter before us arises, not so much for the reasons that have been raised by my colleague and the members to my left, but because these supplementary estimates, and the way in which they are presented, tell us an enormous amount about the manner in which the government is attacking the two basic economic problems which face this economy, unemployment and inflation.

We are being asked to approve these estimates in order to do something about the unemployment situation in this nation. Certainly, everyone agrees something has to be done about it. I have argued in this House and elsewhere, many times, that the economic performance you have is a result of the economic policies put forward. Unfortunately, we have not had any new economic policies proposed by this government to deal with the problems of unemployment and inflation in any meaningful way whatsoever. This is the first item that has come to this House that we can take a look at in terms of the government's approach to the problem of unemployment.

I need not reiterate that Canada has the highest rate of unemployment of any industrialized country in the world, and the way we are going we may set a record in terms of inflation. However, let me say that I reject totally the idea that we cannot do anything about these problems. Unfortunately, we cannot do much about unemployment

through the estimates that are before us today, but surely we can no longer hide behind the fiction that is impossible to do anything about the unemployment situation. We have had a demonstration that something can be done about economic problems by our neighbours to the south. Two years ago, the United States unemployment figure was approximately 6 per cent. It is now heading toward 5 per cent while ours may be going to 7 per cent. Two years ago the rate of inflation in the United States was rising rapidly. It is now almost 3 per cent while ours is going toward 5 per cent. It is irrational, improper and a fraud on the Canadian people to suggest that nothing can be done about the problems of unemployment and inflation.

Some hon. Members: Hear, hear!

• (1640)

Mr. Gillies: It seems to me that the record shows that the policies which have been followed by the government over the last three years have been highly ineffective. In fact, the Treasurer of the Province of Ontario, speaking at the finance ministers' meetings recently, said that the total effect of the last three budgets on our economy has been perverse—that they have probably done more harm than they have done good. I would not care to debate that point particularly, but the point I do want to make, one which I think is relevant to the issue we are discussing here today, is that forecasts made in the last budgets have been wrong. I want to suggest to hon. members that there is no way in which we can make proper economic policy in this nation unless we are organized in such a manner as to have proper information and proper data upon which to make it.

I cannot say how concerned I was to hear the Minister of Finance (Mr. Turner) stand in this House yesterday and say he is not in the business of forecasting.

Some hon. Members: Hear, hear!

Mr. Gillies: May I say that the shock I felt yesterday was only a continuation of the shock I have felt for the whole period I have been here because it has not been possible to get the Minister of Finance, speaking for the government, to say what are the goals of economic policy for this country. We must be the only country in the world with a government which will not say what it is trying to do in connection with economic policy.

Some hon. Members: Hear, hear!

Mr. Gillies: Only a few weeks ago, Mr. Speaker, the Secretary of the Treasury of the United States stated, not in secrecy but openly and with press releases, that the economic goal for that country for 1973, in terms of price increases, was an inflation rate of around 3 per cent. Now, why did he do that? He did it because he wanted every single person in that country to know that this was what the government intended to aim for; he wanted everybody negotiating contracts to know this was what the government was aiming for, he wanted people to know, when talking about price increases, that this was what the government was aiming for. I do not believe that what we are trying to do in this country in terms of economic policy should be a secret held within the breast of the Minister of Finance, the Department of Finance or anybody else. After all, everyone wants to work toward achieving satisfactory economic performance.

Some hon. Members: Hear, hear!

Mr. Gillies: Unless we know what our goals are, how on earth are we going to be able to reach them? It is my opinion that the reason the government does not want to give these indications, to tell us what its goals are, is that in the past the figures they have given us have not worked out. Perhaps they feel embarrassed and are not prepared to make economic forecasts. But I say to you, Mr. Speaker, with due respect, that to follow such a course is an abdication of responsibility. Surely, we should not play politics with the amount of unemployment we have in the country and with the amount of inflation which exists in the country. What we really should be doing is trying to solve the problems, and to do so it is necessary for everyone in the country to get behind the goals of economic policy.

I am sure Canadians would not care—I do not suggest that they would be very happy—if the Minister of Finance on behalf of the government were to say that unemployment this year will reach 6 per cent or 6.2 per cent. At least, we would know where we were going. We would know what the goals were. I think the fact that these estimates have been brought in for us to look at without any idea of what the economic policy of this country is in terms of fighting unemployment or in terms of fighting inflation, makes it impossible for anybody to give really serious consideration to them in any effective fashion.

It seems to me, Mr. Speaker, that to ask us to approve an estimate for three years of $350 million for a winter works program, without any other policies being brought forward by the government with respect to unemployment or inflation, is asking us to do something which we can do only with the greatest reluctance, if it can be done at all. If one looks at these estimates, one cannot help but wonder at them. The Minister of Finance has said that probably this year $75 million will be drawn for winter works programs by municipalities through the provinces. That, of course, leaves $275 million to be drawn down in the two later years. I can only ask myself: does the Minister of Finance expect that unemployment will be higher in 1974, and higher in 1975, if he is asking for that kind of appropriation? I also realize that the $350 million will be worth 10 per cent less, unless we have new policies with respect to prices, because of our rate of inflation each year. But basically what I am saying is that this type of policy making is ad hocery of the worst sort. And I say that ad hocery in the making of economic policy certainly is not good enough, especially when our country is suffering from unemployment and inflation at the rate it is at the present time. I suggest the estimates simply reinforce the fact that the government should take a really good look at the way in which economic policy making is organized in this country.

I have said before, as has my party, that we need a short-term economic forecasting unit in this country in order to keep track of what is happening. The provincial premiers have said that the program now being discussed is being introduced too late to be effective. They asked for

it many months ago, and I can only presume the reason the government was not willing to meet their request earlier was that it was confident that the unemployment situation would not be as bad as it is, or that the inflation situation would not be as serious as it is. How could the government be so wrong? The reason it could be so wrong is that it is not organized and has set up no organization to look at economic problems on a short-term basis. If there had been operating effectively in Canada, a short-term, independent, economic forecasting unit, we would not be sitting here today trying to approve estimates without any framework within which to know they could work. It seems to me, then, that asking for approval of these estimates in this *ad hoc* way is an inappropriate and a most unsatisfactory method to approach such an important matter.

The case we have presented many times in favour of a short-term, independent, forecasting unit has set out the ways in which such a unit could be established easily and effectively. Even, a simple amendment to the Economic Council of Canada Act would allow the council to involve itself in independent, short-term economic forecasting. Again, I find it somewhat incredible that the Minister of Finance should say he is now depending heavily on the Economic Council of Canada for economic advice with respect to trends and forecasts, since their findings are medium and long-term; the Economic Council does not look at short-term forecasting. I am also amazed when I recall that though Dr. Arthur Smith, Chairman of the Economic Council of Canada some time ago, predicted with great certainty what was going to happen he was completely disregarded and absolutely no attention was paid to what he was saying.

Some hon. Members: Hear, hear!

Mr. Gillies: I have no other course but to think that this great interest on the part of the Minister of Finance in the Economic Council arises because he has nowhere else to turn. What we must have—and we must be among the last major countries in the world which does not consider it—is a budget on a full employment budgeting basis so that we know exactly what our revenues and expenditures need to be to sustain full employment in this country.

In addition, it seems to me we ought to know, if we are going to look at these appropriations—and we are asked to look at them in terms of an unemployment situation—what the other parts of the package really are. What is the government going to do to solve unemployment and inflation? Is it willing to accept the suggestion we have made that there be substantial personal income tax cuts? Does it intend to adopt the constant dollar proposal in taxation, a proposal which would at least help take some of the edge off inflation, a policy which would make parliament more responsible because the government would always have to come back to parliament to get approval for expenditures instead of itself benefitting from inflation which all of us know is partially generated by excessive government expenditures? What policies are ahead of us? Is there a program for improving the operation of small business in Canada? Are we to have an investment credit program?

[Mr. Gillies.]

I do not wish to wander too far afield, Mr. Speaker, but I wish to make clear that no matter what major indicator one follows, the Canadian economy is in a distressful situation. I am told there are 16 indicators, but the suggestion that the number of freight car loadings, for example, is as an important indicator as the amount of unemployment, for policy making seems to me to be demonstrably incorrect. Our economy is in trouble, and we have this band-aid to help take care of unemployment. And in terms of its relation to total policy we do not even know where the band-aid is to be applied.

• (1650)

Are we to understand that the government has adopted the philosophy that a public works program is an integral part of a full employment program? Or has it been brought in at the last minute to take care of a temporary situation? You can cure the unemployment problem in a variety of ways: you can cure it by putting money into the hands of consumers so that they can go out and buy the goods they want, and the best way of doing this is through cutting taxes and raising old age pensions; or you can cure it by direct expenditure programs. This is a direct expenditure program.

Does the government believe that through direct expenditures of this kind the economy can be effectively stimulated as rapidly as would be the case if they were to cut taxes and increase old age pensions? It seems to me that no government should bring in a policy that has something to do with unemployment in such an ad hoc fashion as this, outside of any framework of policy and without forecasts as to what is going to happen in the economy. I suggest that parliament is being asked to do something it should not have to do. I therefore respectfully say that this parliament should give thorough consideration to the way economic policy making is conducted before approving these expenditures.

Mr. Elmer MacKay (Central Nova): Mr. Speaker, it is a great honour to follow my distinguished colleague from Don Valley (Mr. Gillies). I may say at the outset that, like so many members of this House, I, too, have learned to respect his judgment in these matters. I hope that the government will be cognizant of some of the excellent and substantive polices that he has outlined.

As far as I am concerned, Mr. Speaker, I am very interested in the ramifications of supplementary estimate L12a. I do not wish to suggest to the House that the theory behind it is all that bad, but what does appal me about is that, like so many government programs, it seems to me hastily contrived and that there is no assurance that its application will achieve lasting benefit or that the program will even be operated efficiently.

In discussing this matter today, I wish to point out that this government's performance in terms of legislation passed so far this session is, in my humble opinion, and to be most charitable, nothing less than dismal. Only one item, Bill C-124, has been fully disposed of, and we all know how that was disposed of. To be perfectly frank about it, those who accuse our party of being obstructionist should be told simply this, that there has been nothing to obstruct. That shows how barren and unimaginative the government's program has been.

I should like to refer briefly to some comments made by the hon. member for Timiskaming (Mr. Peters) last night. I was quite impressed with his remarks, and since, in effect, we have a coalition government I think hon. members opposite could derive some input from hon. members like the hon. member for Timiskaming, though he is probably a bit too practical to suit their taste. May I briefly refer to something that he said, as reported at page 1072 of *Hansard*:

> Why should we allow the provinces to decide what the criteria are to be? Why should we operate this winter works capital project by regulation rather than by legislation?

In discussing items such as this it is time we realized that, in effect, the government have been doing this sort of thing a great deal lately. They operate by decrees, by orders in council, by regulation; and they are not even dealing in a meaningful way with their own Members of Parliament, much less other members of this great institution who are entitled to the fullest consideration on matters of policy, and to the opportunity to express their views.

It seems to me that, in effect, the Minister of Finance (Mr. Turner) has abdicated his responsibility for setting the financial direction this country should take. The provinces, as the hon. member for Don Valley pointed out, are in many cases following budgetary measures that are designed to create full employment, at the same time operating at a deficit, whereas the Minister of Finance is showing a surplus of $600 million. In many ways the Minister of Finance reminds me of another great explorer, Christopher Columbus. He, too, left his destination not knowing where he was going; when he arrived there he was not sure where he was; and when he returned he could not say where he had been. And like the Minister of Finance, he did it all on borrowed money. I say that this government cannot forever continue to do things by regulations, orders in council and so on. It must do these things through legislation, and it must have meaningful consultations with the members of this House.

When one considers the aims and objects of winter works and provincial participation, it seems to me very strange that there is another government department that has not been allowed apparently to have much input. I refer to the department that is most responsible for our regional development plans and which, by its very nature, participates in infrastructure programs, industrial incentives and capital works programs. This much heralded department, the Department of Regional Economic Expansion, to my mind is one that should be taken into account and whose aims and objects should be blended and integrated with any meaningful winter works or capital expenditure program in this country.

In connection with DREE, I should like at this point to refer to some of the policies that we in this party have put forward in what I hope is a constructive manner to further winter works programs, to resolve unemployment problems, and to try to bring some sense of co-ordination and direction to the economic management of this nation. Unfortunately, to this point the policy pronouncements by the minister have been so negligible as to amount to practically nothing. I do not entirely blame the minister; I realize that he has a vast, complex department to administer and that there is great unhappiness, upheaval and dissatisfaction in his department. But surely by this time we are entitled to have on the record of this House some indication of just exactly what the minister intends to do with regard to constructively reorganizing and defining this great new concept of decentralization which he borrowed from our party.

I see it is now five o'clock, Mr. Speaker. Will there be private members' hour or shall I continue?

Mr. Deputy Speaker: Perhaps I should call it five o'clock at this point.

* * *

MESSAGE FROM THE SENATE

Mr. Deputy Speaker: Mr. Speaker, I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill C-124, an act to amend the Unemployment Insurance Act, 1971 (No. 1), without any amendment.

* * *

THE ROYAL ASSENT

Mr. Deputy Speaker: I have the honour to inform the House that a communication has been received which is as follows:

Government House, Ottawa
8 February, 1973

Sir:

I have the honour to inform you that the Right Honourable Gérald Fauteux, P.C., Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate chamber today, the 8th February, at 5.45 p.m. for the purpose of giving royal assent to a bill.

I have the honor to be,
Sir,
Your obedient servant,
André Garneau
Brigadier General

Administrative Secretary to the Governor General

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Yorkton-Melville (Mr. Nystrom)—Agriculture—Possibility of financial assistance to Saskatchewan land bank program; the hon. member for

Okanagan Boundary (Mr. Whittaker)—Public Works—Alleged disposal of old barges by Department in Lake Okanagan—Steps to remove; the hon. member for Sault St. Marie (Mr. Symes)—Industry—Possible closure of Abitibi mill in Sault Ste. Marie—Use made of development grants by company.

• (1700)

It being 5 o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, private bills, notices of motions (papers) and public bills. As there are no private bills or notices of motions (papers) listed on the order paper, the House will proceed directly to public bills.

PRIVATE MEMBERS' PUBLIC BILLS

NATIONAL YOUTH APPRECIATION WEEK ACT

MEASURE TO ESTABLISH OBSERVANCE

Mr. John Reynolds (Burnaby-Richmond-Delta) moved that Bill C-13, respecting National Youth Appreciation Week, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, I am sure that hon. members will agree with me that we hear much more about the troubled youth in our society than we do about all the good things that youth are doing today. On November 14, 1972, I attended an Optimist Club meeting in my riding. Four young people were being presented with plaques which read:

> Youth Appreciation Week Citation for upholding the dignity of youth, for sincere devotion to our welfare and for generous and unselfish contributions to our society.

This ceremony was not only taking place in my riding, but also across Canada and the United States. On that same day, a boy in St. Catharines received a plaque and 10 students in the city of Vanier, in the province of Quebec, also received plaques, as well as many others.

Oliver Wendell Holmes once said:

> I think that as life is action and passion, it is required of a man that he should share the passion and action of his time at peril of being judged not to have lived.

We can be proud of the extent to which our young men and women today are playing an active role in the continuing growth of our country. In organizations as diverse as student governments, vocational education, civic, social, business, religious and social action groups, these young citizens are learning the ideals of Canada by putting them into practice. Hard work, co-operation, patriotism and individual excellence; all of these come to be cherished by those who participate constructively in this building of Canada, and often this learning has expanded the ideals and consciences of Canadians, refreshing our spirit.

As we move into the second century of our country, the mantle of responsibility and leadership will be passed to this generation of young Canadians. I am convinced that the youth of today will wear that mantle proudly, carry out the responsibilities of adulthood and leadership with conviction and concern for their fellow man, and reflect great credit on their country.

In recognition of the natural resource Canada's youth represents, and to promote a greater understanding between our generations, I strongly urge the members of this House to allow this bill to go to the committee, and declare that throughout Canada, in each year, the third week in the month of November be known and observed as National Youth Appreciation Week.

I could continue, Mr. Speaker, but I understand some other members wish to speak on this bill. I understand the hon. member for Sherbrooke (Mr. Pelletier) will be making his maiden speech. I am very happy that he thinks so much of my bill that he is addressing his maiden speech to it. I ask hon. members on both sides not to take the usual course in respect of private members' bills. Let us show the youth of today that we do care. I know all members are in favour of the bill, but let us not be so much in favour of it that we talk it out. I invite hon. members to speak their piece and then sit down so that we can get this bill to the committee.

[*Translation*]

Mr. Irénée Pelletier (Sherbrooke): Mr. Speaker, since I am delivering my first speech in the House, I wish to congratulate you on your election to the important position of Speaker of this House. The tributes paid to you and the praise given to you by the various party leaders during the debate on the Address in reply to the Throne Speech as well as by those who spoke during the different discussions which followed show how much you are appreciated by the members. We know quite well that your position is sometimes thankless and always exhausting. I therefore congratulate you for having accepted at such a trying time to conduct the proceedings of the House, a task which you perform with so much tact.

When I was approached to speak on Bill C-13, I accepted with no questions asked, as it were, because I had no idea what it was all about, not even knowing the number of the bill. And I realized later that the number of the bill was C-13. Since I am the thirteenth of a family of fourteen one can imagine how happy I was about that coincidence since I take deep interest in youth.

A short survey among hon. members would indicate no doubt that most of them approve of a youth week. If we recognize, as pointed out by the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds), that the first resource of a country is its people we will agree readily that, surely, the most important part of that resource, without any prejudice to the others, is its youth.

In the explanatory notes to the bill one can read:

> The purposes of this Bill are:
>
> To recognize the accomplishments of youth in the home, school, church and community;
>
> To promote more active participation by members of families—
>
> To encourage organizations and other groups to publicly show their respect for youth;

At a time when what is going wrong in society is overstressed, I find it entirely in order for an hon. member to recognize the merits of such a proposal and ask his colleagues to support it.

Mr. Speaker, I had the opportunity in recent years to work very closely with youth particularly in the riding I have the honour to represent, the riding of Sherbrooke, and even though it is mainly in the field of sports that I was privileged enough to be associated with youth I think it is still one of the fields where one is in the best of positions to appreciate the real merits of Canadian youth.

However, I should like to suggest to hon. members that the Canadian government has done a lot for youth in the past few years. I should like to list a few of these accomplishments.

• (1710)

For instance, just three or four years ago the Canadian government lowered the voting age from 21 to 18. It has also created summer jobs under the Opportunities for Youth program launched three or four years ago and established youth hostels throughout the country. Interprovincial exchanges also receive some financial assistance from the federal government. These exchanges are made between the various provinces and the two territories of this country, not to mention the contribution of the federal government in the field of international exchanges. Study trips abroad and through this country are also paid by the federal government.

We could also mention the role of the government in the field of amateur sport which was given considerable grants. There is also a national housing policy aimed at helping the students who, in certain cases, have enjoyed preferential interest rates. The loans the students were eligible for have been raised from $1,000 to $1,400, with a $50 monthly tax exemption for a post-secondary full-time student.

Mr. Speaker, we have 84 federal assistance programs for youth in Canada. It would be impossible for me to describe them all at this time but I would like to mention one of them which I think is essential. It is the Young Travellers Program.

This program concerns students who have been selected to travel to various provinces. The federal government, in co-operation with the Secretary of State, the ten provincial governments and those of the two territories and also with several Canadian municipalities undertook a few years ago to organize these travels. Reports published after those travels have demonstrated just how much the students did appreciate those travels and the annual reports express their wish that the government continue this program.

The federal government also intends to implement additional programs even though this is not quite within the scope of Bill C-13 whose purpose is to proclaim a National Youth Week in Canada.

Mr. Speaker, I only have one objection: as can be found in the explanatory notes of the bill this youth appreciation week would be the third week of November. As far as French-Canada is concerned, you know that the month of November has always been associated with the deceased and this is why I would not want youth to be associated with November. I should prefer that week to be in April or May, a period of the year more readily associated with the concept of youth.

Another point perhaps worthy of consideration, Mr. Speaker, is that if we have a National Youth Week there is a risk that youth might be neglected during the 51 other weeks of the year.

I agree with the hon. member for Burnaby-Richmond-Delta that during at least one week of the year emphasis should be placed on young people and their role in our country.

There is also another aspect to this matter, Mr. Speaker. Young Canadians work not only in Canada; they also work in other countries. I am thinking of those who work within Canadian programs such as CUSO, for instance, and who do a lot of good. This is seldom pointed out. In some countries, our young people have worked with considerable success, as the leaders of those countries have pointed out; but unfortunately, the Canadian people are often not even aware of their work. I feel that an appreciation week like this one, while stressing what our young people do in Canada, could also stress what they do abroad.

In conclusion, Mr. Speaker, I would like to mention that during my years as a teacher, there was a poem about youth which always interested me greatly; it was written by Kipling and translated by a famous French writer. I do not know if it is in order in the House, but anyway, I find it is closely related to the point made by hon. member for Richmond-Delta, and I want to recite it. Here it is:

If you can keep your head when all about you
Are losing theirs and blaming it on you;
If you can trust yourself when all men doubt you,
But make allowance for their doubting too;
If you can wait and not be tired by waiting,
Or, being lied about, don't deal in lies,
Or, being hated, don't give way to hating,
And yet don't look too good, nor talk too wise;

If you can dream—and not make dreams your master;
If you can think—and not make thoughts your aim;
If you can meet with triumph and disaster
And treat those two impostors just the same;
If you can bear to hear the truth you've spoken
Twisted by knaves to make a trap for fools,
Or watch the things you gave your life to broken,
And stoop and build 'em up with wornout tools;

If you can make one heap of all your winnings
And risk it on one turn of pitch-and-toss,
And lose, and start again at your beginnings
And never breathe a word about your loss;
If you can force your heart and nerve and sinew
To serve your turn long after they are gone,
And so hold on when there is nothing in you
Except the Will which says to them: "Hold on";

If you can talk with crowds and keep your virtue,
Or walk with kings—nor lose the common touch;
If neither foes nor loving friends can hurt you;
If all men count with you, but none too much;

If you can fill the unforgiving minute
With sixty seconds' worth of distance run—
Yours is the Earth and everything that's in it,
And—which is more—you'll be a Man, my son!

The Acting Speaker (Mr. Boulanger): Order please. Before I recognize another member, I would like to point out to the hon. member for Sherbrooke that under the rules it is allowed to recite poems but not to read them. Therefore, the hon. member was in order.

Youth Appreciation Week

[*English*]

Mr. Bill Knight (Assiniboia): Mr. Speaker, since we are involving ourselves in a great-to-do about youth, I thought as a youth perhaps I should make a few remarks in respect of this suggestion concerning a national youth appreciation week. With due respect to the hon. member who has introduced this bill, may I say that I believe it is a lot of nonsense. It is pure unadulterated crap. We could have an appreciation of old people week, or we might have an appreciation week for this group or that group. There are many appreciation weeks, weeks about this and weeks about that. The mayors of towns proclaim such weeks as do the premiers and others. The result is that no one knows what he is appreciating. Now, we are faced with the prospect of establishing a national youth appreciation week to show that the kind of society and policies we develop are in tune with what is desired by the young people in our society, to take some action so that they are not walking the streets as many of them are between the ages of 20 and 30. In effect, we are to say, "We appreciate you, gang; you are a nice bunch; we raised you to concern yourselves about morals and so on".

There is a great deal of truth in the statement of the hon. member that the youth of this country are often misinterpreted in our society. I agree that often we are too critical of one group and tend to lump them altogether. In other words, if one person does something bad then all in that group are bad. However, we do this about other people also. But I do not believe the members of the Parliament of Canada should be involved in setting aside a week to appreciate youth or anything else. I believe this is a waste of our time. I wish to state very clearly that I am presenting the opinion of the hon. member for Assiniboia. I do not know what my colleagues think about this.

An hon. Member: Agreed.

Mr. Knight: I see there is one agreement.

Mr. Knowles (Winnipeg North Centre): That makes it unanimous.

Mr. Knight: I cannot possibly conceive of the logic of such a suggestion. I suppose if one were to send the speech home it would be well received. I suppose I could move a motion to have an appreciate farmers week. We should appreciate farmers.

• (1720)

Mr. Knowles (Winnipeg North Centre): Or appreciate members of parliament week.

Mr. Knight: Yes, for all the mail we are handling. We should have the Minister of Manpower and Immigration (Mr. Andras) move a motion to appreciate members of parliament for all the work they are doing on behalf of the Unemployment Insurance Commission. Perhaps we could establish a national holiday and let members of parliament have that week off so they would not have to handle the cases for the Minister of Manpower and Immigration. I can tell him that I am getting terribly sick of handling them.

An hon. Member: We could have a week for the whips.

[The Acting Speaker (Mr. Boulanger).]

Mr. Knight: Yes. Members could move a motion like that after the whips had given them trouble over not showing up for certain votes.

Mr. Knowles (Winnipeg North Centre): Carried.

Mr. Knight: That shows the utter stupidity of such a motion. We can probably get four or five members to say they will talk it out. I say, quite frankly, that we should talk out this motion. If we are going to do something for youth in this country, this parliament must deal with real issues which affect young people, real issues which affect their future, such as whether this country become economically independent or whether this country will have a full employment economy. That is what affects young people, not setting up a week to appreciate them. Nonsense—that is all I have to say, Mr. Speaker.

[*Translation*]

Mr. Gaston Isabelle (Hull): Mr. Speaker, it is always a pleasure for me to take the floor, especially during the private members' hour. I must congratulate the hon. member for Sherbrooke (Mr. Pelletier) who requested permission from the Chair to recite a poem. I think he will realize, especially by listening to the speeches—what is worse is that they are written for future generations—that everything is allowed in the House. The reading of that poem was just like a whiff of oxygen in this majestic and austere assembly.

The Acting Speaker (Mr. Boulanger): Order. I should like to point to the hon. member for Hull that the hon. member for Sherbrooke did not read but recite a poem.

Mr. Isabelle: I am sorry, Mr. Speaker. I saw him bend his head from time to time, I did not think he was reciting, but it was so beautiful that I was under the impression that he was reading it with much feeling.

And as far as I, a former youth, am concerned, it is always a pleasure to talk about youth. The definition of youth in the dictionary is the following:

The period of life between childhood and maturity

I did not think that, by extension, for instance, one can always remain young, for to keep eternally young is to keep young in one's heart and one's life. This is why while many people are senile today, many others will keep eternally young.

As I said before, this august and austere assembly puts up with speeches of all kinds and patterns. I can even quote examples showing that pollution is not to be found in the air, nor in the fumes from the chimneys, nor in Montreal, Toronto, Vancouver or Los Angeles, but rather in the speeches. I believe that more pollution is to be found in speeches from speakers whose brain cells seem confused and whose product is at best quite hazy. Of course, life is often dull and superficial for hon. members, especially nowadays.

I wish to congratulate the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) for the generous thought he has expressed concerning young people. But young people need more than concern. The standards set for admission to some universities, particularly the medical art faculties, are much too rigid. Yet, medical doctors are

needed all across Canada. Our country ranks 26th in the doctor-to-population ratio. Therefore, I wonder whether there are any possibilities of making representations to university faculties and medical colleges in Canada since, in my opinion, they have gathered more dust than prestige over the years and an effort should be made to make admission standards more flexible. For admission to medical faculties, the requirements are 80 per cent marks, which leads us to believe that those who get 80 per cent marks in pre-med are no doubt geniuses, whereas the same students, on completing their classes, will be less interested in practising medicine than in doing scientific research, so that future generations will build robots to look after the citizens' health needs, and that will be rather unfortunate.

All sorts of faculties should also be helped in their planning activities. In the province of Quebec, when only a few teachers were needed, lots of them were trained, with the result that teachers will be unemployed. A few sociologists were needed, thousands of them were trained, and many of them are now jobless.

Miss Bégin: There is one of them here.

Mr. Isabelle: There are some of them everywhere. This is why, Mr. Speaker, the suggestion of my colleague is excellent, but I suggest that more than pious wishes are needed to help our young people. All they want is to be helped. Of course love, whether in novels or in real life, is very important in the life of teenagers. It carries them into another world. Of course some are more mature and since youth is the best time in one's life, it is important to make young people understand that they must not waste those years.

It is often said that it is possible to make a career in politics. But politics is a passing thing which is just a stroke of luck, except for some people, like Sir John A. Macdonald, for instance, who said after the Speech from the Throne in 1867: We have built Canada, we shall now have to build Canadians.

• (1730)

We are now in 1973 and heaven knows how far we still have to go before reaching that objective. Youth can cause problems that affect us directly.

In the national capital area the issue of bilingualism is an important one, but I do not wish to stir up the fire. We will be talking about it in due time. I simply wanted to say to my colleagues representing ridings west of Toronto or from Ottawa to Vancouver that what has been lacking perhaps in the education of Canadians is that they could never understand each other because they could never get together. One must not forget that the jet service between Vancouver, Winnipeg, Toronto and Montreal is in operation only since 1960. We can thank Air Canada for offering today cheap excursion fares to western Canada which are going to give us the chance to meet those we never knew, at least in the case of the young. It is less expensive to spend 15 days in Europe than in western Canada. So nobody wants to go there. This might come later; exchanges have already started and I know that this can continue because it means survival for Canada. If we want survival we will have to get together and it is by talking to one another that we get to know one another better.

And I think we have failed miserably since 1867 by not trying to stimulate youth to bring about a united Canada. And when I say "united" I am not trying to play politics because I know that others have different opinions on the subject but I simply want to say that perhaps we missed the boat by not thinking about that.

This is so true that I have met people from Vancouver who were very quite excited about meeting French Canadians in Montreal; they had never set foot in Montreal. Then, all that they had heard had come from the news media and we know that even though they are not biased, they do not always faithfully report the news.

The Acting Speaker (Mr. Boulanger): Order please. The hon. member is delivering a very interesting speech but I wish to point out to him that the bill before us is not a bill related to the official languages, but Bill C-13, respecting national youth appreciation week.

Mr. Isabelle: Mr. Speaker, I mentioned the news media because they are referred to in the explanatory notes of this bill.

Therefore, I would invite you, Mr. Speaker, always to wear your glasses, which will make it easier for you.

I do not wish to take any more of the time of the House, but I would like to quote a word from Titus: "I lost my time today". He used to say that in particular when he had spent one day without finding an opportunity to help someone.

As a conclusion to my remarks, I wish to invite my colleagues to think over these words in the evening, when they get home. Perhaps we shall have, from now on, stronger speeches and perhaps our sessions will be shorter, more interesting, more practical for many Canadians.

The hon. member for Saint-Hyacinthe (Mr. Wagner) is an excellent former Liberal but, unhappily, he made a mistake, and I am sure that he is sincere when he speaks about Canadian unity.

I would like, Mr. Speaker, to congratulate my hon. friend the hon. member for Burnaby-Richmond-Delta for his excellent speech and in particular for the bill he brought forward, but as I said earlier, we should attempt to find other ways and means to help the young rather than to praise them for a week and forget them afterwards.

[*English*]

Mr. Jim Fleming (York West): Mr. Speaker, it is a great pleasure to speak on this bill, not because I shall support it but because I recognize much of the good that is intended in it, even if I do not believe it should be before the House for decision. I should like to congratulate my colleague, the hon. member for Sherbrooke (Mr. Pelletier), for his excellent maiden speech. It makes some of us who have already spoken feel that perhaps we should wait a little longer before speaking again. The hon. member's speech was very good.

The hon. member for Assiniboia (Mr. Knight) said he raised the subject as one of that group called youth. When

my imagination runs wild I think I, too, can make that claim. Then I realize the facts on my birth certificate and refrain from making the claim. However, I am not too far past the age of being trusted and I hope the hon. member will trust in some degree the points that I wish to make. I express some disappointment in the fact that the hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) did not go into greater detail. When a matter with such merit as the explanatory notes of this bill would suggest is presented to the House I think there must be good reason for it. I would have liked from him more examples of fine work of the type done by the Optimists Clubs of Canada. I am a little disappointed that the hon. member has received singular lack of support from his own benches. In all fairness, he has one advantage which is that 50 per cent of his Quebec caucus is present whereas we have only about 15 per cent of ours.

Some hon. Members: Hear, hear!

Mr. Fleming: If the purpose of this bill is to try to bring together our young people and those especially amongst them who are alienated with society, then there is some point in discussing it. The explanatory notes of the bill set down a number of purposes of the measure. I should like to skim over a couple of these areas and suggest useful things that could be done. For instance, parents who are proud of their children often fail to express that pride. If we had the kind of week envisaged in this bill, parents could show their children that taking care of them and loving them has not just meant buying them cars and giving them an education, but real love and affection is there also.

Lions Clubs, Rotary and Kinsmen clubs and similar organizations could include sons and daughters in a program and teach them what these clubs are all about. The more mature people of our country also could do a great deal of work on behalf of Canadians generally. Take business and industry for instance: when we speak of youth we tend to mean those in university or those doing social work, but the greatest number is in industry doing their best to earn a living and pay their taxes. Sometimes these young people of 18, 19, 20 or 21 are supporting a wife and family. I think a very great effort must be made to reach this group of young people who are often overlooked. Then there is the role of religion. Many of us believe that even though some churches in our society have improved their relationship with the community, they still have a special opportunity to project their teachings and encourage their own young people to go into the community and to show that useful things are being done within the church.

What I am suggesting, Mr. Speaker, is that although we are talking about a national youth appreciation week, really there is opportunity for all sorts of liaison among parents, youth, industry, business and service clubs as well as religion. Perhaps we should be working in the general area where there is a breakdown of communications as between all age groups and sectors. Perhaps this bill should not centre on one specific area.

My colleague, the hon. member for Sherbrooke, gave an excellent portrayal of the many programs for youth, but I should like to mention the LIP program which has offered many jobs to young people who feel alienated. Many of these programs give young people an opportunity to test their mettle, to put their ideas into action and to experience what it means to earn a dollar, pay taxes, and to become involved members of society. They have been very successful in breaking down the alienation that some young people feel.

Politics, of course, is something close to all of us. When we look within the ranks of our own parties I think we will agree that some of the brightest organizational work is done by young people. They keep us fresh and alive, aware of new ideas and approaches. They do a lot of research not only within university communities but within the more traditional communities of our society. University lecturers, the ones that are Canadian, are very often young people, and that is most encouraging. I read an article the other day which pointed out that many business executives in Canada are in their thirties or early forties, so that is another area where younger people are playing an active role.

I hope, however, the bill before us does not imply that there is inequality in this area. I do not suggest that is what the hon. member for Burnaby-Richmond-Delta had in mind, but there are problem areas and I have touched on some of them. The hon. member for Assiniboia wondered what would happen if we carried this idea to the extreme. I will not call it crap, as he did. I will not use that word because the intent of the bill is good. We ought to remember that a service group, the Optimists, which works in communities across Canada, is involved and we should treat them with respect.

• (1740)

I agree that it would not be productive if we were to carry this idea forward as an act of the Parliament of Canada because then we should become involved in projects such as senior citizens' week, which might be developed in conjunction with the New Horizons program, or national housewives' week, national workingmen's week, national working women's week or middle-aged people's week. We might even have an hon. member for Winnipeg North Centre (Mr. Knowles) week, as he so often sits here through private members' hour, although he is not here now.

I think the cause is good, although I am not sure that by incorporating it in an act we would accomplish the spirit of this bill. I am afraid I cannot offer the excellence of poetry such as several of my colleagues offered earlier. However, perhaps I can offer these few lines, hastily but together, to make my point:

Roses are red,
Violets are blue,
Kids are great,
Other people, too.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to say a few words on the bill now under consideration. I should like in the first place to say to the hon. member how much I appreciate the fact that he introduced a bill for the establishment of a youth appreciation week.

As the saying goes, Mr. Speaker, if youth but knew, if old age but could. If we could put that proverb into practice, we would give far more experience to youth. Our young people are like those of yore. They are born with needs to be fulfilled. Those are human needs as all others, but since the beginning of things, there have always been young and old people. Youth has surely the right to hope in its own country.

Youths live on hope and this must be proclaimed by senior people, those who know what life is about, who have the experience of life. This experience must be transmitted to youth. This is the responsibility of all.

Through technology and universities, youths do not lack information on technical matters, the philosophy of life, etc. Youths have just about everything.

Nowadays youths lack initiative from the moral point of view, as it is stated in the bill, and I quote:

. . . on the influence religion and morals have on the lives of youth and to encourage youths to actively participate in spiritual activities; and

Mr. Speaker, I feel there is now a lack of morality in our universities, in our schools and in our country for the guidance of our youth. If we want to build up a strong country, inhabited by just people, a developing country where we can tell our young people to hope, we should give them the means required for hope, in other words, ethics. Now, morality has to a certain extent been set aside in our universities and school. In my opinion it is lacking in our young people. Why? Because there are not enough "moralists". If a number of them met all the needs of our young people, we could entertain hopes of creating a more just society.

Today's youth do not hope for a just society because they pretend that injustice is everywhere. Youth is given rustic means to earn a living, youth is educated in universities. They come out of there with many degrees; many young people with degrees cannot find their place in life, they are unable to develop naturally as they would have wished, to be in the areas where they would have liked to develop. In summary, they are unable to find their way.

In universities and schools, youth have to be developed in the same way as steel or furniture are produced in any industry, by mass producing them. In universities as in any other institution of higher learning education is mass produced just as steel is.

Mr. Speaker, we are not giving enough consideration to vocations springing up in each individual. Every human being should be individually educated in universities and other places of high learning. People now are mass-educated and thus we are going through a dreadful experience. Many young people are far from being adapted, far from being in the sphere they would like to be. This is due to the economic, social and spiritual lack of balance.

Spiritually we lack balance because when all the young people get their degrees from these institutions of high learning we can well realize that in respect of morals there are many deficiencies. We realize that they did not get a proper moral education, and this has resulted in the uneasiness we see in our society, especially among young people.

• (1750)

Also in the economic area, we have many reforms to make for young people. They cannot find their role in society, cannot get married, cannot take up a career of their choice, because the economy no longer lets them. Thousands and thousands of dollars are needed to start any small business. But young people lack capital and cannot face up to the situation and the blame must not be laid only on them but also on the system in which we live. They should have the right to live, to get married and to have a home of their own.

But today, this is practically impossible, because they must pay four or five times the price of a house, because of the present system, where we cannot even give young people the hopes they should have.

If we are to give young people any hope, we are going to have to reorganize our whole economy. We are going to have to adapt our economy to the latest technical and ideological developments. We are going to have to give the young of today and tomorrow access to all that if we are to build a just society where man will be recognized and respected, as it is not the case presently, because initiatives are lost and many young people could do much better in society but in the context I have described we make slaves of them at best.

[*English*]

THE ROYAL ASSENT

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bill:

Bill C-124, an act to amend the Unemployment Insurance Act, 1971 (No. 1)—Chapter No. 2

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Supply

GOVERNMENT ORDERS

SUPPLEMENTARY ESTIMATES (A), 1972-73

The House resumed consideration of the motion of Mr. Drury:

That vote L12a, in the amount of $350,000,000 of the Department of Finance for winter capital projects fund—loans in Supplementary Estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, at five o'clock I was commenting on this government's financial policies in relation to item L12a and mentioning that I personally found it incredible that the Minister of Finance (Mr. Turner) does not believe in forecasting economic conditions. If he truly believes this, then he must be alone among his contemporaries in other nations who hold similar office to his.

I thought that the leader of the New Democratic Party in this coalition government put it pretty well when he said that there was a difference between forecasting and prophesying. With deference, I would say that the Minister of Finance has a duty to forecast and to take the nation into his confidence. Then once having set his goals publicly, he would be able to count on the support of labour, management, provincial and civic administrations, amongst others, to help him achieve what should be common goals for the benefit of all Canadians.

We have had no comment on the policy requests and projections made by organizations such as APEC and the Atlantic Development Council who suggest that a reasonable goal in this region would be 4½ per cent unemployment by 1981. I think that would be a reasonable figure. However, as I was mentioning at five o'clock, we have had very little in the way of policy from the Minister of Regional Economic Expansion (Mr. Jamieson). All we have had so far in this session, and indeed for years, from this government, are catch phrases.

When the Prime Minister (Mr. Trudeau) was minister of justice a few years ago he caught the public's imagination when he said that the state had no business in the bedrooms of the nation. This got him a certain amount of prominence. We now have the Minister of Finance saying that in order to define policies, and so on, he prefers to avoid statistics and to talk in human terms. That sounds good, Mr. Speaker, but what does it mean? I suggest that, like so much of the government's policies, it sounds good but it does not mean very much. If I may quote a phrase used by my colleague for Ottawa West (Mr. Reilly), like so much this government does it is "all swank and no knickers".

My party is on record as having made constructive proposals. In a small way, I made some policy proposals myself twice in the month of January since this parliament opened. But we have had no policy commitments or policy objectives put forward by the government, and I suggest that we are not likely to get any.

The current policy for DREE, which is by its very nature vitally interested in capital works projects, and the type of endeavours that this government is attempting with projects in many ways similar to vote L12a about which we are speaking tonight, is formulated, I fear, by bureaucrats. Let me illustrate what I mean by quoting from a report that is, I submit, very relevant. It covers a matter that is being currently considered by policymakers in DREE and relates to Atlantic Canada's housing policies and what should be done in a meaningful way to implement, shall I say, some of the aims and objectives of the government. Let me quote from the report, which is a current one and which I shall call simply the "Scanada document", to show the House what I consider to be a very good example of what is the ultimate in bureaucratic jargon:

[Mr. Speaker.]

Having realistically primed the Atlantic Canada housing network—

Just get that, Mr. Speaker—"the Atlantic Canada housing network"!

—with demonstrated, "regionalized authoritative responsibility" the federal government would proceed to implement stage two of the proposal. In view of its multiple input, second stage implementation will require skilled timing and sensitive manipulation.

It sounds more like a Masters and Johnson report so far, Mr. Speaker.

Besides majority funding, the federal government's participation will range from firm insistence at one extreme to negotiated compromise at the other.

Isn't that nice?

The report continues:

Under directional control of the newly formed federal-Atlantic Canada Housing Policy Implementation Authority—

Isn't that a nice mouthful?

—teams of proven top flight industrial and financial, managerial and technical skills will be assembled.

This document that I am quoting, as will later appear, has extreme relevance because it is being prepared for government use by highly paid consultants, some of whom, I am led to believe, are not properly authorized under or pursuant to the Official Secrets Act. I also intend to find out what the document cost. I suggest the cost will be very great. However, the best has yet to come. If I may continue to quote from this so-called "Scanada document":

For purposes of this submission, the teams will be referred to as "The Dam Busters" since the name aptly describes their proposed function. Selection and acquisition of the right type of individual will not be cheap or easy, it may even be necessary for the federal government to turn to non-regional-based organizations for assistance.

Now listen to this, Mr. Speaker:

Secondary and/or sub-standard individuals will have to be ruthlessly rejected since under-par performance by the teams will negate the entire revitalizing concept. In scope the "Dam Busters" will represent every direct and indirect activity associated with the housing industry. At predetermined point in time "The Dam Busters" would be simultaneously injected into what there presently "is" of the industry in Atlantic Canada.

That is the type of policy that we are paying to have injected into government policy so as to deal with the very real situation that Atlantic Canada is facing in terms of winter works, housing and so on. If I may just continue to quote this document, it is illustrative of the type of input that is going into DREE as far as regional development policies are concerned. It continues:

Hopefully occupying managerial positions, it is reasonable to assume that respective members of "Dam Busters" would quickly assess weaknesses within their areas of expertise. Reacting instinctively to challenge, I believe corrective planning would be fast and effective. Equipped with positive planning, supported by federal funds, and stimulated by competitive complementary interaction from their peers in support activities, revitalization is inevitable. Dams will be broken and the flow of viable production will be firmly established.

This report, as near as I can figure out, proposes to make a General Motors out of the Atlantic housing industry. If this is the type of policy input that we are going to be fed as far as the federal government's current DREE program for decentralization is concerned, then I think we in the Atlantic region are in for more trouble than we realize.

• (2010)

However, coming back to the guidelines, if any, in respect of this $350 million expenditure under vote L12a, I wonder if we are not justified in asking for a little more explanation about the benefits that will accrue to the people most affected by an expenditure of this kind. Are there going to be any lasting benefits? Will there be municipal and civic improvements? Will there be wharves, roads, and so on, constructed? I hope so. However, I am afraid what we will have is just another LIP program.

Surely winter works capital programs deserve more careful regulation and policy guidelines than the somewhat impromptu method used by the department in determining who should receive LIP grants. Unfortunately, very often the people who receive these grants are those who have the biggest "lip". Down in Nova Scotia we know where most of the LIP grants go, as does the government House leader. I hope that the $14 million of this $350 million, which is the proportion coming to Nova Scotia, will be spread around a little more. It seems obvious that we need, when considering proper guidelines and the scope for large-scale capital works projects such as these, government-planned, integrated projects. All federal department projects and not just winter works projects necessarily, well intentioned as they may be, should be integrated.

It is incomprehensible to me that the item we are considering has to be dealt with in this particular way as a mere designation namely, vote L12a. I think we are entitled to something better than that. We as Members of Parliament are entitled to participate in establishing some of the guidelines and objectives.

As I said earlier, I agree with the hon. member for Timiskaming (Mr. Peters) that the provinces should not be given all the responsibility of deciding how this money should be spent. Our federal prerogative, in this particular instance, is neglected. I can only deplore that and suggest that any government which proposes to spend this kind of money should listen to the suggestions of members in this House. If this government has demonstrated nothing else, it has demonstrated a great propensity for misspending money in many fields, including export development. It has demonstrated its ability to allow the UIC fund to get completely out of control. Unless some guidelines are established with the assistance of members of this House, I fear that the winter works program will be no better managed than some of these other programs, and later on we will be looking at the results of the expenditure of this $350 million as we have looked at the results of other programs wondering why so many went wrong.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, the objective of the motion under consideration is to make credits totalling $350 million for a three-year period available to the provinces, provincial agencies, cities and municipalities so as to help them to undertake winter works and at the same time to fight unemployment.

Firstly, $350 million divided over the three-year period involved, represent about $116 million per year. In my opinion, $116 million per year is a drop of water in the ocean, all the more so if the needs of the cities, municipalities and provincial agencies throughout the country are taken into consideration.

As a comparison, I would mention that the budget of the Olympic Games alone amounts to $350 million, for an event which will last about three weeks. The Olympic Games budget is as high as the grants we are asked to vote for three years to help the municipalities, the school boards and the provincial governments and agencies to fight unemployment.

Some Liberals think that such a small amount will perform economic miracles in Canada. I repeat that this is a drop of water in the ocean. Moreover, until now on the basis of government statements, we have no indication that the provinces will not keep this money for themselves to meet their needs and, for example, to finance the construction of hydro facilities, roads and other projects. Will the provinces be able to keep that money for their own purposes only, or will they have to give up part of it to the municipalities or other provincial bodies? To this day, there is no guarantee that they will not keep it all.

In addition, Mr. Speaker, why is there a three-year period? Because the government goes ahead haphazardly, because it has no stable financial policy with regard to municipalities and provincial governments. Why does it not evolve a permanent financial policy, that cities and municipalities might be able to plan their development and know where they are going?

Some hon. members said that the federal government should plan the development of municipalities, cities and provincial governments. To my mind, as far as planning is concerned, provincial bodies, cities and municipalities have nothing to learn from the federal government because it operates without giving any thought to the future. It patches things up, but too late unfortunately. When there is unemployment, for instance, it wakes up and tries to find temporary solutions to the problem.

When there is unemployment, Mr. Speaker, the government also tries to create credit, like today, to change the plans of the provincial governments, municipalities or provincial bodies.

As we have been telling the House for years, unfortunately the federal government has not adopted a permanent and stable financial policy in connection with provincial agencies and governments, cities and municipalities, the latter never knowing what is in store for them.

When is the government going to establish a scientific financial policy? This is why I consider that the federal government should draft, as we have been suggesting to the House for a long time, a financial policy which will enable municipalities, cities and provincial agencies to plan ahead at all times and not for a three-year period. In fact there will be further developments in the next three years in Canada. There will be other projects of construction of water mains as a result of an increase in population, cities will expand, municipalities will become bigger, pollution problems will still exist and if the present government is still in power, we will be talking about it yet. There still will be several public investment problems. Then, why a three-year period?

Why did the government fail to come up with a stable, permanent and serious financial policy so that municipalities and cities might be able to plan not for three, or four years but for 20 years instead for their water mains construction projects, their rebuilding of streets, their construction or other public works?

These credits of $350 million are further evidence that the Creditistes are right when they ask for the services of the Bank of Canada in granting interest-free loans to provinces, municipalities and school boards so they may finally plan for a long time ahead the development they need. These credits would be put into circulation as and when the projects are carried out by the various public bodies and they would be reimbursed by means of taxes from the taxpayers as and when depreciation, consumption or use of the projects realized with the help of credits granted for development occur in the public sector.

This means that the money or credit would be put into circulation in accordance with the development of public resources; for example, a credit of three million used for the construction of municipal water works would be valid for 50 years and reimbursed only in capital at the annual rate of 2 per cent of the original capital in such a way that in 50 years the original capital invested would be reimbursed. Thus, the taxpayers of municipality "X", the taxpayers of province "Y" would have reimbursed only once their public works, while today we pay 9 or 10 per cent interest to high finance to which the present government, as the preceding ones, gave in exchange for donations to the electoral fund the power to extend to this country the necessary credit instead of doing it itself through the Bank of Canada, as the latter has the power to create the necessary credit for the development of national resources.

The Bank of Canada should finance without interest public developments of provinces, municipalities and school boards. And the savings or loans made from the chartered banks or elsewhere should finance with interest private investments.

Mr. Speaker, here is a financial policy which would allow the government to know where it is going, and would also allow us to know where the municipalities can go with regards to their public investments or capitalizations. Such a financial policy would put a stop to the stifling of the provinces, the municipalities and the public bodies as we have it today.

I have before me the March 17, 1971 edition of the newspaper *Le Nouvelliste* in which it is said that 48 per cent of the appropriations of Trois-Rivières-Ouest, that is $494,600 on a budget of $993,700 are earmarked for servicing the public debt.

I have also before me another newspaper showing that the same problem exists all across Canada, and not only locally. It is the *Globe and Mail*, dated Thursday, February 4, 1971. On page 84, one can read the following, and I quote:

• (2020)

[*English*]

Charlottetown's problem is how to maintain, expand its services.

Debt service charges are a special burden . . .

Expenditures were budgeted last year at $3,230,000 with $1,042,000 for debt charges . . .

[*Translation*]

Mr. Speaker, I have before me still another newspaper, the *Victoria Daily Times*, edition of July 23, 1969, in which we find the following, and I quote:

[*English*]

The Crippling Interest Burden.

School board chairman Dr. Carron Jameson's troubled comment . . .

It must come as a shock to most taxpayers to learn that, at present high interest rates, the borrowing of $300,000 for school purposes will entail a repayment of $628,445. But is this adequate justification for arguing that the board should pay its way with cash? Schools are built to last for longer than one year. They will be assets to the children of today's pupils. Since this is the case, why should a generation of taxpayers in 1969 shoulder more than its share of the burden to meet requirements of the next generation?

[*Translation*]

Mr. Speaker, in the Official Review of Ontario Hydro for the month of January 1969, one can read this:

[*English*]

Another figure which is difficult to appreciate is the cost. Estimated in 'today's terms' the combined price tag works out at $1,035,000,000—

Interest is something else again. If the full amount was financed over 20 years at 7 per cent interest would amount to $1,449,000,000—

[*Translation*]

Mr. Speaker, this illustrates that in the matter of public finance, this government does not know where it is heading for. Here is another disgraceful example, that of the construction in Moncton, N.B., of a city hall that cost $1,200,000 to the builder, whereas the city of Moncton has rented the building for $329,924 a year, which means that after 40 years the building will have cost the ratepayers $13,196,960 and the city of Moncton will be destitute, having paid $13 million in rent for a building whose cost was only one million dollars.

That, Mr. Speaker, goes to show that all over Canada, in all the provinces, in all municipalities, in provincial agencies, there are urgent, essential needs to be met. The population has great needs to be met. Mayors, aldermen, administrators of provincial agencies are plagued with just one problem, that of financing. As a solution, the federal government brings forward the motion now before the House as stupid as can be imagined.

I have here the statistics regarding the Municipal Improvements Assistance Act, 1938, showing that the federal government has made loans under this Act in Canada from 1938 to 1968 totalling $7,035,783.86, demanding reimbursement from Canadian taxpayers of 2,500 million dollars interest over and above the original capital.

Today the government is proposing the same gimmick as the one which was proposed to the Canadian people in 1938. The Municipal Improvements Assistance Act, 1938 is reproduced exactly in the bill under study. That act had forced the Canadian taxpayers to pay over $2.5 billion in interest alone to finance public investments in Canada, in order to encourage the world of high finance, to elect members of Parliament who only know how to say "amen" in the House of Commons, to kowtow to the big financier come election time, just like Premier Bourassa who, come election time, goes and visits the electorate of the province of Quebec and goes to the high financial circles in New York to obtain loans in order to get the citizens of the province of Quebec deeper under.

Mr. Speaker, we advocate in the House today what we have advocated for 20 years; other non-Crediters have claimed it also.

On November 16, 1963, the mayor of the town of Bedford in the Eastern Townships, on this subject of public capital financing, was asking the same thing we now ask the House. He was attending the Canadian congress of mayors and municipalities and he asked for the establishment of a municipal bank that would pull out of their indebtedness provincial agencies, municipalities and school boards. He said and I quote:

1. The institution, by both the federal and provincial governments of some credit or bank, called provincial-municipal credit or provincial-municipal bank as directed by our provincial government.

2. The central government should provide capital investments equivalent to two thirds under the form of decreasing participation.

It would be one of the easiest things for the government through a reduction to the minimum of the National Defence program which is very expensive for the country—

Mr. Speaker, there was also a request for the granting of interest-free loans for the financing of public capital. This was published in the newspaper *La Voie de l'Est* on Saturday, November 16, 1963.

Mr. Speaker, I would like to quote an excerpt from a telegram, which is in agreement with Creditiste thinking, that was sent to the Prime Minister of Canada (Mr. Trudeau) by a Toronto Liberal MP. I quote:

• (2030)

[*English*]

It seems to me the Canadian people have had a bellyful of you chaps jetting around the world spending and offering millions of our tax dollars in foreign aid while we who pay the freight have a tough time watching unemployment take its toll in our have-not areas. It's time you called Mr. Sharp home and called off these Santa Claus junkets by diverting some of these millions to give us back our railways and putting our people back to work. I have a sure-fire plan if you will direct your people to study it for a crash program. As far as we are concerned the honeymoon is over and it's time for action for Canadians, not Africa or Timbuktu. If I am wrong, let me know because I speak for a lot of Canadians. Awaiting your reply,

Respectfully,

Eddie Sargent, MPP, Grey-Bruce.

[*Translation*]

Mr. Speaker, this shows that some people are starting to think like us and to understand that public and private finance are two quite different things, that savings produce capital and that loans must be reimbursed with interests, that capital invested in the construction of sidewalks, schools, town halls, water mains or other projects not yield interest and should not be expected to. This is why we, Créditistes, have a novel solution.

The Acting Speaker (Mr. Laniel): Order. I regret to have to interrupt the hon. member but the time allotted to him is now expired.

Mr. Blais: Mr. Speaker, I am rising on a point of order.

The Acting Speaker (Mr. Laniel): The hon. member for Nipissing on a point of order.

[*English*]

Mr. Blais: Mr. Speaker, am I to understand that because of the Speaker's ruling of yesterday we are to debate each of these individual votes in the same way as we have done today, so that after the vote on each of these items there will be a referral to the committee of the whole House, at which time all these comments will again be made? Is that the procedure?

Some hon. Members: Hear, hear!

Mr. Blais: Am I further to understand, Mr. Speaker, that we are to spend two days arguing the same motion, and that although the Conservative members during the committee hearings took up more than three-quarters of the time questioning these individual votes, that procedure will continue here?

The Acting Speaker (Mr. Laniel): Order, please. I have to make a decision on the point of order. I hope the hon. member will state his case and limit his remarks to the case which he is trying to make. The Chair has accepted the procedure which is recognized as being the practice. We are now studying a different motion to accept the supplementary estimates, which will bring us to the bill on which we will have a debate on first, second and third reading.

Mr. Blais: In view of the fact that I have received an answer from the Chair, and although I was to speak on this motion, I will forgo the pleasure for the benefit of the hon. member opposite.

The Acting Speaker (Mr. Laniel): Order, please. I must point out to the hon. member that the point he raised was not a point of order. He stated an argument regarding the limitation of speeches of other members who have the right to speak in this House.

Mr. Don Blenkarn (Peel South): Mr. Speaker, we are to receive in this House a new piece of legislation following the passage of vote L12a. It is a new kind of legislation concerning the expenditure of money over a three-year period and it calls on us to vote money which the Minister

of Finance (Mr. Turner) when speaking in the committee clearly indicated he would not need in 1973. The minister said he might need $65 million, perhaps $70 million or perhaps $75 million. Our party is prepared for stopgap measures and this is what we are talking about, a vote for $75 million. However, to talk about voting $350 million over a three-year period on what are called supplementary estimates is surely an abuse of the proceedings of the House and is no way to enact legislation involving a problem on which I will speak later.

It is totally irresponsible on the part of the government to ask parliament to vote $350 million for a further three-year period when the government, of its own volition, stated that it does not need the money. Apparently the government is going to put it in the bank. As the hon. member for York-Simcoe (Mr. Stevens) said, the government will then be able to use the money as it sees fit without having to account for it to the House. Under no circumstances could a responsible parliament contemplate voting for this measure as presented, in view of the obvious fact that the minister declared at the committee hearings that he does not even need the money.

• (2040)

Mr. Speaker, the hon. member for Verdun (Mr. Mackasey) once said that $500 million was only a drop in the bucket. In referring to some of the problems we have heard the hon. member for Compton (Mr. Latulippe) say that this is a small amount of money compared to the cost of the Olympic games. Let me say, Mr. Speaker, that even if $350 million is only 70 per cent of that "drop", this party recognizes its responsibility to the taxpayers of Canada. This party is not going to vote money that a government clearly says it does not need this year, money that it can come back to parliament and get when it needs it. To set aside money for this year and the year after that under what are called supplementary estimates is clearly an abuse of the process of responsible government and the handling of public funds.

Mr. Speaker, the measures taken in the past regarding winter employment have been stopgap measures, and I understand that the minister is now trying to get away from that practice by attempting to provide for a three-year period. To that extent I compliment the government for looking ahead, but this is not the method by which it should be proceeding. The government should be introducing complete legislation to deal with winter works and winter employment problems.

Since the day Jacques Cartier landed on the shores of this country we have had winter. Winter is not a new phenomenon in this country. As long as statistics have been recorded we have heard about winter unemployment: it is not a new phenomenon and it is high time a government produced a bill on a long-term basis to deal with it. To produce a bill to deal with winter unemployment in a three-year supplementary estimate is a disgrace to this parliament and to this government's attempts to govern.

This whole procedure indicates lack of planning which has produced an inept economy and it would be impossible for this party, and I am sure for members of the party to my left, to vote for such an incompetent proposal.

[Mr. Blenkarn.]

Mr. Lachance: Would the hon. member entertain a question?

Mr. Blenkarn: Yes.

Mr. Lachance: Would the hon. member tell the House when the hon. member for Verdun (Mr. Mackasey) said that $500 million was a drop in the bucket?

Mr. Blenkarn: He was reported in the campaign recently—

Mr. Lachance: When and where did he say that?

An hon. Member: Don't you read the newspapers?

[*Translation*]

The Acting Speaker (Mr. Laniel): Order. Hon. members know that they must always address the Chair, even if they want to ask a question. I think the hon. member should abide by the rules.

[*English*]

Mr. Blenkarn: Mr. Speaker, before supper this evening I had an opportunity to talk to some municipal officials in connection with winter works programs that have already taken place. They say, quite frankly, that if the government of Canada is going to give them money they are certainly not going to look a gift horse in the mouth. I understand that. However, they also told me of the wastage in winter works projects because of the way they have been handled in the past. I understand that there are communities which organize their winter projects in the summertime in the hope that there will be a winter works program. If it comes through, it gives them a few more dollars for the next year's finances but it does not do anything to further employment; the people would be employed anyway, so it does not mean that any new people are employed.

An hon. Member: That is not so.

Mr. Blenkarn: I understand that when the program is announced in November, applications are then made for grants. When the people finally hear about the grants there is a great rush to do something. They tell me that they could do a great deal better if they had a long-term plan. In the past these winter works programs have been stopgap measures developed after the snow has started to fly. They are certainly not an efficient way of solving unemployment problems in winter.

I suggest that this government should contemplate some kind of long-term program and bring legislation before the House to cope with the problem of winter unemployment which is continually with us. I suggest that the government should look at arrangements whereby municipalities can apply for grants for projects that will stretch over two, three or sometimes five years; that when the municipalities apply for the projects there should be a termination date of the following June or July. Upon advice that they would receive money, the municipalities could then organize and arrange to employ people whom they would not otherwise employ. The problem is that in the past these programs have only been stopgap measures. It is high time the government recognized winter as

an annual occurrence and made arrangements for long-term grants or long-term loans, or both, to municipalities to enable them to undertake the necessary projects.

I was happy to hear the hon. member for Compton say there is a lot of work to be done in this country, because there certainly is. A lot of work could be done in the municipal field, but unfortunately in the past municipalities have been short of money and have had to depend upon assessment against real property for their funds. This is really a cost-shared program, Mr. Speaker, and some of these cost-shared programs have a tendency to be more advantageous to municipalities that are financially well-off and less advantageous to the poor municipalities.

Vote L12a contemplates that 50 per cent of the direct labour costs will be absorbed by the federal government by way of loan or grant. The problem is that the municipalities must contribute the other 50 per cent of the direct labour costs. We know very well that any project requires more than labour; if it is to be worth anything it will require a great deal of material and machinery. Whilst there is a tremendous advantage to the municipalities, this program does not go far enough. It is certainly discriminatory in that it only looks after those municipalities which can afford to cover half the direct labour cost; but on any project the cost of materials and hiring equipment is almost the equivalent of the total direct labour costs.

I am very happy to see the federal government proposing a three-year program for winter works. However, we should have legislation to handle winter works programs over a long period of time. I cannot possibly accept this method of municipal financing, Mr. Speaker, or this method of legislating by supplementary estimates over three years. Under no circumstances could this party—nor could this House if it were really honest with itself—accept this method of legislating.

I implore members of this House to vote against the estimates. The money is not required; the Minister of Finance says that he does not need it this year, so there is plenty of time in which to present proper legislation. If the suggestion of this party is accepted, $75 million is more than enough to cover the requirements for this year and there is no way that parliament should vote money that is not required.

• (2050)

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I feel sorry for the hon. member for Nipissing (Mr. Blais) who a few moments ago cried out in anguish because the milk from his sacred cow was drying up. I feel sorry for any member on the other side of the House who came here expecting the government to take the lead in long-range economic planning only to find, instead, that the government is dealing in sticky plaster; it is running from problem to problem and trying to patch them with band-aids. That is exactly what this program is.

When one considers that the government ignored the forecast made by the Economic Council of Canada, that in January there were 668,000 Canadians out of work, an increase of 104,000, or 15 per cent over December, and that this government mentions unemployment in terms of percentages and does not think of unemployment in human terms, one can understand why the hon. member for Nipissing expressed such discouragement and why he does not like hearing statements such as those made by members of the opposition.

What this government has forgotten is that behind those statistics, behind the words "in due course", there are men and women and families who live in degrading conditions in this country. This program which the House is considering tonight is just a band-aid being used in a situation which needs major surgery.

They plan for three years, those far-thinking men on the government side, and then say they will give this country a winter works program involving $350 million over three years. They have been warned of impending disaster for four years. The problems of the municipalities of this country will not be solved in three years, or even in five. The government of the province of Ontario, which so many people on the other side of the House like to chide, plans its capital needs five years ahead when forecasting. This government's vision extends only to three years.

Some hon. members have mentioned anti-pollution programs. In my constituency the Rideau River has been neglected for 30 years, and the Ottawa River area for 50 years.

An hon. Member: Even between 1957 and 1963.

Mr. Baker: The government countenances in the capital of this country a transportation system which in some ways is one of the most inadequate in North America.

An hon. Member: What happened between 1957 and 1963?

Mr. Benjamin: It's the same old bunch.

Mr. Baker: Our problems will not be met with short-range programs. I am not suggesting the program under consideration is all that bad; I am suggesting only that it is not long range enough, that the period it covers is insufficient and that not enough money is provided if municipalities are to solve problems occasioned by their shortage of finances. For that reason I say this program is a farce. We need more. We needed more four years ago. We needed better planning four years ago. There is no evidence of that planning and that is why we in the opposition find it difficult to accept the program.

An hon. Member: What, another one?

Mr. Baker: An hon. member comments, "What, another one?". He had an opportunity to speak. The difficulty is that the bigger provinces are likely to take a bigger bite of the pie. The large municipalities, with officials who are administratively competent and can deal with other government officials, are more likely to benefit from this program than smaller municipalities, although unemployment difficulties seem to be greatest in the smaller municipalities, at least in my riding. The largest number of complaints regarding unemployment insurance claims arising out of maladministration that come to my attention come from a small town, Prescott, with 5,000 inhabitants. The greatest number of problems to do with relief comes from the small municipality of Marlborough, with

800 or 900 inhabitants. The program we are considering will not solve the difficulties of these people. That is why I describe it as a band-aid although major surgery is required.

In a press release dated December, 1972, the government suggested that "the objective of the program is to bring about an increase in capital spending and to sustain a high level of employment." Where is the man who wrote that? This program is merely a baby step in meeting the problems of our cities. And, Mr. Speaker, to take even that step the government comes to parliament and asks us to sell our birthright as a parliament to deal with matters of finance and abdicate our responsibility for considering these matters in later years. It is not worth our while abdicating this responsibility for the sake of this program.

Some hon. Members: Hear, hear!

Mr. Baker: It is necessary for us to remember that governments must be responsible. Governments cannot ask parliament for blank cheques. Governments cannot ignore parliament—and we in this party do not intend that to happen. When necessary we intend to raise our voices so that this government may understand that from now on there is to be a new era of governmental responsibility to parliament.

Some hon. Members: Hear, hear!

Mr. Baker: Although well intentioned, I think this program was ill-conceived and may well turn out like the LIP program. During the question period I have heard the Minister of Manpower and Immigration (Mr. Andras) make excuses for that program. Letters have come from his department which have been full of excuses. We know that good projects have been ignored because no criteria were set. Ultimately, this House must bear the responsibility for lack of criteria with respect to such programs.

It was been suggested that this program originated in the minds of bureaucrats. I do not credit the public servants of this country with conceiving such an ill-conceived program. The public servants of this country will function best when properly led. The public servants of this country recognize that they are led by the Minister of Finance (Mr. Turner) who is the arch-conservative member on the government benches and perhaps the most conservative man in this House. The problems of our country demand action, imagination and full-time leadership by the minister. And what does he do? He falls back on band-aid remedies; he falls back on sticky plaster. One cannot criticize public servants for being concerned about such programs. With respect to this particular program, the public servants involved are leaders. Perhaps their problems with regard to the present program represent only the tip of the iceberg. Because of such difficulties morale has been low in the public service of this country.

Just look at the problems of our cities, Mr. Speaker. Look at the transportation problems of this city and others. Look at our housing problems. Look at transportation difficulties in general, and at water pollution difficulties. Look at the difficulties encountered with respect to the redevelopment of our parks and the provision of recreational land. Although the present program has been designed to develop employment, it will not solve such problems as I have enumerated. This program enunciated in the press release with such an air of euphoria will not do the job that the government salesmen, those new salesmen, would like to see done.

• (2100)

There is no imagination here. For a program that lacks such imagination I do not believe the government ought to be allowed credit beyond that which they say will be required for this year. There is a necessity for these programs. They are not the answer to everything, as this government says they are, but they will work as an adjunct to an active industrial society, a society where there is high employment, people can find gainful work and their wages are not drained off to meet the costs of enforced idleness.

These programs can work, but they must be started sooner than this one was started. We should not be debating the matter in February when we could have been debating it in December. As a matter of fact, the last parliament should have debated it in June. It is a slothful government that has put forward this matter. It is a delayed government, a late government and a government that will not be with us very long.

Some hon. Members: Hear, hear!

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, we have here the presentation by this government of a form of legislation, a bill in fact, under the guise of a supplementary estimate. My colleague, the hon. member for Yukon (Mr. Nielsen), traversed this point at considerable length yesterday. I do not want to go into the complexities of the Financial Administration Act in great detail, but at a moment's glance it invites one to look at the item *in extenso* as it appears in Supplementary Estimates A, laying down all the conditions, the allocations, how the allocations are to be secured, the types of projects and the forgiveness feature.

However, the strangest point, and I think the totally illegal point, is that it makes reference to a bill that has been wiped off the statute books. If one looks at Revised Statutes, 1970, in which should be incorporated the 1963 act, it cannot be found. It has been totally eliminated because the 1963 act terminated in 1966. It was dead. This item could have been introduced as a $1 item. However, for personal aggrandizement the government said, "We are going to make it $350 million."

Maybe this is a clarion call to the voters. Some will say it is a trumpet call. I would say it is whistling past the graveyard. However, there is this trumpeting call of $350 million that members opposite may say they have provided for the coming year. It is going to be something over three years. There is perhaps some $65 million for this year.

I will not repeat the argument of my colleague, the hon. member for Yukon, with regard to the fact that this is contrary to the Financial Administration Act, an act of which I am sure the Minister of Agriculture (Mr. Whelan) has never heard.

Mr. Whelan: Oh, yes; I heard you mention it before.

Mr. Lambert (Edmonton West): I am glad. Perhaps the minister will invite his colleagues to acquaint him with the contents of it.

Mr. Whelan: I have enough trouble now.

Mr. Lambert (Edmonton West): We in this House cannot make an appropriation this year to cover expenditures for years to come and include therein provision that some of the moneys that are to be spent this year shall be forgiven this year by way of an appropriation next year. That is totally contrary to the workings of the Financial Administration Act.

I want to give the Minister of Agriculture, the Minister of Consumer and Corporate Affairs (Mr. Gray) and a few others a little reading lesson. I wish the Prime Minister (Mr. Trudeau) were here. He reads beautifully. He does a real job when he reads, but sometimes those words stick around in *Hansard*. On October 8, 1968, the hon. member for Témiscamingue (Mr. Caouette) asked the Prime Minister the following question:

When does he intend to introduce his just society policy to replace the winter works policy, in view of the fact that municipalities are now in a very difficult situation?

Can the house expect an early statement from the right hon. Prime Minister in this connection?

The Prime Minister replied:

Mr. Speaker, the policy in this regard was launched before cancelling the winter works program; this the member should know.

The winter works program has been put aside. On December 13, 1968, as recorded at page 3906 of *Hansard*, my colleague, the hon. member for Egmont (Mr. MacDonald), asked the Prime Minister the following question with regard to the amendment of the winter works program:

Is the government considering a suggestion I made to the Prime Minister at the time the winter works program was abandoned, that it might be employed in areas where unemployment in the winter months reaches or surpasses 8 per cent?

The Prime Minister replied:

When we abandoned the winter works program we did so because we felt there were other ways in which to ensure prosperity.

He talked about FRED, ARDA, AIDA and things like that. The Prime Minister then stated:

These are all ways in which we try to alleviate the economic situation. Of course we do not have a system of government in which we have entire jurisdiction over the whole economic policy.

Mr. Whelan: He does read well.

Mr. Lambert (Edmonton West): On October 5, 1970, as recorded at page 8758 of *Hansard*, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) asked the Prime Minister the following question:

Since most of the unemployed will not be very fully satisfied or their hunger assuaged by lists, may I ask the Prime Minister whether the government intends to announce any specific undertakings, intends to increase the money available for housing or intends to enter into any negotiations with provincial governments regarding winter works programs, antiquated or modernized?

Just prior to that the Prime Minister had said:

Mr. Speaker, we are not reviving the antiquated methods recommended by the leader of the New Democratic Party, but there have been a whole host of measures taken over the past year and indeed in recent months.

On November 5, 1970, as recorded at page 904 of *Hansard*, the hon. member for Winnipeg North (Mr. Orlikow) asked the following question:

• (2110)

May I ask the Prime Minister whether the government is giving consideration to a winter works program supplemental to the regional development programs in order to help to alleviate some of the very substantial unemployment we have and will have this coming winter?

MR. TRUDEAU: No, Mr. Speaker. As I have pointed out before, the winter works program totalled something less than $50 million. We have replaced it by manpower retraining and mobility programs to the tune of several hundreds of millions of dollars. It is typical of the NDP that they would want to go back to solutions which were discarded and discredited some time ago.

Then on September 28, 1971, as reported at page 8229, the hon. member for Skeena (Mr. Howard) asked the Prime Minister a question with regard to winter works. He asked:

Mr. Speaker, inasmuch as the previous municipal winter works program which was very valuable, as everyone knows, was discontinued without reference to a federal-provincial conference would the Prime Minister consider reinstituting it and making an announcement about it within the next few days?

The Prime Minister replied:

I do not believe the assessment made by the hon. member that the previous program was very valuable is shared by everyone in this country, least of all by the municipalities themselves. They found that very often it was a wasteful program and asked the federal government to bring in better measures, which we did, and we have the manpower retraining program.

Yet the answer today is: Back to winter works for $350 million. As far as the NDP is concerned, the Prime Minister says he is bringing back antiquated provisions which were discarded. I recognize that the NDP were in favour of winter works programs; everyone was until the right hon. gentleman came to power. The previous administration had brought in winter works' programs. But when the just society came in, winter works went out of the window.

Today, though—and here we must believe the words of the former minister of labour—the Prime Minister is communicating with the people and he is finding out that winter works programs are programs which the people want, programs which many of the municipalities want. The Prime Minister told us in 1971 they were wasteful programs. Are these to be wasteful programs now? Why are they being reintroduced? You see, Mr. Speaker, members opposite cannot be credible in this situation. They have carried out a complete about-turn. Of course winter works programs were helpful. They did a lot of good. All I am quoting is what the Prime Minister has been saying about them.

Mr. Whicher: Anybody is entitled to make a mistake.

Some hon. Members: Oh, oh!

Mr. Lambert (Edmonton West): Oh, so he made a mistake? Up and down these rows, everyone on this side of the House, Conservatives, Créditistes and NDP members said winter works programs were the answer. Unemployment was just as difficult in 1969, 1970 and 1971 as it is today. Were there any winter works programs in operation? Not a bit of it. All members opposite said was: We have our just society. We shall retrain people, recycle them.

What has happened? The sum of $350 million is to be advanced. This is strictly window-dressing. This winter they hope they can entice the municipalities and the provinces, even at this later date, to come in with programs of $160 million. Then we have to consider the conditions. They are not the conditions of the Municipal Development and Loan Act which was passed by Walter Gordon, though reference is made to that act. It is a dead act, one which does not appear on the statute books. One has to go back to the old statute books to find out details as to definitions. The program comes before us by way of a supplementary estimate and we are asked to rush it through.

Mr. Guay (St. Boniface): Because the provinces want it quickly.

Mr. Lambert (Edmonton West): What is required is a proper act of parliament, not just a few lines in a supplementary estimate. Such an act should have set out a winter works program adequately so that we might know precisely what are the conditions to be satisfied and be assured that it is a continuing program, not just a bunch of "ad hockery."

We would then have something on the statute books; there would be no need to keep questioning and badgering the government about a winter works program and risk getting the smart answers we have been given over the years by the Prime Minister. They were shocking answers. According to him, these were programs which were obsolete. But, my goodness, when they got into trouble and found their new-fangled programs were not working, what did they do? They went back to tried and true programs, such as winter works. Sure, winter works are only a palliative, but if the municipalities and the provinces were properly approached and allowed adequate time in which to make their plans, excellent results could be expected.

Nobody will be satisfied with the measure we are asked to approve. I would suggest to the hon. member for St. Boniface (Mr. Guay) that he consult the city of Winnipeg to find out whether that city alone can undertake in this coming year to account for at least $4 million. Is $4 million going to help the city of Winnipeg? Well, that is all Manitoba will get this year—$4 million for the whole of the province. Will that be sufficient? I think not.

Will this amount be sufficient to share among the municipalities? Consider the situation in the province of Quebec. Some $40 million is to be shared this year among all the municipalities of the province. Give them a pittance, as somebody said earlier. Not more than a nickel—pas plus qu'un gros cinq sous. That is the extent of this program. To deal with unemployment on the present scale through winter works, at least half this amount should be taken for the first year.

Mr. Speaker, I object strongly to the action of the government in bringing forward this proposal in its present form, referring to an act which is no longer on the statute books and embodying the terms of the obligations under the municipal works program beneath a heading in the supplementary estimates. Mind you, I am sure the municipalities will welcome any money they can get, but it certainly will not do the job held out for it. It will prove a bitter disappointment. As far as winter works for 1972-73 are concerned, I do not think their value will reach $65 million for the entire country before the period one might call winter expires in this country.

• (2120)

Mr. Ross Whicher (Bruce): Mr. Speaker, I have listened very attentively to this debate. This afternoon I heard the dual leader of the financial chieftains of the Tory party, the hon. member for Don Valley (Mr. Gillies). Tonight I have listened to the second-in-command of the financial chiefs of that party. I understand that the real financial chief is their leader.

An hon. Member: And who is that?

Mr. Whicher: My hon. friend asks who that might be. In any event, it is always very interesting to listen to these criticisms that are made of a government that is trying very hard to do what it can for the unemployed in Canada. The Liberal party takes second place to no one in helping the unemployed of Canada. Back in the Diefenbaker years when the hon. member who has just spoken was part of the government I remember the whole western world was shown who were the champions as far as unemployment was concerned. There was far more then, on a population basis, going right back to the depression years, a period of which none of us is proud.

For that matter, I do not think any Liberals sitting here tonight are particularly proud of the unemployment situation that we have in Canada. On the other hand, we are willing to admit our faults and that we have made mistakes. My hon. friend who has just spoken, as well as all the Conservatives who spoke this afternoon and yesterday, said that they never made any mistakes in the past. Their memories only go back to the Liberal government which took power a few years ago. They forget what happened when they controlled the purse strings around here.

Let me remind the House that the Minister of Finance (Mr. Turner) said to this parliament and to the people of this country that his first priority is to create jobs and get the unemployment figures down.

Mr. Orlikow: What were they last year?

Mr. Whicher: Surely, Mr. Speaker, that is a justifiable enterprise. Surely it is one my hon. friends opposite desire, even though some of them—not all by any means, but certainly some—had the unmitigated nerve to vote against the unemployment insurance bill the other night. I am glad to say three of them did have enough sense to stand up and vote with the government. We on this side

are willing to admit our mistakes, and we have made plenty of them.

Mr. Hees: I'll say.

Mr. Whicher: My hon. friend from Prince Edward-Hastings (Mr. Hees) never made any mistakes.

Mr. Yewchuk: I rise on a point of order, Mr. Speaker.

Mr. Deputy Speaker: The hon. member for Athabasca (Mr. Yewchuk) is rising on a point of order.

Mr. Yewchuk: I wonder whether the hon. member would permit a question?

Mr. Whicher: When I am finished I will be glad to answer questions. Everybody likes the hon. member for Prince Edward-Hastings, but the fact is that he never made a mistake in his life.

Some hon. Members: Hear, hear!

Mr. Whicher: He was in the midst of a mistake when he went skiing in Europe but he was caught by the right hon. member for Prince Albert (Mr. Diefenbaker). Some of the members who came here only last month do not remember, but let me remind the House that the hon. member for Prince Edward-Hastings made many mistakes and he tried to rectify them by going on a skiing holiday in Europe at a certain period of time.

Mr. Paproski: Tell us about the trips you took, Ross.

Mr. Hees: You will make a mistake in the next election.

Mr. Whicher: When it comes to an election, George, you have only half a chance of winning.

Mr. Hees: That is grade 3. I must say you have a great memory for your old schoolroom chums.

Mr. Whicher: You do not bother me at all, George. I have been insulted by experts, and I really do not regard you as one.

Mr. Deputy Speaker: Order. Let the Chair remind the hon. member that it is customary to refer to other members by their ridings, not by their names. The hon. member for Bruce (Mr. Whicher).

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

Mr. Deputy Speaker: The hon. member for Hamilton West (Mr. Alexander) is rising on a point of order.

Mr. Alexander: It is always a pleasure to listen to my hon. friend when he makes his bi-weekly parade and is given the opportunity to speak in the House, but it would help us a lot if he would just mention once that we are dealing here with vote L12a.

Mr. Deputy Speaker: The hon. member for Bruce.

Mr. Whicher: Mr. Speaker, I am pleased my hon. friend brought me back to reality when he said we are talking here about a $350 million vote. I am very pleased to talk about it.

Mr. Leblanc (Laurier): A point of order, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Laurier (Mr. Leblanc) has a point of order.

Mr. Leblanc (Laurier): Mr. Speaker, the point raised by my good friend from Hamilton West (Mr. Alexander) has very much bearing, I think. But on the other hand, I think that yesterday and today you were very lenient in regard to the relevancy of what was said. I think that Mr. Whicher—

Some hon. Members: Order.

Mr. Leblanc (Laurier): —who has the floor is in order.

Mr. Deputy Speaker: The hon. member has a point, but I count on the experience of the hon. member for Bruce to bring us back to the straight and narrow of debate.

Mr. Whicher: What is it that we are voting on here tonight?

Some hon. Members: Oh, oh!

Mr. Bell: That is a good question.

Mr. Whicher: The fact is that we have before us a $350 million estimate. What is it for? I will be very frank with my hon. friends across the aisle and say that in my belief the Liberal Party over the last two or three years did make mistakes and that we do have too many unemployed.

Some hon. Members: Hear, hear!

Mr. Whicher: At every opportunity the members of the government have agreed with that. But they intend to do something about it. By bringing this estimate before the House tonight they have shown that they intend to do something about it. This afternoon I listened to the speech of the hon. member for Don Valley. He is an old constituent of mine who has strayed from the narrow path. Nevertheless, I thought he made a very good speech. My advice to some of my Conservative friends is that they should read it because they will learn something from it. One of the hon. member's criticisms was that there was not enough economic planning in Canada; that we did not—

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

Mr. Deputy Speaker: The hon. member for Prince Edward-Hastings (Mr. Hees) on a point of order.

Mr. Hees: I wonder whether the hon. member would be kind enough to bring us up to date on his call for a leadership convention.

• (2130)

Mr. Deputy Speaker: Order. That is not a point of order. I would ask hon. members to give the hon. member for Bruce an opportunity to make his reasoned contribution.

Mr. Hees: Tell us about the convention.

Mr. Whicher: Mr. Speaker, I was just going to say that if I did call for a convention I would be copying somebody,

because I remember not once but many times when my friend the hon. member for Prince Edward-Hastings (Mr. Hees) called for a convention. As a matter of fact, I would not be surprised if he is calling for one right now.

Some hon. Members: Oh, oh!

Mr. Whicher: If I ever saw a party that needed one, that hon. member belongs to it. If he needs any help, I am sure there are many over on his side who would be glad to arrange such a convention.

Mr. Hees: How soon do you think a convention should be held? What was the date you had in mind for a convention to replace your leader?

Mr. Whicher: Mr. Speaker, I just want to say—

An hon. Member: You were much better when you were sitting in the rump.

Mr. Turner (Ottawa-Carleton): You have one of the biggest to sit on that I have ever seen.

Mr. Whicher: My hon. friend is very good when he is sitting down.

Mr. Hees: He is better sitting down than you are making a speech.

Mr. Whicher: It doesn't matter which side he is sitting on because nobody would notice the difference.

Mr. Paproski: I want to thank my hon. friend.

Mr. Whicher: Mr. Speaker, perhaps my friends will let me continue for a few minutes. I do not mind these interjections.

Mr. Paproski: I hope you are going to send this back to your riding.

Mr. Hees: Tell us about the leader you are challenging.

Mr. Whicher: When my hon. friend has been sent back to his riding as many times as I have, he will be able to boast about it.

Mr. Speaker, I should like to be serious for a moment and I would appreciate not being interrupted for just a few minutes. When we vote on this large amount of $350 million I think we must get right down to basic foundations and ask ourselves where this money is to go.

An hon. Member: Don't you remember?

Mr. Whicher: The answer to that question is that the money is going to ten provinces and two territories in Canada. It is not going to any country in Africa—God bless them, and we try to help them—it is not going to an Asiatic country, to the United States or to South America; it is going to Canadian provinces and we should be proud of that.

Some hon. Members: Hear, hear!

Mr. Whicher: In addition, Mr. Speaker, one might very well ask why this money is going to the provinces of Canada. Let me say that a certain situation has developed. There is too much unemployment in Canada and this government is going to do its best to rectify that situation.

I am somewhat amazed that members of the Conservative party are opposed to this program because it has been brought in by way of supplementary estimate. One hon. member on the other side—I regret I cannot remember his riding—made a very reasoned speech this afternoon. I excuse his lack of knowledge because he came here only after the last election and perhaps his memory does not serve him well. Supplementary estimates were not put into use just when the Trudeau government took over. The winter works program really started during the Diefenbaker years. I do not want my hon. friends to be cross with me when I tell them that the winter works program came into effect then because there was more winter unemployment than ever in the history of Canada and that government had to do something.

Some hon. Members: Hear, hear!

Mr. Whicher: May I remind my hon. friends through you, Mr. Speaker, that the right hon. member for Prince Albert when he was prime minister of Canada did not bring in the winter works program as a budgetary measure; he brought it in through supplementary estimates. We are now copying what he did. Even the Tories do some things that are good.

Mr. Hees: Better than anything you have ever done.

Mr. Whicher: This afternoon the hon. member for Don Valley said that this government did not do enough planning. Even some of us on this side might agree. But the provinces of Canada have complained not just about this government but about various governments over the years. They have said they do not know what is being done down here, and they have asked for planning. This government has planned and has agreed to the expenditure of $350 million over the next three years, not just for this winter but for next winter and the winter following. The provinces will know exactly what they are going to get and they can plan their itineraries for winter works not just for this year but for the next two years.

This is a program which must be put into effect. My hon. friends on the other side continue to talk about the unemployment problem in Canada. We admit there is a problem and we want to do something about it. We are asking our Conservative friends to help us do something about it; that is why we are asking for this $350 million.

An hon. Member: Cut taxes or resign.

Mr. Hees: God knows, somebody has to help you.

Mr. Whicher: What is the purpose of the $350 million?

An hon. Member: Don't you know?

Mr. Whicher: Mr. Speaker, I generally do not use notes, but I should like to quote one paragraph of a statement that was provided to each member of this House. It has reference to the winter capital projects fund and in the introduction it is stated that the purpose is as follows:

To encourage a concentration of additional activity during the next two years there is an incentive providing for forgiveness of a loan to an amount equal to 50 per cent of total direct on-site labour costs incurred up to May 31, 1975; and to encourage construction during the winter, a further incentive allows for forgiveness of an additional 50 per cent of direct on-site labour costs between the December 6 to May 31 winter period for the 1972-73 winter, and the December 1 to May 31 winter period for the 1973-74 and 1974-75 winters.

I suggest that is something every member of this House should stand up and support. It is something that my friends on the other side have been complaining about ever since we came here on January 4. They have said the unemployment situation is intolerable. It is intolerable, and we want to do something about it. All of us in this government ask you to do exactly the same. Let me conclude by asking every member to think about the province from which he or she comes when voting on this motion. The provinces have asked for this program and for more planning.

Mr. Hees: They started asking eight months ago and they have asked and asked and asked.

Mr. Whicher: They asked us to plan this program, not just for this winter but for the next two winters. I suggest that by voting for this motion we will give the provinces exactly that for which they have asked.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: The hon. member for Athabasca wishes to ask a question. He may do so with the consent of the hon. member for Bruce. Is it agreed?

Mr. Yewchuk: Mr. Speaker, the hon. member for Bruce said that this party voted against unemployment insurance when it voted against Bill C-124. It seems to me that he does not know what the bill was all about and I should like to ask him whether he has read it.

Mr. Knowles (Winnipeg North Centre): Order.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I have been listening to hon. members from both sides of the House speak on this item since yesterday but I have yet to make up my mind whether members of the official opposition are for or against it. They have complained that this program should be in the form of legislation. I have not been here very long, but I have the impression that when a supply bill is passed it becomes a statute or an act of parliament. Some of the remarks of the hon. member for Edmonton West (Mr. Lambert) and the previous speaker from the official opposition would not seem to indicate that fact. If I am wrong I am sure you, Mr. Speaker, or someone else will correct me.

• (2140)

Since this is in fact an act of parliament, when we are through with this debate and these estimates we will have a piece of legislation. I do not know what the members of the official opposition are complaining about. I agree with a number of things they have said. Of course, this is 8, 10 or 12 months too late. When the Prime Minister (Mr. Trudeau) some time ago wiped out winter works, members of the opposition and of our party complained bitterly. There is nothing new about that.

I agree with members of the official opposition that in this area the government has been incompetent. What else is new? When I listen to them I am reminded of the farmer that had two skunks in the chickencoop: it was twice as bad as having only one skunk. When one thinks of the winters of 1959, 1960, 1961 and 1962 one realizes, as my friend the hon. member for Bruce (Mr. Whicher) said, the government headed by the right hon. member for Prince Albert (Mr. Diefenbaker) did the same thing. We were months behind. Even though the old parties have been around here for 105 years, they do not seem to realize that Canada happens to be a country which has a northern climate and long winters. This is a country in which we should plan what we will do in the winter, but both the Liberals and Conservatives could not find their backsides in the dark even if they used both hands.

Mr. Paproski: I do not think that is very nice.

Mr. Benjamin: I was able to find my backside in the dark a long time ago with either hand. The members of the official opposition have been getting up and bellowing like a moose at fly time in respect of this supplementary estimate. It is the same kind of estimate they brought in in the late fifties, early sixties or in the 1890s. They have not changed. They keep on damming the waters under the bridge. I just do not understand why they find it so necessary to berate the government for doing exactly what they did. This is the kind of thing the hon. member for Winnipeg North Centre (Mr. Knowles) complained about 25 years ago, whether it was the Liberals or Tories in power.

An hon. Member: Fifty years ago.

Mr. Benjamin: He could have been here then too. This is really a charade. When one listens to the members of both these old parties with their nineteenth century concepts and methods, we find that when one mentions economic planning or a planned economy they say it is socialism and is not democracy. However, when they are in opposition they say it should have been planned and brought forward months before.

When my friend, the hon. member for Waterloo (Mr. Saltsman), said this very thing, particularly in respect of winter works every year for the last four years, members of the government and the official opposition said that you cannot have planning ahead because that is socialism. Now I hear some of my right-wing friends saying the same thing. Why? I say it is not because they believe in this but because there is some noise to be made in their frantic efforts to shove the Liberals away from the trough and get the Tories up to it. They should be patient and wait a little while.

There is no argument about the necessity for planning winter works. The government, private enterprise, the trade union movement and the farm organizations should sit down and plan for one, two or five years ahead; there is so much to be done in this country. There will be municipalities which by the end of May or June will not have been able to complete projects. I will make a prediction that by the deadline for the completion of these projects there will be scores of municipalities in this country which will not have been able to complete their projects whether we have a Liberal or a Tory government.

The members on this side of the House will succeed in getting them to extend the deadline as we were able to do in respect of winter works in previous years. So again I fail to understand why members of the official opposition are so upset.

The panic button will be pushed by members of the government, no matter which party occupies those benches, and the deadline will be extended. You can bet on that. On the one hand, the Conservatives have talked about waste, extravagance and abuse in respect of unemployment insurance. My hon. friend from Grenville-Carleton (Mr. Baker) spoke very well about all those who are unemployed in his riding, particularly in Prescott. This is good. This is the nicest thing I have heard a Conservative Member of Parliament say about the unemployment situation for quite a while. I take it he will be voting for this estimate. I am sure the municipal council of Prescott will come up with some projects to put people to work. I am sure, also, that Prescott will try to get more than its share of the money. I wish them well. It will put some people to work and reduce unemployment and the number on the welfare rolls in Prescott. So I can assume that the hon. member will support this supplementary estimate.

The Prime Minister spoke about all the alternatives available when they stopped the winter works program and brought in manpower training, and so on. The hon. member for Bruce admitted that this was a mistake. I ask him to read some of the speeches he made when he said two years ago that was a mistake. It reminds me of the travelling salesman of 1922, with a straw hat and a cane, who said that you had to sell to make work and had to turn business free all by itself so that there would be no unemployment. If he had been selling soap or patent medicine, I probably would have bought some that night. But since then he has turned around 180 degrees. I was glad to hear that admission from the hon. member for Bruce. I never thought I would live to see the day.

Of course, this estimate is a frantic, last minute effort. Everybody here and everyone in this country knows this. But at least it is finally being made. At least some jobs will result by the end of May or June. I suggest that we pass the estimate and get on with it. We must recognize the kind of country we have and that we have difficult winters. Let us call on the resources of the people and of the business interests in this country in co-operation with the government to plan what we are to do. There is so much to be done. Every winter we have these old-line parties hollering at each other, bitterly complaining and attacking the other for doing the same thing they did a generation or 100 years ago. Surely all they are really doing is frantically struggling while being brought into the twentieth century and a planned economy. Even though they are making a great deal of noise and are engaging in a struggle, I hope they will pay attention to the lessons we have learned.

An hon. Member: Then it will be the twenty-first century.

Mr. Benjamin: They are still in 1890. Unless we learn from our mistakes and do the kind of planning in respect of an industrial and economic program which takes into account our winter and our geography, we will have this kind of situation every winter. You can be certain of it if one of these old-line parties happens to be governing. But at least they have come around sufficiently to throw in patchwork stuff, even though it is much too late. They have gradually learned.

• (2150)

I think that if we were unfortunate enough to still have an old party government ten years from now, we would find them bringing in an industrial and economic plan laid out for the next ten years regarding the number of homes, the miles of roads, steel production, automobile production, farm production, you name it. When this was mentioned in the House by members of my party in the 1940s there were members of the official opposition who behaved as if they were back in 1890 who said that members of my party should be deported because they were subversive. Tonight I heard one of them talking about planning—only one of them.

This vote is, in concept and in theory, the proper kind of thing for parliament to adopt. It is in fact a statute, in spite of the wailings of the hon. member for Edmonton West (Mr. Lambert), and we should have adopted it sooner. Parliament could and should have met in late November or early December. In fact, it could have provided these extra funds last June in preparation for the present winter; but we did not, and I will not stand here, as did hon. friends to my right who tried to dam waters that have already passed under the bridge. Let us pass this estimate. Let us get on with putting as many people to work as we can for what is left of the winter. I hope that members of the official opposition will then rise and educate me further about a planned economy and planning work for our people.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I want to place a few remarks on the record, particularly after hearing the hon. member for Bruce (Mr. Whicher) speak and I looked at vote L12a. I was immediately struck by the words of the Prime Minister (Mr. Trudeau), uttered some time ago, that his policy which the people could lump or otherwise, is just a regrettable side effect of the war against inflation. I think of the frustrations, the anger and the displacement of people which result from such a policy. They say, "Yes, we admit our mistakes." But they admitted them after October 30. It was then that that party came to life and said, "Yes, we are wrong, because we have to listen to those who are really our masters, namely, the people." It is the people who told them that they must be concerned about unemployment, about environmental malaise and all that goes with it, the suffering, the alcoholism, the drug addiction, the murders and the abuses to the person.

When I heard the Prime Minister say today that his government takes direction from the Economic Council of Canada, that they are the people who give him forecasts regarding the direction in which this country should be going, I wondered why the expertise and the wisdom of the people who form the Economic Council of Canada is suddenly being accepted. I should like to put on the record a statement which appeared in the ninth annual review of the Economic Council of Canada, page 89, where reference is made to long-term goals.

I have heard so much said by my friend the hon. member for Regina-Lake Centre (Mr. Benjamin) who asked to hear more about long-term planning. Obviously we must have long-term planning if this nation is to be strong, and we must create an atmosphere so that equality of opportunity can exist. We cannot have ad hoc measures brought in through fright and fear, as is vote L12a. The Economic Council of Canada has been giving direction not only to the government but to members of the House, to the people of Canada and to the private sector so that certain goals can be reached. Rather than adopting band-aid measures which in my opinion just add to the frustration when they are brought in late, the Economic Council of Canada said this at page 89:

> In our First Annual Review of 1964, we formulated five general goals for the Canadian economy: (1) a relatively high and stable rate of growth; (2) a viable balance of payments; (3) an equitable distribution of rising incomes; (4) a high level of employment, defined as a situation with a maximum of 3 per cent unemployment; and (5) reasonable price stability defined as a maximum increase of 2 per cent per year in the gross national expenditure price deflator. These goals did not reflect the historical experience of the Canadian economy. Rather, they were intended as ambitious but attainable targets that would provide direction to policy-makers over the long term. Their achievement remains highly desirable to this day.

Let us look to the south of us and see what they do rather than adopt band-aid measures such as we find in vote L12a. On February 2, 1973, a significant event occurred, namely, the announcement that the United States of America had a rate of unemployment of 5 per cent, which means nearly full employment. The Minister of Finance (Mr. Turner) looks at me with surprise. I am saying that this is just what it is. In our terms this would be reaching a full employment figure. The rate of unemployment in the United States is drifting down, but here it is drifting up. I wonder why this is so.

Why has the United States been so successful in dropping their rate of unemployment, while we have been so unsuccessful? As a matter of fact, our effort has been dismal. I will tell you why. It seems to me that the United States has accepted the fact that high unemployment is a national problem and that they should use all the expertise and wisdom they can muster because they realize the frustrations that occur as a result of high unemployment, the possible revolt and in the long-run, perhaps, the possibility of civil war. The United States has faced the problem. What do we hear from our government? On one hand we hear that the land is strong, on the other we see procrastination, waffling, sliding away from responsibilities.

Mr. Speaker: Order, please. It being ten o'clock, it is my duty to bring to the attention of hon. members that in accordance with Standing Order 40 a motion to adjourn the House is deemed to have been made and seconded at this time.

* * *

BUSINESS OF THE HOUSE

Mr. Nielsen: Mr. Speaker, before we go on to the "late show" may I ask whether I am correct in understanding the House leader as saying that we will be going on with the business of supply tomorrow? Do we also have an understanding that we will defer the votes on all of these motions and take them at a later date?

Mr. MacEachen: That is agreeable, if it is agreeable on all sides that when discussion is completed on any particular item the vote will be deferred until all the items are ready to be taken at one time.

Mr. Knowles (Winnipeg North Centre): There have been discussions and I think it correct to say that this is acceptable. Perhaps it should be made an order of the House now so that we will all know it, namely, that the votes on each of the nine motions occasioned by the notices of the opposition will be taken when the debate on those nine motions has been concluded.

[*Translation*]

Mr. Speaker: Hon. members have heard the suggestion made by the hon. member for Yukon (Mr. Nielsen) and the President of the Privy Council (Mr. MacEachen). Is it unanimously agreed? It is understood that an order of the House cannot be issued without unanimous consent, and I would invite hon. members to indicate immediately if they agree.

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

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

AGRICULTURE—POSSIBILITY OF FINANCIAL ASSISTANCE TO SASKATCHEWAN LAND BANK PROGRAM

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, tonight I shall try to pursue my question on the "late show" over the enthusiasm of members of the House. What I want to pursue is the question I asked of the Minister of Agriculture (Mr. Whelan) on January 12 regarding arrangements between the federal Department of Agriculture and the Saskatchewan Department of Agriculture concerning the land bank program. At that time I asked the following question:

> In view of the need for assistance faced by young people who start farming and in view of the representations made to the minister by the government of Saskatchewan for financial assistance for its land bank program, can he say if any financial assistance for this program will be forthcoming?

The minister said that he was considering this, but there would be no special arrangements with the province of Saskatchewan over those with any other province. I do not think that the province of Saskatchewan wants any special or particular status. I think that what we are saying is the federal government should consider the wishes of provincial governments in their planning whether it be agricultural, economic or social.

Since the federal government is determined to go ahead with the small farm development plan and have signed over half of the provinces, I think they should perhaps take a different point of view for a province like Saskatchewan. The provinces of Saskatchewan and Manitoba are opposed to the plan as it now stands because they feel quite sincerely, as I and many others do, that it is not going to aid and assist farmers to stay on the land, or young farmers to get started. Rather, it is going to speed up the demise of the small farm all across the Prairies. It is going to take three farms to make two, and two farms to make one, and farms taken from older farmers will be sold to those who can afford to buy them.

I feel that the efforts and energies of the federal Department of Agriculture should be directed to aiding and assisting provincial programs. The provincial land bank will also be purchasing land from farmers, but in contrast to the small farm development plan will be channelling that land into the hands of younger farmers who want to start out, or into the hands of small farmers who need more land in order to make viable farming units. The only major difference between the two plans, as I understand it, in negotations between the two departments is that the small farm development plan is strictly a development agency whereas the land bank plan in Saskatchewan is a Crown authority. It leases land to the farmer for five years when he is starting out and he has the option to purchase the land at an interest rate of 5 per cent. Because of the option to purchase clause, land is available to those without much capital, to young people starting out and to small farmers who need more land to make their operations viable.

I urge that the government and the Minister of Agriculture take into account the points of view of the Saskatchewan government and look at the merits of the provincial land bank scheme. I think they will come to the conclusion that they should be helping farmers by funds and by organization. There are two or three benefits. First, there would be more funds which could be borrowed in a more efficient manner. Second, there would not be any duplication of service and a greater amount of expertise would be available to the provincial land bank personnel. Finally, a provincial land bank program as presently constituted would be more localized than it would be if run federally. Governments in this country must move in the direction of more local autonomy. We must localize government administration and make people feel they are closer to the decision makers rather than farther away.

I hope the government will take these three points into consideration. The entire question of the transfer of farmland on the Prairies as well as across the country is important. The number of farms in this country is decreasing rapidly. According to the census, between 1965 and 1971 the number of farm units in this country fell by 15 per cent. The populations of our small rural towns and cities and other rural areas are diminishing instead of growing. If we are to keep Canada alive and flourishing, our farming community must be viable. One way of doing this is by helping farmers with schemes such as the land bank scheme of Saskatchewan. The federal government must be flexible in this area. It must begin listening to the provinces and regions if it is to keep this nation together as a viable country in the years to come.

[Mr. Nystrom.]

[*Translation*]

Mr. Léopold Corriveau (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, the hon. member for Yorkton-Melville (Mr. Nystrom) expressed his concern about the young people who want to settle on the farm, and about federal help to the Saskatchewan land bank program.

I share his concern for the young people who would like to make a career of farming and earn a living from it.

As the hon. member doubtless knows, the federal small farms development program is now in force in several provinces, including Alberta, Ontario, British Columbia, Prince Edward Island, New Brunswick and Nova Scotia. It is of considerable help to the young farmers.

I trust that, in spite of difficulties, an agreement can be worked out with Saskatchewan so that the two programs might complement each other.

Negotiations are underway with Saskatchewan, and I hope that a quick agreement can be reached, in order that the young people of Saskatchewan may benefit from the same advantages of the small farms development programme as their friends from the other provinces.

[*English*]

PUBLIC WORKS—ALLEGED DISPOSAL OF OLD BARGES BY DEPARTMENT IN LAKE OKANAGAN—STEPS TO REMOVE

Mr. G. H. Whittaker (Okanagan Boundary): Mr. Speaker, the Minister of the Environment (Mr. Davis) in the House the other evening made the statement that it pays to be clean. This prompted me to ask the minister during the question period whether it is government policy with regard to the environment to bury old barges and other refuse in beautiful Okanagan Lake. Mr. Speaker ruled this question out of order on the basis that it was not urgent. But because of the urgency that was contained in this question, which Mr. Speaker did not understand, the question was rephrased the following day to point out the immediate hazard to navigation and safety caused by the attempted disposal by sinking of these barges.

Three old barges had been floating in Okanagan Lake and the Kelowna and District Safety Council, deeming them a hazard to navigation, asked the Department of Transport to take them out of the lake a few years ago. They were towed to a shallow part of the lake and beached, where they were left for some years. This still did not satisfy the safety council, as in their opinion the barges were still a hazard to navigation in the lake. They therefore kept pressing the Department of Transport to have them removed from the lake.

These barges were derelict in nature and their ownership was questionable. One was 170 feet by 50 feet, another 60 feet by 30 feet and another 80 feet by 50 feet. The Department of Transport convinced the public works department to call for tenders for the removal of these barges from their resting place in the lake. It is understood that two tenders were received, one for removing them entirely from the lake and the other for towing them out into the lake and sinking them. On hearing about the sinking, the Kelowna safety council immediately raised objections as this would create some form of pollution in

the lake, which of course was not in the best interests of environmental control and the ever pressing attempt to keep this beautiful lake from becoming polluted in any way.

However, because the tender to sink these barges was lower, the Department of Transport accepted this tender without any consultation with people in the area concerned about these matters. The first the safety council, or anyone else for that matter, knew of what was happening to these barges was when they discovered that they were no longer in their former resting place. Interested citizens then went out in their boats to see if they could find out what had happened to the barges.

• (2210)

They were able to discover them by sighting, from boats on the surface of the lake, drums that had been attached to the barges to float and then had been sunk with the barges. Apparently the company which contracted for the removal had gone around Kelowna buying up all the old drums they could, taken these out and attached them to the barges so they could float, then pulled them out in a straight line about 300 yards off shore and sunk them by taking some of the drums away. Many of the drums were still attached and some local skin divers went down to inspect what had really happened. These drums were attached with flimsy ropes. They let five of them go and the five drums came up out of the water like torpedoes.

The minister said that the barges were not a hazard to transportation, nor were they a contaminant. Because of the questions raised by people in the area in the past few days, the drums have now all been released from these barges but this has in no way satisfied the people of the area. They believe this to be a shocking display, by supposedly responsible departments of the federal government, to be contaminating the lake with these old barges in what may prove over the years, as they continue to disintegrate and dead-heads appear on the lake, a certain hazard to transportation. It is also a shocking example and the setting of a terrible precedent at this time when people are crying out for environmental control. People are now saying that if the federal government can dispose of garbage in the lake, why can't they?

I call on the departments responsible in the federal government to practice what they preach, to become responsible and remove these barges from the lake. This is the kind of thing that should be happening, in my opinion, in make-work programs. Let us mean it when we say it pays to be clean. Let us not be secretive about what is going on. I ask the government to consult with people and organizations such as safety councils. They are responsible; they want to help; they want things done properly.

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am pleased to respond on behalf of the Minister of Public Works (Mr. Dubé). I am pleased for another reason as well. I was born and raised on the shores of Lake Okanagan. My ancestors were there to greet many of those who came later. When the hon. member speaks of the beauty of this area, I can with some knowledge agree with him.

There are two points I wish to make tonight in connection with the question raised by the hon. member. First, a contract has been let, funded by the Department of Transport, in the amount of $2,745 for the removal of loose or potentially hazardous material from the barges. Second, the removal of the air-filled barrels is being carried out by the original contractor at his own expense. It was felt that this was his responsibility because this method of sinking the barges was originally adopted by him.

The work commenced on February 5 and a Department of Public Works engineer inspected the progress being made on February 6. I do not have an up to date report but I am advised that the removal of the barrels should have been completed in one day and that the entire work should have been completed within one week.

It is a regrettable situation, as the hon. member stated, but I should like to remind the House that this problem goes back about 12 years. It is not new; it is one which existed when another government was in power, so let us not introduce any political partisanship here. Mistakes were no doubt made along the way, but another government also had a chance to correct them. I intend to pay personal attention to this question. I think it is a wrong practice to sink barges in water as a means of getting rid of them. It is a practice which really ought not to be followed.

INDUSTRY—POSSIBLE CLOSURE OF ABITIBI MILL IN SAULT STE. MARIE—USE MADE OF DEVELOPMENT GRANTS BY COMPANY

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I rise tonight to elaborate a question which I addressed to the Minister of Manpower and Immigration (Mr. Andras) in the House yesterday in relation to the threatened closure of the Abitibi paper mill in Sault Ste. Marie. A few days ago the following notice appeared in that paper mill; it was addressed to hourly-rated employees.

Effective February 18, 1973, the following conditions must be agreed to in order to protect the operation of the mill at Sault Ste. Marie:

1. When the mill is operating less than seven days per week, we will revert to all clauses in the six day agreement as to hourly rates, statutory holidays, wire time, premium pay and working conditions.

In the event continuous operations are resumed, the continuous operation rates and conditions applicable will apply during such period of operation.

2. The floating holidays to be reduced by three.

3. The premium costs for the Abitibi disability benefit plan will be shared on a 50-50 basis by the company and the employees on the actual rates projected by the insurance carrier for this division.

4. Remove the upgraded classifications from the papermakers wage scale for running groundwood specialties and double stacks.

5. Extend the present agreement for one full year to April 30, 1974. The situation will again be reviewed on February 1, 1974.

This notice has been given to the workers and to the union and the company refuses to discuss what in effect amounts to an ultimatum. I am frankly appalled by the attitude of the Abitibi Pulp and Paper Company in a day and age when supposedly we have progressed to enlightened labour-management relations. As I say, it amounts to

an ultimatum to the workers, instituting a pay freeze for one year, extending the old contract and reducing fringe benefits. No discussion has been permitted. The company will not talk to the union nor will it make any public statement.

In effect, the workers are being made the scapegoat for what the company claims are the marginal profits at Abitibi or Sault Ste. Marie. Yet the company provides no proof of this claim. I call upon it to open its books for public scrutiny so that the public and the workers can compare the figures of costs and profits. Is it only labour costs which have given rise to the predicament in which this plant finds itself? Can it be the inefficiency of the mill due to outdated equipment which Abitibi failed to modernize? Has the company been reinvesting its profits in the mill in order to keep it a viable or competitive operation? Or could it be market conditions? And are those conditions temporary or long term?

What choice do the workers have, confronted with this ultimatum? To accept it is to accept the blame for the problems of Abitibi without any proof. Naturally, the workers rejected the terms of this ultimatum. Had they accepted this ultimatum to stay on the old contract under threat that the mill would be closed down, what is to say that next year the company would not pull the same trick and say to the workers, "Stay as you are or we will close the mill"?

• (2220)

The company will make a unilateral decision on February 16. The board of directors will meet on that date and decide the fate of 500 employees and their families in Sault Ste. Marie; they will decide whether they are to continue working or be thrown out of work and into the unemployment lines. This could be an economic catastrophe of major proportions in my constituency. I am afraid that it appears to me and to many people in Sault Ste. Marie that the company's policy appears to be "profits before people".

Therefore I put these questions to the Minister of Manpower and Immigration. Firstly, what measures does his government plan to take to prevent such overt intimidation? Secondly, what contingency plans has his department, should—and perish the thought—the company close the mill and throw 450 men out of work?

Mr. Mark MacGuigan (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, I appreciate and share the concern which the hon. member for Sault Ste. Marie (Mr. Symes) has expressed about this serious problem in his constituency. I am sure he realizes that the company and the unions in this case are engaged in some kind of collective bargaining, however free or unfree it may be in these particular circumstances. I think the important point that should be made is that all matters of this kind fall entirely within provincial jurisdiction. The federal government has no authority whatsoever to intervene in this labour dispute, nor has it in any other labour dispute except the few that involve workers under federal jurisdiction, largely in the transportation industry.

As to possible action by the Department of Manpower and Immigration in this situation, that will have to await the unfolding of events. The department's officers are following the situation closely and are prepared to act immediately in any problem requiring assistance in the adjustment of any workers who might be affected. Until the parties have resolved their differences, however, and pending the emergence of a real or anticipated lay-off situation, it would be impractical and improper for the department to attempt to intervene in any manner. Should a need develop for the services of the department, all applicable programs and services will be made available to assist in any way we can.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Friday, February 9, 1973

The House met at 11 a.m.

ROUTINE PROCEEDINGS

POWER

POSSIBLE FLOODING OF SKAGIT RIVER VALLEY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John A. Fraser (Vancouver South): Mr. Speaker, under the provisions of Standing Order 43 I ask the unanimous consent of the House to move a motion of urgent and pressing necessity relating to the present heavy expenses being incurred by the citizens' groups preparing their case before the United States Power Commission in opposition to the flooding of the Canadian Skagit Valley by Seattle City Light, which expenses could now be terminated if the government of Canada will confirm the statement of the Secretary of State for External Affairs (Mr. Sharp) to CKWX radio newsman Doug Taylor on February 6 that "nobody believes now the Skagit Valley will be flooded". I therefore move, seconded by the hon. member for New Westminster (Mr. Leggatt):

That the House direct the Secretary of State for External Affairs to immediately convey to the citizens' groups fighting the flooding that they now have the assurance of the government of Canada that the flooding will not occur and they may therefore safely withdraw from the costly hearings before the U.S. Federal Power Commission.

Some hon. Members: Hear, hear!

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

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

* * *

THE CANADIAN ECONOMY

COST OF LIVING INCREASE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. David Lewis (York South): Mr. Speaker, with the unanimous consent of the House, I wish to move a motion under Standing Order 43.

Mr. Bell: They won't say no to this one.

Some hon. Members: Hear, hear!

Mr. Lewis: Mr. Speaker, if I have the floor, may I go on? I wish to move a motion under Standing Order 43 arising out of the disastrous rise in the cost of living, particularly the rise in the cost of food. With the unanimous consent of the House I wish to move, seconded by the member for Winnipeg North Centre (Mr. Knowles):

That this House urges the government to introduce without delay its legislation to increase the amount of old age pensions and also its legislation to implement the guaranteed income proposals set out in the Speech from the Throne, to enable Canadians to cope with the crippling rise in the cost of living, particularly in the price of food.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Is the hon. member rising on a point of order?

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa East): Mr. Speaker, I should like to bring to the attention of the House that 105 students of the Charlebois secondary school are here today—

[*English*]

Mr. Speaker: Order, please. We are considering a motion under Standing Order 43. The Chair has to inquire whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

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

Some hon. Members: Oh, oh!

Mr. Hees: It looks like the shacking-up is close to being over.

[*Translation*]

Mr. Speaker: Concerning the point of order raised by the hon. member for Ottawa East, I must suggest to him that it is not in order. I must also tell him that it is against the practice of this House to bring to the attention of hon. members the presence of visitors in the galleries, except in very special circumstances, such as the visit of parliamentarians. I realize that it was hard for the hon. member to resist the temptation of drawing attention to the presence of certain students from his riding in the galleries, but I invite hon. members to follow the practice of this House.

Communications Spire, Toronto

UNEMPLOYMENT INSURANCE

AMENDMENT RESPECTING SUGAR BUSH WORKERS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. Henry Latulippe (Compton): Mr. Speaker, pursuant to Standing Order 43, I ask for adjournment of the House in order to deal with a matter which I consider to be of urgent and pressing necessity, namely unemployment insurance benefits.

During the maple sugar season, owners of maple sugar groves find it difficult to hire supplementary labour because those who are unemployed do not want to lose their benefits. Could the House examine the possibility of amending the Unemployment Insurance Act in such a manner that those now receiving benefits are enable to work during the maple sugar season without loss of benefits?

Mr. Speaker: I take the liberty of pointing out to the hon. member for Compton (Mr. Latulippe) that a motion for adjournment of the House should normally be presented under the provisions of Standing Order 26, rather than Standing Order 43. At any rate, I shall ask the House whether there is unanimous consent. Is there unanimous consent to the motion brought forward by the hon. member for Compton.

• (1110)

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is no unanimity and the motion therefore cannot be put.

* * *

[*English*]

URBAN AFFAIRS

CONSTRUCTION OF COMMUNICATIONS SPIRE IN PROPOSED METRO TORONTO CENTRE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION

Mr. John Harney (Scarborough West): Mr. Speaker, I rise on a matter of urgent and pressing necessity pursuant to Standing Order 43. In view of the fact that the citizens of Toronto are just now beginning to react to the construction of the Canadian National communications tower and the implications it has for development in the metropolitan Toronto harbour area, in view of the fact that the development agreements between the developers, Canadian National and Canadian Pacific, and the City of Toronto with regard to the entire Metro Centre project have not been completed, and also in view of the fact this needle may be used as a lever to rush the finalization of these agreements relating to what will be, after all, one of the major developments on the continent, I move, seconded by the hon. member for Oshawa-Whitby (Mr. Broadbent):

That this House instruct the Minister of Transport to order the CN Tower Company to postpone the beginning of the construction of the CN tower so that further consideration can be given to the tower aspect of this Metro Centre project by the council and citizens of the city of Toronto.

[Mr. Speaker.]

Mr. Speaker: Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: The motion cannot be put.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

COST OF LIVING INCREASE—ACTION TO EXERT CONTROL

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a question for the Minister of Finance. In light of the information released today by Statistics Canada showing an increase of 5.7 per cent in the consumer price index between January of 1972 and January of 1973, can the minister tell the House what action he proposes to take to bring the increase in the cost of living under control?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the rise in the cost of living continues to cause me and everybody in the House concern. It is primarily induced by a sharp rise again in food prices which I think adds urgency to the task of the House committee investigating food prices.

Some hon. Members: Oh, oh!

Mr. Turner (Ottawa-Carleton): As I have said before in the House, the increase in food prices is primarily attributable to a world shortage of many staples which is affecting Canada as well. It is primarily a supply problem which was complicated in this country by the adverse weather that destroyed a good many of the vegetable and cash crops in Ontario and Quebec.

Mr. Stanfield: I am sure the minister will agree that it is not altogether a question of food prices. But since food prices have obviously increased much more than the minister expected last May when he brought down his budget and said, "we do not expect food prices will rise as fast this year as last", whereas they have in fact risen substantially faster than in 1971, does the minister intend to take any action with regard to food prices other than just leaving the matter in the lap of the special committee?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, my colleagues and I are looking at ways to see what we can do to increase the supply of food. As for what I said last May, the hon. gentleman may be armed with a little hindsight but the forecast that I made last May could not, of course, have taken into account the shortages that developed on a world basis in grain as well as the demand that developed for meat. Nor could I in any way predict, and I do not

think the hon. gentleman could, the weather which crippled our crops in parts of Ontario and the west.

Mr. Baldwin: So it is an act of God, is it?

Mr. Stanfield: Mr. Speaker, it is because prices obviously increased much faster than the minister estimated or expected that I asked him whether he is going to take any new action. My supplementary question is simply this. Is it still the minister's view, as he expressed several months ago, that the only way he knows of handling the food problem is to ration food?

Mr. Turner (Ottawa-Carleton): That is not what I said, Mr. Speaker, as the hon. gentleman knows. I suggest he is again exercising that selective memory for facts which is beginning to distinguish his performances in the House. What I said was that if the country were to accept a proposal for price controls over food, that might well involve at the same time food rationing, particularly if the problem were shortage of supply.

COST OF LIVING INCREASE—EMERGENCY MEASURES PENDING COMMITTEE RECOMMENDATIONS

Mr. David Lewis (York South): Mr. Speaker, may I ask one or two supplementaries. I direct my first supplementary to the right hon. Prime Minister. In view of the fact the increase in the cost of living has gone up really disastrously, as I am sure he and every other member of the House will agree, and in view of the fact the rise in the price of food has been particularly high and affects the nutritional level of lower income families, is the government now considering some emergency, even if temporary, measures to halt the rise at least in the price of food?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the government is, of course, considering every way in which a successful attempt might be made to halt increases in the cost of living. In the case of food in particular we hope we will receive some insight from the committee that has been set up and in which members of all parties are participating.

Mr. Lewis: May I ask the Prime Minister whether in the interim, until the committee reports and action is taken by parliament on any recommendations that the committee may make, which obviously is at least two, three or four months away, the government is considering some arrangement whereby a cash payment to pensioners can be made to make up for the increase in food prices as well as, in collaboration with the provinces, some general increase in payments to low income families across the country in order to protect the lives and future of the adults and children who constitute the 20 to 25 per cent of the people in Canada who are living below the poverty line?

Mr. Trudeau: Mr. Speaker, the hon. member is referring to a mix of schemes that would alleviate the hardship suffered by some of the people hit by inflation. The answer that has been given in the Speech from the Throne is that the whole system of welfare, even including a guaranteed annual income for people in certain categories, will be discussed with the provinces in the near future. If the hon. member is talking about something even more immediate, I would suggest that he wait until a week Monday night, when the budget will try to alleviate some of these problems.

• (1120)

Mr. Speaker: The Chair will recognize the hon. member for York South on a last supplementary question on his part, and then the hon. member for Prince Edward-Hastings.

Mr. Lewis: Mr. Speaker, I should like to ask the Prime Minister whether his answers mean that the government is not now considering some emergency steps in the interim until longer term policies may be developed? Is that the effect of his answer?

Mr. Trudeau: Not exactly, Mr. Speaker. When I referred to the budget, which is 10 days away, the hon. member is, of course, free to consider this as an interim step, but it is conceivable, without going into the details of the budget, that there will be some measure of relief for Canadian citizens in that budget. Of course, I cannot say more at this time, but the hon. member is welcome to take that as an interim step.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Prime Minister. As he has said on many occasions that the government would take positive action to curb and alleviate rising prices if it considered the situation were serious enough, in view of the fact the cost of living has been going up at an annual rate of just under 10 per cent a year during the past month and gives every indication of rising at a similarly high rate in the future, does the Prime Minister consider that that time has now arrived?

Mr. Trudeau: Mr. Speaker, without agreeing with the implication of the statistics just quoted, I would say that our position is not dissimilar to that of his leader who said—

Some hon. Members: Oh, oh!

An hon. Member: What is your position?

An hon. Member: Tell us your position.

Mr. Fairweather: You are the government.

Mr. Trudeau: What do you say about yours?

An hon. Member: Less double-talk.

Mr. Trudeau: Our position is not dissimilar to that of his leader who says that price and wage controls will be brought in, if necessary.

Mr. Hees: Mr. Speaker, the positions of the two gentlemen are quite dissimilar in that the Prime Minister is the head of the government, has the responsibility to act and has said he would bring in positive measures if the time came when it was necessary. Does he now consider that the time has come for action?

Some hon. Members: Hear, hear!

Mr. Hees: The answer is that the government does not have the guts. It is as simple as that.

INCREASE IN FOOD PRICES—POLICY OF CONSUMER AFFAIRS DEPARTMENT TO COUNTERACT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, since we cannot get anything out of the Prime Minister or the Minister of Finance, I should like to direct my question to the Minister of Consumer and Corporate Affairs, and I stress the word "consumer". In light of the very real crisis in respect of food prices, can the minister announce today any specific government policy to counteract the fact that today the Canadian housewife is having to spend $1.10 for every dollar she paid last year for food?

Some hon. Members: Hear, hear!

An hon. Member: You are wrong.

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, even though the hon. gentleman is a newcomer to the House I am sure he realizes that any government policy to be announced will be announced formally on behalf of the government in the usual way.

Mr. Hees: Wow! Isn't that a policy? Have we ever got a policy now.

Mr. Fairweather: We don't even get a weather report from this minister.

Some hon. Members: Oh, oh!

Mr. Fairweather: At least Turner gives us a weather report.

Mr. Hees: At least give us something.

Mr. Crouse: There are three blind monkeys over there.

Mr. Lawrence: Mr. Speaker, my supplementary question is directed to the same minister. Even if he is an oldtimer in the House, surely he knows that ministers of the Crown should be responsible for announcing policy.

Some hon. Members: Hear, hear!

Mr. Lawrence: Can the Minister of Consumer and Corporate Affairs today announce the policy of his department in respect of food prices?

Mr. Gray: Mr. Speaker, I am sorry that the hon. gentleman was so busy phrasing his next question that he did not hear my previous answer.

Mr. Hees: He did not miss a thing; there was no answer.

Mr. Nielsen: What an arrogant bunch!

Mr. Speaker: Order, please. If the hon. member wishes to ask a supplementary question he will be recognized for this purpose, and the Chair will then recognize the hon. member for Winnipeg North Centre on a further supplementary.

[Mr. Hees.]

Mr. Lawrence: Mr. Speaker, I think we are entitled to a simple yes or no answer. Therefore I merely repeat the question in the hope that the minister will give an answer.

Mr. Speaker: Order, please. As the hon. member knows, he has the right to ask a question but according to the rules there is no obligation on the part of the minister to reply.

Mr. Lawrence: If he does not know the answer, I guess that is it.

COST OF LIVING INCREASE—ESCALATION OF PENSION PAYMENTS BY SAME AMOUNT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare. In view of the serious effect of rising living costs on pensioners and in view of the fact that on January 24 the President of the Treasury Board said that any action to raise or remove the ceiling from the escalation of pensions of retired civil servants would be related to the taking of similar action in respect of the Canada Pension Plan, can the Minister of National Health and Welfare say whether this matter will receive immediate attention, namely, the escalation of Canada Pension Plan pensions at least by the full amount of the rise in the cost of living?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows, amendments to the Canada Pension Plan must have the previous concurrence of at least two-thirds of the provinces with two-thirds of the population. We have already had a meeting between officials of the federal government and officials of the provinces at which various proposals have been discussed and considered. The view of the provincial officials was that they wanted any change to wait for the broader review that has been discussed in the field of social security. Despite the representations of the federal government, we have been unable as yet to obtain the concurrence of the necessary provinces in such changes.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In view of the delay that seems to be in prospect in this area, will the President of the Treasury Board take action on the matter I referred to on January 24 and will the Minister of Transport make sure that railway pensions are properly escalated? In other words, will steps be taken so that all pensions will escalate not just by 2 per cent but by the actual rise in the cost of living?

Mr. Speaker: Order, please. Before pursuing this matter with further supplementaries the Chair will recognize the hon. member for Shefford.

[*Translation*]

IMMIGRATION

BILINGUALISM—OBLIGATION FOR HAITIAN IMMIGRANTS TO USE INTERPRETERS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I want to ask the Minister of Manpower and Immigration if he intends to take the necessary action to ensure that French-speaking Haitian immigrants can use the French language in their dealings with the officials of his department? They must now utilize the services of interpreters as was revealed recently by a committee on human rights.

[*English*]

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will certainly look into this and take the representation of the hon. member under consideration.

* * *

[*Translation*]

PUBLIC WORKS

MEASURES TO IMPROVE BILINGUALISM WITHIN DEPARTMENT

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a supplementary.

Could the Minister of Public Works tell us if he foresees a possibility of improving the services offered in French by the marine works division of his department with which it is now impossible to communicate in French?

Hon. Jean-Eudes Dubé (Minister of Public Works): Mr. Speaker, it is the first time such a complaint has been directed to my department. I can assure hon. members that I will take every appropriate action in order that both official languages be available for those who call at my department.

* * *

[*English*]

THE CANADIAN ECONOMY

COST OF LIVING INCREASE—RATE OF FEDERAL TAXATION AND COST OF GOVERNMENT AS FACTOR

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of Finance. Has the federal government made any study of the impact of the high rate of federal taxation coupled with the general rapidly rising cost of government on all levels as a factor in the rising cost of living?

Hon. John N. Turner (Minister of Finance): Yes, Mr. Speaker. We have analysed the effect of taxation on every aspect of the economy, including the cost of living.

Mr. MacLean: Mr. Speaker, may I ask the minister whether he has concluded from his study that action should be taken by the government to do its part directly in lowering the cost of living by lowering taxation rates?

Mr. Turner (Ottawa-Carleton): I have certainly got the point of view of the hon. member, but this is not quite the appropriate occasion on which to answer his question.

• (1130)

INCREASE IN COST OF HOUSING—ALLEGED CONSENT BY CENTRAL MORTGAGE AND HOUSING CORPORATION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to put a question to the Minister of State for Urban Affairs responsible for housing. In view of the fact that the cost of shelter has increased by 5.3 per cent within the last year and therefore the cost of housing has reached crisis proportions, would the minister take into consideration the fact that Central Mortgage and Housing Corporation is consenting to an increase in the rents for various accommodation and housing units in the largest urban centres of Canada and by that consent is increasing the cost of shelter which has contributed to the present position of the index that has just been quoted?

Hon. Ron Basford (Minister of State for Urban Affairs): Mr. Speaker, with regard to housing that is owned or managed by CMHC, I answered the question the other day by saying that I am reviewing the rent policy and no increases are taking place while that review is going on. I understand, however, that the hon. member's question probably concerns limited dividend housing which is not managed by CMHC and, in fact, where the owners negotiate an increase in rent commensurate only with the increase in costs. Those arrangements are constantly under review.

Mr. Woolliams: I am referring to those leases that govern the cost of renting various types of accommodation across the country where increases can only take place with the consent of CMHC. Will the minister now agree to freeze any further increases so far as CMHC is concerned to help pensioners and others on fixed incomes?

Mr. Basford: I just made it clear that I have frozen the rents of those buildings that we manage until we can review them.

INCREASE IN COST OF FUEL OIL—COMPOSITION OF GROUP STUDYING SUPPLY SITUATION

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I now want to direct a question to the Minister of Energy, Mines and Resources. In light of the fact that fuel has gone up by 3.9 per cent, would the minister, who stated in the House that a study is being carried out on the shortage or the propaganda on a shortage of energy, advise us who is heading this study and whether the members of this task force study group are members of the public service or of government agencies rather than people from private corporations?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, the studies are being carried out by my own department and by the National Energy Board. If the hon. gentleman is objecting to increases in the cost of energy, he might direct himself to Premier Lougheed in this context as well.

Mr. Eldon M. Woolliams (Calgary North): I should like to ask the Prime Minister whether, in view of the fact the Minister of National Defence has agreed with the policy of

Premier Lougheed, this is government policy? Is that the policy of the government now?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, no policy position has been taken on this question by the government, but the Minister of Defence was speaking with courage as a westerner. I would hope the hon. member would have the same courage.

Mr. Stanfield: How many policies have you?

* * *

AIR TRANSPORT

ADVANCE BOOKING CHARTER REGULATIONS—REQUEST FOR IMMEDIATE DECISION ON PRICES

Mr. John Harney (Scarborough West): Mr. Speaker, my question is addressed to the Minister of Transport.

[*Translation*]

I would like to tell the minister that I do not always pay attention to what lies within his jurisdiction, but as he keeps giving general answers I am compelled most of the time to direct my questions to him.

[*English*]

In view of the fact the Canadian Transport Commission is still stalling on a decision with regard to charter prices, in view of the fact that under the present rules advance booking calls for a 90-day prebooking period in Canada, and in view of the fact all of this uncertainty regarding bookings on Canadian charter flights will drive about 300,000 Canadians to using foreign carriers operating from United States airports, would the Minister of Transport instruct the Canadian Transport Commission to come to an immediate decision on the matter of charter prices so that Canadian travellers can have some assurance with regard to their plans for this summer?

Hon. Jean Marchand (Minister of Transport): Mr. Speaker, I read the report in a Toronto newspaper this morning. I regret to say it is unfounded. The policy on prices was established by the commission on February 1. The people who are going to Niagara now have been doing the same thing in the past. There is nothing new. The pricing policy has been established and is in force right now.

Mr. Harney: May I ask the minister whether the pricing policy has been announced to the Canadian travelling public?

Mr. Marchand (Langelier): I will have to check how the commission does it, but I know that the policy is in force and I know that the charter companies know about it.

ADVANCE BOOKING CHARTER REGULATIONS—SUGGESTED AMENDMENT TO KEEP BUSINESS IN CANADA

Mr. Don Mazankowski (Vegreville): Mr. Speaker, in view of the minister's reply to my question, as recorded on page 951 of *Hansard*, to the effect that he would like to have some experience in the implementation of the new advance booking charter regulations before recommending any changes, and also in view of the fact there is new evidence to the effect that the new regulations proposed by the Canadian Transport Commission will literally drive the air charter business south of the border, will the minister now take it upon himself to intervene and to recommend to the Canadian Transport Commission an amendment to the ABC regulations? Will he also take into consideration the representations made by the general public and the air charter industry?

Hon. Jean Marchand (Minister of Transport): I do not know how I can consider false news as a basis for reconsidering the policy. A few moments ago I said that the news has no foundation and the people who are going south have been going there in the past in the same way.

Mr. Mazankowski: Can the minister indicate to the House whether in fact he has received representations from the air charter industry and the travelling public rejecting and opposing the new ABC regulations, and will the minister take those representations into consideration so that the travelling public can be assured of reasonable charter travel?

Mr. Marchand (Langelier): I have not received any personally but I will check with the department and report to the House.

Mr. Mazankowski: In view of the fact that United States airlines are now imposing retaliatory action in so far as removing the primary rates policy as it relates to Canadian airlines is concerned, would the Minister of Transport also take this matter into consideration when reviewing the new ABC regulations?

* * *

THE CANADIAN ECONOMY

INCREASE IN COST OF LIVING—LEVEL AT WHICH USE OF GOVERNMENT CONTINGENCY PLANS JUSTIFIED

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask the Prime Minister a question which might give a little direction to the country as a whole. At what level would the government consider the rise in prices would justify use of the contingency plans about which he has been telling us since the days of John Young?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member would have to recall the way in which we were answering this question in the past. It is not necessarily defined by an absolute rate. It would be a rate which would put Canada in the situation where, on the one hand, we would be pricing ourselves out of world markets because our competitors would be doing so much better than us, which, as the hon. member knows, has not been the case, and, on the other hand, a rate at which we would be unable to satisfy the legitimate demands of those sections of the population that are not protected against rising costs.

Mr. Lundrigan: In view of the fact the Prime Minister could not answer the question, would he like to take this

opportunity to outline very briefly the government's contingency plans about which he has been telling us for a year? I am sure the House would even be agreeable to reverting to motions so that he could outline them in detail.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member appreciates, I am sure, that the question is in order only to the extent that he is asking the Prime Minister whether he will make a statement on motions.

Mr. Trudeau: The hon. member was obviously unable to understand my previous answer, so I do not think we would be able to understand the complex answer to the question he is asking.

Mr. Lundrigan: I agree with the Prime Minister. I cannot understand him and the Canadian people cannot understand him—

Some hon. Members: Hear, hear!

Mr. Lundrigan: —especially people on fixed incomes. Would he take this opportunity to express to the 22 million Canadians, excepting myself, the contingency plans the government has to deal with the rise in the cost of living which is making it difficult for many people, even people above fixed incomes, to survive, especially in view of the high food costs?

• (1140)

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate has repeated the question that he asked in the first instance. Perhaps he was not satisfied with the reply but it was the same question.

Mr. Lundrigan: Certainly I am not satisfied with the information we have been getting. Apparently the Prime Minister did not understand my question. For over a year the government has been saying that it has a contingency plan. How high must prices rise before the government tells the Canadian people exactly what its plan is?

* * *

MANPOWER

REFUSAL OF UNEMPLOYMENT INSURANCE BENEFITS TO PERSONS TAKING COURSES

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. Is it the policy of the government to refuse unemployment insurance to people who are taking manpower courses, giving as a reason that because they are taking the courses they are not available for work?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Generally speaking, Mr. Speaker, that is correct.

Mrs. MacInnis (Vancouver-Kingsway): When was this new policy adopted?

Mr. Andras: Mr. Speaker—

Mr. Speaker: Order, please. That question is hardly in order.

* * *

FOOD PRICES

AVAILABILITY TO SPECIAL COMMITTEE OF STUDIES AND REPORTS BY PRICES AND INCOMES COMMISSION

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact the government places so much emphasis on the Special Committee on Food Prices, and in view of the alarming 10 per cent increase in the cost of food, is the Prime Minister now prepared to reconsider the government's position and make available all the papers and complete findings of the Prices and Incomes Commission to the special committee?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, if I may attempt to answer that question, as I already did in the House earlier, I think I explained to the Leader of the Opposition that some of this material had already been published and other material will be published. I will be advising the committee of this information when I appear before it on Tuesday.

Mr. McGrath: In view of the fact the committee has an order from the House to report in two months, and in view of the number of witnesses who have already asked for permission to appear before the committee, is the minister prepared to have all the papers and all the findings of the Prices and Incomes Commission made available to the committee immediately?

Mr. Gray: Mr. Speaker, I am sorry the hon. member feels so pressed, but I would remind him that he wanted the whole committee to be wound up permanently in three months.

[*Later:*]

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to direct a supplementary question to the Minister of Consumer and Corporate Affairs with regard to what he proposes to do before the Special Committee on Food Prices on Tuesday. Does he intend to turn over to the committee the actual work of the former commission under the direction of Dr. Young? Does he intend to turn over the papers, the information and the recommendations, or does he simply intend to give his version, his interpretation, his summary of these findings?

Mr. Gray: Mr. Speaker, I intend to make available to the committee first of all the reports that have already been published.

Some hon. Members: Oh, oh!

Mr. Stanfield: We have seen those.

Mr. Gray: Second, I intend to advise the committee of the reports which the commission had arranged to have

published before it went out of existence so they will be made available to the committee as soon as this material can be published.

* * *

[*Translation*]

PENITENTIARIES

HIRING BY PAROLE COMMISSION OF PSYCHIATRIST DISCHARGED BY PINEL INSTITUTE

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, if the music can stop I might be able to ask my question. Furthermore, I regret that the hon. member for Saint-Hyacinthe has not already asked the question I now wish to direct to the Solicitor General.

Would he know if the psychiatrist dismissed by the Pinel Institute because of his shady part in the Réal Chartrand case is now employed by the National Parole Board? If so, how can he explain such a situation?

[*English*]

Hon. Warren Allmand (Solicitor General): Mr. Speaker, I am not aware of this situation but I will inquire into it as quickly as possible and report to the House.

[*Later:*]

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, on a supplementary. Further to the question of the hon. member for Charlevoix, I would like to know if the Solicitor General apprised himself of the conclusions of the investigation concerning the Pinel Institute before hiring this psychiatrist, and could he tell the House if the department has established basic criteria for hiring personnel, and if this new psychiatrist, fired by the Pinel Institute, has been hired according to his department's criteria, if any?

[*English*]

Mr. Allmand: Mr. Speaker, I have not received such a report. I should point out that the Pinel Institute is a provincial institute, although we have referred certain people there. I will look into this and report to the House as soon as possible.

* * *

TAXATION

POSSIBILITY OF REMOVAL OF SALES TAX ON BUILDING MATERIALS

Hon. Paul Hellyer (Trinity): Mr. Speaker, I wish to direct a question to the Minister of Finance. Has the minister changed his mind about removing the 11 per cent sales tax on building materials in view of the alarming increase in housing costs for ordinary citizens?

Mr. Speaker: The hon. member for Kent-Essex.

Mr. Hellyer: Mr. Speaker, I wish to ask a supplementary question. Just a few days ago the minister said he was not intending to remove this tax. My supplementary is—

Hon. John N. Turner (Minister of Finance): Who said?

[Mr. Gray.]

Mr. Hellyer: You did. You said you had no intention of removing the tax.

Mr. Speaker: Order, please. The hon. member should address himself to the Chair.

Mr. Hellyer: Does the minister think it is fair that Americans can buy Canadian lumber cheaper than Canadians can because their taxes are less oppressive than ours?

Mr. Speaker: Order, please. That is clearly argument. I do not think a question asked in those terms is in order.

* * *

CONSUMER AFFAIRS

POSSIBILITY OF FURTHER POLICIES TO LOWER CONSUMER PRICES AND INCREASE PRODUCER RETURNS

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I wish to direct a question to the Minister of Consumer and Corporate Affairs. In view of the fact the government's twin policies to lower consumer prices and increase producer returns by the extermination of millions of laying hens, fining dairymen for producing milk and paying farmers for not producing have not been successful in either direction, can the minister indicate whether the government is considering any more policies of this kind?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the government is constantly attempting to develop and put into place policies that will serve the interests of all Canadians.

Mr. Baldwin: What you want is non-laying hens.

* * *

[*Translation*]

SOCIAL SECURITY

OLD AGE PENSIONS—PRESENTATION OF AMENDING BILL

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare.

As today's announcement about prices deeply affects old people and those living on a fixed income, can the minister tell the House if the new Old Age Pensions Act has been prepared, when it will be introduced and what immediate measures can be expected concerning food and drug prices, for those who are affected?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the government leader has already indicated the government's intentions concerning the presentation of legislation on this subject.

[*English*]

HEALTH

PLANS FOR PROVISION OF LOW-COST DRUGS TO PERSONS ON FIXED INCOMES

Mr. Heward Grafftey (Brome-Missisquoi): Mr. Speaker, I thank the minister for his answer on pensions, but in light of the 3.8 per cent increase in the cost of health supplies from a year ago, and because of the extreme importance of the availability of drugs to all Canadians, especially those on low incomes, can the minister now assure the House that he has plans formulated to provide that all Canadians, especially those on fixed incomes, have access to low cost drugs?

[*Translation*]

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, as the hon. member knows, health falls primarily under the jurisdiction of the provinces with which we have, in fact, discussed every matter of concern to them. Indeed, a few weeks ago we met the provincial ministers of health to discuss a new mode of financing health services, and another meeting is planned for the end of March.

* * *

[*English*]

INCOME TAX

INTENTION RESPECTING REVISION OF FORM FOR 1972

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of National Revenue. I noticed that yesterday in my absence he described the income tax return form as no more frightening than Brigitte Bardot in a bikini. Has he found it more frightening, having regard to the number of complaints he has received as to the impossibility of interpreting the income tax return in its present form, and is there any intention of revising it so that it would become understandable?

• (1150)

Hon. Robert Stanbury (Minister of National Revenue): Mr. Speaker, I would welcome the suggestions of the hon. member for improvement of the forms—

Mr. Stanfield: It needs improving.

Mr. Stanbury: —but the description of the form which I gave yesterday was not mine but that of Ken Hall of the Calgary *Herald*. I might refer the hon. member to those other great Conservative newspapers, the Toronto *Star* and the Ottawa *Journal*—

Mr. Speaker: Order, please.

Some hon. Members: Order!

Mr. Stanbury: —which state—

Some hon. Members: Order!

Mr. Stanbury: —that as far as—

Some hon. Members: Order!

Mr. Speaker: Order, please. Would the minister kindly resume his seat?

Mr. Diefenbaker: Mr. Speaker, that type of red herring really will not get the minister anywhere. Will he give the assurance that amendments will be made to the new income tax form if I or other members on this side of the House suggest changes that ought to be made?

An hon. Member: They were not suggested back in 1962.

Mr. Diefenbaker: The minister has invited me to make suggestions, and I do so. I ask him why it is that the prescribed forms are not now available? Why is it that chartered accountants are being advised by information officers in district taxation offices to dream up their own forms until the government finally gets off its posterior?

Some hon. Members: Hear, hear!

Mr. Stanbury: Mr. Speaker, I will not suggest that that allegation has been dreamed up—

Mr. Stanfield: It is true.

Mr. Stanbury: —but if the right hon. gentleman has any details about particular cases I will be glad to have them looked into.

Mr. Diefenbaker: Turning aside from the minister's appreciation of female forms, as evidenced by his having accepted the suggestion of a commentator in Calgary, may I ask whether the minister is now giving reconsideration to bringing back the new Income Tax Act which parliament never had the opportunity to consider, not having dealt with more than one half of it because we were shut off by closure—

An hon. Member: You were away on vacation.

Mr. Diefenbaker: —in view of the fact that Mr. Thorson, the Associate Deputy Minister of Justice has stated—

Some hon. Members: Order!

Mr. Diefenbaker: —to the tax foundation—

Mr. Speaker: Order, please. I am not sure whether that was a question or whether the question is coming, but what is coming quickly is the end of the question period.

Mr. Diefenbaker: Mr. Speaker, then I will simply ask the minister this: Is he aware that the Associate Deputy Minister of Justice, when asked about this conglomerate mess, the Income Tax Act, in speaking to the Tax Foundation said that there were only six people in Canada who clearly understood the new act and the other "five" were his employees?

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Will the minister not add his own name as one who understands it?

An hon. Member: Poor John.

Mr. Speaker: Order, please. We have reached the end of the question period. I will recognize the hon. member for Assiniboia and then call orders of the day.

* * *

ENERGY

VOLUME OF OIL EXPORTS TO UNITED STATES

Mr. Bill Knight (Assiniboia): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. Can the minister inform the House whether he has received any reports in the last few days regarding a rapid increase in the volume of exports of Canadian oil to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, if the hon. member is referring to the situation which has existed for the last several months, there has been a substantial increase in exports from western Canada to the United States. As I indicated to the hon. gentleman's colleague several days ago, we are paying very close attention to this and if there is any prospect of Canadian refineries going short we will not hesitate to impose export controls.

Mr. Knight: To be more specific, can the minister advise the House whether he has received recently reports from his own senior advisers or officials of a major increase in the volume of exports of Canadian oil to the United States?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker. I told the House about that last week.

Mr. Knight: A further supplementary—

Mr. Speaker: Order, please. The Chair will recognize the hon. member for a last supplementary. We have gone beyond the end of the question period and I will have to call orders of the day.

Mr. Knight: Is it the minister's intention to have the National Energy Board investigate this situation and establish export quotas in line with the policies affecting natural gas?

Mr. Macdonald (Rosedale): Mr. Speaker, I have told the House several times already that the National Energy Board has had this matter under investigation and, indeed, has made very full reports on it. I also indicated that if the industry indicates it is not capable of handling the increased volumes we will not hesitate to impose export controls.

Mr. Speaker: Orders of the day.

Mr. Coates: Mr. Speaker, I rise on a question of privilege. I have noted with a great deal of concern, both today and in recent days during this session of the present parliament, that a great many hon. members are not finding it possible to participate in the question period. In saying that I am not casting any reflection on the Chair. I do say it, however, because I have watched the proceedings very carefully during the question period and have noted that a great many new members who have tried valiantly to be recognized in an attempt to have their voices heard in this chamber have not been successful.

It has always been my opinion, Sir, that the 264 members of this chamber are equal. You, Sir, have been appointed especially to look after us to the best of your ability. I have always believed that you have looked after us as best you can and I am sure all new members appreciate that fact. At the same time, because of the system under which we operate at present and the length of the question period, it is not possible for a great many members to participate in the question period. I am referring as much to hon. gentlemen on the back benches on the government side as to those in this party. I think every member should have a chance to ask his question if it is urgent and important. I know that a great many urgent and important questions go unanswered.

I believe that we must look very carefully at the system under which we now operate to see whether all members are being given equal treatment. I suggest, Sir, that on Mondays and Wednesdays, when written questions are answered, we might adopt a procedure similar to the British system whereby on those two days members who have questions on the order paper, even if they are in a somewhat different form, might be given an opportunity to ask a supplementary question. In that way hon. members would be given a better opportunity to participate in what I consider to be a very exciting form of proceeding if it is carried out in the right way.

There are at present many new members in the House and there will probably be many more new members in the days ahead.

Some hon. Members: Hear, hear!

Mr. Coates: They should be made to feel that they are part of this institution and be given every possible chance to take part in its proceedings and represent their constituents in a proper manner.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Pierre De Bané (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, in this regard I should like to make a suggestion to Your Honour. Obviously, it is impossible for all hon. members to be heard within one hour. I therefore wonder whether the Chair might not, all other things being equal, allow a small number of government members to put questions. I noticed, for instance, that over the past hour the hon. member for Gaspé (Mr. Cyr) has tried desperately to get the attention of the Chair, and that no government member has managed to put a question.

I sympathize with Your Honour in his extremely difficult duties but humbly suggest, if it is at all possible, that he allow government members to put just a few questions at each sitting.

[*English*]

Mr. Benjamin: Mr. Speaker, on the same point may I make a suggestion that I hope would assist Your Honour in the difficult time you have during question periods. It

has been noted by many members, not just in the present parliament but in the previous one as well, that there are some members who continually abuse Your Honour's patience and misuse their colleagues' time.

Some hon. Members: Hear, hear!

Mr. Benjamin: For example, today at least four hon. members felt they had the privilege of asking four or five supplementary questions, denying some of their own colleagues an opportunity to ask even one question. May I respectfully suggest, with regard to those members whom we all know who continually follow this practice, that the Speaker would have the complete support of other members if he did not see them.

• (1200)

Some hon. Members: Hear, hear!

Mr. Reilly: Mr. Speaker, I appreciate the remarks of the hon. member to the south of us on this situation, particularly as I believe his party harbours within its ranks most of the questioners of whom he speaks. As one who has risen in his place fully 200 times in three hours and 20 minutes this week, I urge upon Your Honour the adoption of the system suggested by the hon. member for Cumberland-Colchester North as a kind of clemency for those who labour in darkness in the back row.

Mr. Herbert: Mr. Speaker, I rise on the same point of order. Last night I heard the hon. member for Don Valley say when he appeared on television that the question period was organized by the opposition parties. I therefore, suggest to hon. members that they organize themselves better.

Mr. Speaker: Order, please. The Chair has heard the suggestions made by hon. members on both sides. I appreciate the points that have been made. The Chair tries fairly, in my view in any event, to give an opportunity to all hon. members. There are a number of difficulties. One is purely physical in that if 100 members want to ask questions it would never be possible for them all to do so even if we had a two-hour question period. I have very often suggested that perhaps an effort should be made by hon. members, in co-operation with the Chair, to give the newer members a chance.

I am in full agreement with the point made by the hon. member for Cumberland-Colchester North that under the system that has developed we are not giving some of the new members an opportunity to ask their questions. I am very anxious to co-operate with any kind of system that would make that possible. As we know, there is a Standing Committee on Procedure and Organization that looks at these very important matters. Perhaps that committee should look at this situation. I gather it will be convened in the near future. There are a number of problems the Chair would like to refer to that committee. I would certainly be pleased to refer this problem. I can assure hon. members that I will again try to give an opportunity to all hon. members, with perhaps an eye peeled in the direction of hon. members behind the front row.

Some hon. Members: Hear, hear!

Mr. Baldwin: I wonder, Mr. Speaker, if you would examine the list. There was a list that the Chair made last year of matters that might be referred to the Standing Committee on Procedure and Organization. With Your Honour's consent, that list might be advanced and the House leaders might look at it with a view to submitting this issue, along with several others, to the committee. The government House leader might also possibly organize a question period in the government caucus so that some of the uninformed Liberal members might be informed.

Mr. Lawrence: Mr. Speaker, I suggest that one reason questions are repetitive and there are so many supplementaries is that the ministers try to evade the questions put to them.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I am not sure at this point whether we are getting into an aspect of the debate which will be of much assistance to the Chair. I would hope hon. members would take that into account at this stage and try to be of assistance to the Chair.

Mr. McGrath: Mr. Speaker, perhaps one way around the problem during the interim period until the matter is resolved by the Standing Committee on Procedure and Organization would be for Your Honour to turn a blind eye toward the clock.

Mr. Rose: Mr. Speaker, mention was made a moment ago of the fact that there are some physical difficulties because of the large number of opposition members who wish to ask questions. I fully agree with that, but beyond the physical difficulties there are traditional difficulties. I refer to the system of precedence which I feel should not extend beyond the leaders of the various opposition parties. I suggest that the reason we have so many supplementary questions is that when a backbench member finally catches Mr. Speaker's eye he has to make up for lost time by asking two or three supplementaries.

Some hon. Members: Oh, oh!

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

BUSINESS OF SUPPLY

SUPPLEMENTARY ESTIMATES (A), 1972-73—MOTION FOR CONCURRENCE IN VOTE L12a—DEPARTMENT OF FINANCE

The House resumed, from Thursday, February 8, consideration of the motion of Mr. Drury:

That Vote L12a in the amount of $350,000,000 of the Department of Finance for Winter Capital Projects Fund—Loans in Supplementary Estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

Mr. Nielsen: Mr. Speaker, I rise on a point of order. I have had an opportunity of discussing the business of this debate with the government House leader. I apologize for not having had the time to have a similar discussion with the hon. member for Winnipeg North Centre (Mr. Knowles) and the House leader of the Social Credit party. We are prepared to agree to the following method of handling the conclusion of this debate. We have one further speaker on this item and we are prepared to terminate it at that. We would then like to move today into a discussion of the three notices together dealing with the estimates of the Department of Health and Welfare, that is items Nos. 6, 7 and 8 on the order paper. I hope that the government House leader and the other House leaders will agree that, since we are prepared to deal with these three items together, we might have general agreement to extend the normal 20 minute limit on speeches to 30 minutes for this debate.

We are then prepared to let all the other notices go at this stage, saving only item No. 3 which we propose should be dealt with and completed on Monday. We would then be prepared to have the appropriation bill introduced on Tuesday. Further, we would be prepared to allow all notices, including the appropriation bill, when we get to second and third reading go without recorded divisions. This is in that spirit of co-operation that the government House leader requested of us yesterday or the day before. If that is agreeable, we are prepared to proceed along those lines.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I accept the hon. member's apology for not having spoken to the rest of us about this matter, but I suggest it is the sort of matter we ought to discuss among the four of us. Perhaps we can do so during the lunch hour.

I suggest, however, that if the hon. member for Yukon (Mr. Nielsen) is in a mood to co-operate, he should go a little further and develop a scheme under which we might dispose of all these nine opposed items not later than the first thing Monday. Let us get to the bill by Monday. In making that suggestion, I repeat that I am not cutting off anybody because on second reading of the bill and in committee of the whole on the bill, particularly on the schedule, the field is wide open.

My suggestion is that we proceed as we were until one o'clock and that we try to meet during the lunch hour to come up with something, but our aim should be to get to second reading of the bill just as soon as we can.

Mr. Nielsen: Mr. Speaker, if that is the only point that is concerning the hon. member for Winnipeg North Centre, we will concede it and get these notices out of the way on Monday. Then, we could get to the bill sometime early on Monday, if that is agreeable.

• (1210)

Mr. Knowles (Winnipeg North Centre): It is agreeable, but I do not think the hon. member should make a decision for the House on the floor. I think the matter should be discussed among the parties.

[Mr. Speaker.]

Mr. Nielsen: I was making no decision. I was simply agreeing with the suggestion of the hon. member for Winnipeg North Centre.

Mr. Speaker: Order. Obviously, everyone is agreed on the point, but the suggestion has been made that there should be meetings outside the House. It is my feeling that it is always somewhat difficult to reach agreements of this kind in the chamber by questions and answers when four parties are concerned. I notice there is no one here at the moment to speak on behalf of the other party in the House. I am, of course, entirely in the hands of hon. members but it seems to me at this point that though there appears to be agreement it would be difficult to make an order. If hon. members wish me to inquire whether an order should be made, as suggested by the hon. member for Yukon, I am prepared to do so, although obviously the hon. member for Winnipeg North Centre feels there should be discussion. So, I shall not put the question at this time.

Mr. Knowles (Winnipeg North Centre): Supplementary to what has been said, and in an effort to make some progress, I think we can agree that immediately the discussion is over on notice of opposition No. 2 we would discuss notices 6, 7 and 8 in one debate. That would take care of things for a little while.

Mr. Nielsen: Normally, members would be allowed to speak for 20 minutes on each item. I am suggesting 30 minutes on the three.

Mr. MacEachen: Mr. Speaker, I will agree with almost anything these days to get progress in the House, to be quite frank about it.

Some hon. Members: Oh, oh.

Mr. Hees: What Stanley wants, Stanley gets.

Mr. MacEachen: I hope the latter suggestion will be accepted, because I shall not be able to meet with the House leaders until some time after 2.30. If we can agree that when the debate is finished on the present item we shall go on to the health items we can meet later and decide on the next step.

Some hon. Members: Agreed.

Mr. Speaker: We have agreed on that point, I am sure. But I am not sure there is agreement on the 30 minute limit suggestion. Is that agreed, also?

Some hon. Members: Agreed.

Mr. Speaker: The hon. member for Hamilton West.

Mr. Alexander: Thank you, Mr. Speaker. I thought I had completed my few remarks in the time allotted to me last night and, reluctantly, I discontinue.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, there is such great co-operation being shown here that it is with some reluctance I rise as, I believe, the final speaker on this item. I should like to say I am in agreement with the aim of this vote, in the amount of $350 million for the winter capital works fund. I feel it is one of the better

programs the government has put forward to deal with unemployment. It is the type of program which was originated, I understand, under the Conservative administration of my right hon. friend from Prince Albert who called it a winter works program. It was discontinued by the present Prime Minister (Mr. Trudeau) in 1968, when he made the following statement about it;

> The tendency for the program to involve 'make work' activities has always created problems, and it has proved increasingly difficult to control this undesirable feature of the program.
>
> It is the government's intention to continue emphasizing those programs that are developmental rather than short-run.

Our disagreement relates to the manner in which this program has been put forward and described as a non-budgetary vote extending over three years beginning in December of 1972 and ending on June 30, 1975. I can only reiterate what has been said by many speakers, namely that this vote seeks authority to spend $350 million over three fiscal years, yet the supply estimate is for the fiscal year ending March 31, 1973. It seems inappropriate that the government should be asking for supplementary estimates for the year ended March 31, 1973. The passage of this vote will give it authority far into 1975. I do not pretend to be an expert on parliamentary rules but this procedure seems highly irregular. In addition, the item described is not budgetary because there will, in effect, be a forgiveness of 50 per cent of normal on-site payroll costs if certain conditions are met by the provinces and the municipalities. To this extent, it seems to me that the vote contains conditions under which money spent over three years will, in effect, be a budgetary item which the government is combining in this vote with non-budgetary element, and it would appear to me that is contrary to section 20 of the Financial Administration Act.

When the Minister of Finance (Mr. Turner) was giving evidence before the committee he seemed quite sure that the amount of $75 million was a reasonably accurate estimate of what will be required this year. There is substantial evidence to support his estimate. But for the second and third year, the best he could do was to give a ballpark figure of $170 million and $105 million. In my opinion, the $75 million should have been brought forward as a supplementary estimate and the other sum should have been provided for by way of legislation. What would be the advantage of this course? It is that the legislation could have been debated in this House and commented upon appropriately.

There are many portions of this worthwhile program which could be significantly improved. To be effective, a winter works program requires a great deal of foresight and planning. Careful advance work enables the program to be put into practice quickly. There ought not to be dependence upon approval at a late stage, as is the case now. There is need for great flexibility both in the areas in which it is applied and in the level of effort. Earlier and effective research must be done with a view to determining the areas most meriting concern. The goal should be to meet local and regional conditions. In order to avoid unnecessary waste we should have taken a degree of care in the selection of suitable projects which will be impossible, now, in many cases. There is need for decentralization of program decisions so that there may be greater sensitivity to local and regional requirements. And it would be wise, I think, to make sure that employment is offered as far as possible to those who are presently unemployed.

One important consideration is that programs of this type should deal fairly with poorer and less endowed regions. A debate in the House would doubtless bring to light means by which the winter works program could be improved. Had this program come about by way of a bill we would have been in a much better position to make it effective. This is one program of which I am in favour and I think it is extremely useful.

As one who has always been interested in statistics, I should like to point out that in a release issued a few days ago it is stated that persons in the labour force aged between 14 and 25 in January, 1973, numbered 2,261,000. There were 300,000 unemployed within that age group, whereas in the age 25 and over group there were three times as many employed persons, namely 6,620,000. There were only 388,000 unemployed persons in this age group. In other words, although those in the labour force 25 years of age and over number three times those in the labour force between the ages of 14 and 24, the number of unemployed in both groups are approximately the same. I suggest that this is due to what everyone perhaps knows is the reason but which I should like to reinforce, namely the large number of young people coming on to the labour market in this particular age group.

• (1220)

In the Canada Year Book 1970-71, it is pointed out that between 1961 and 1966 there was a gain of 400,000 in the numbers of people under 15 years of age, whereas between 1956 and 1961 there was a gain of 967,000. In other words, there were a gain of almost two and a half times as many people in this age group in the period 1956-61 as in the period 1961-66. Based on the definition used by Statistics Canada of the time when people enter the labour force at the age of 14, a large number of young people are coming into the labour market.

For this reason, it seems to me that at this stage in our economic history we might take a very careful look at projects that would be of some help. During the years 1956-61 the number of births rose from 461,000 to 471,000. The rate dropped rapidly after 1965 and we are now down to about 360,000. What does this mean? It means that in the next five to six years we will have a large number of young people coming into the labour force, and therefore it is time we adopted a policy that will set up the infrastructure that this nation will need during the next decade or so.

I think this type of capital works project is very useful and perhaps should be expanded. Since within the next seven to eight years the number of new entrants to the labour force will diminish, I am sure we shall find there are many things that we would like to do as a nation but that there will be insufficient people to do those things. Therefore, I suggest we examine the infrastructure of our cities and towns, that we construct highways and railways to selected points in the north, which would be extremely useful in the coming decade. Since within the next five to seven years we will have the labour force available to do these things, let us make use of that force.

At the conclusion of the debate on this item we will be debating LIP and youth program. Many of them are very valuable but some are also of a service nature. I endorse the idea of capital works programs and hope they are successful, but I reserve my opinion on whether, had this money been brought forward in a different manner, it would have provided a better vehicle for debate and given members an opportunity to make suggestions to bring about that expansion in the next four to five years that I believe will be necessary.

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

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Mr. Nielsen: On division.

Mr. Speaker: I declare the motion carried on division.

Motion agreed to.

Mr. Speaker: My understanding of the order passed earlier today is that we will now call motions Nos. 6, 7 and 8.

MOTIONS FOR CONCURRENCE IN VOTES 35a, 40a, 45a—DEPARTMENT OF NATIONAL HEALTH AND WELFARE

Hon. C. M. Drury (President of the Treasury Board) moved:

That vote 35a, in the amount of $850,000 of the Department of National Health and Welfare for income security and social assistance—Operating expenditures in supplementary estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

That vote 40a, in the amount of $2,685,000 of the Department of National Health and Welfare for income security and social assistance—Contributions in supplementary estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

That vote 45a, in the amount of $1,000,000 of the Department of National Health and Welfare for fitness and amateur sport—Operating expenditures in supplementary estimates (A) for the fiscal year ending March 31, 1973, be concurred in.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I take great pleasure in rising to speak in this debate since while I've often been on my feet of late it is not often that I have a chance to orate. I am much concerned with these items, as are my colleagues who know me and my interests. I should like to speak first on the item dealing with fitness and amateur sport, which is a field in which I have shown, if not great prowess, great interest. There is a very large vote under the heading of income security and social assistance program and this is a matter of immense concern to the people of this country, certainly to the members of the House.

I will not reiterate the arguments in connection with whether these items should or should not be in their present form. However, if we look very carefully, or even casually, at some of the statutes relating to the whole question of fitness and amateur sport, it will be noted therein that there is a requirement for the filing of reports of various properly constituted bodies, and that there is the stricture laid upon the minister to have these reports laid on the table at a given time. We can doubtless find much room for very serious argument, perhaps to make some very serious allegations, regarding the nonfeasance of duty in relation to these reports submitted by bodies that are charged with very serious responsibilities.

We in this country have become concerned lately about a somewhat dramatic event ahead of us in the field of amateur sport, namely the summer Olympics of 1976. However, it is not that dramatic incident that I think should concern us here but rather the preparation of the Canadian populace, especially the youth, for this kind of event. In this regard, the fitness and amateur sport program should be very seriously thought about as Canada prepares not only to host the Olympics but to take its place there. Another reason I am concerned about this aspect of the vote is the quite shocking news feature story in a magazine which has just hit the streets today. This great national news magazine indicates that there is, in fact, in this country today a very serious drug problem and that indeed it has not at all evaporated no matter how many commissions we have had. It indicates there are serious problems facing the youth of Canada. In so far as a wholesome, properly directed and adequately funded program on fitness and amateur sports can alleviate such things and mitigate their baneful influence, then we should be concerned and we are very properly discussing the matter to which this vote draws our attention.

• (1230)

I should like to come a little more seriously to the matter of physical fitness. Many members know that in a recent, and I believe thorough, analysis and survey of physical fitness this country or ours ranked 21st on the scale of physical fitness of all the countries participating in the Olympics. This should bring home to us the fact that something pretty serious is lacking. Whether the problem is inadequate funds, inadequate facilities, inefficient or insufficient leadership, I do not know. We do vote large funds and we are voting additional funds here. This is what this is all about, yet we ranked 21st.

I see the former minister across the way. He and I might well say to the youth of Canada: Do not do as I do, do as I say, in some of these matters. I suppose if one wanted to personalize, had this country provided better facilities in that part of the country from which I come I might not at this middle age period of 53 have to say: Do as I say rather than do as I do. The majority of the grants which the Department of National Health and Welfare has distributed are under the sports directorate, and perhaps we are more concerned about the word "sports" than about the concept of the word "fitness". Here is where I think we have to take special note and have particular concern.

In 1970-71 $1,490,000 was given in grants to 59 national sports bodies. A further $286,927 was granted to 21 other national sports associations, and $2,089,833 was spent on such projects as Hockey Canada, the Canada Winter Games, Cross Canada sports administration and so on. I

think that the failure of the federal government's fitness and amateur sports policy lies in the fact that the fitness part of it is virtually left out. More money has been given to sports associations and athletic organizations than has been relegated to the average physically unfit Canadian. Here is where other countries set an example which we should follow. It seems to me that if federal moneys have been given to promoting physical fitness there have been great gaps. I am told there is a city in the western part of this country, that rediscovered part of our domain, where the church bells ring at a certain hour in the evening to remind people to go out and take a walk. Well, walking is something that does not require a tremendously elaborate program on the part of government at any jurisdictional level.

I am convinced that not only do we tend to emphasize those sports which lead to competitive excellence, and tend to emphasize competitive sports themselves, but we do not sufficiently assist and encourage the generality of participation not only of the potential winners of gold, silver, or bronze medals, but the potentially healthy Canadian. This should be our goal. This is what our physical fitness education people and our health and sports leaders, assisted by the government, must move toward. We must promote physical fitness for all the population. We must, it seems to me, encourage not only those sports which can lead to the winning of medals, but those healthy physical activities which can indeed be called lifetime activities; the kind of things which the Minister of National Health and Welfare (Mr. Lalonde) and I, at the mid-century mark, could engage in hopefully to the benefit of ourselves and to the country. It seems to me that the whole concept of fitness involves just such consideration. Then, I would hope that we will surpass the 21st mark on the scale of physical fitness.

Recognizing that something must be done I would invite the minister—I am not all that upset about this item and how it came about—for so long as he is there to utilize the pre-Olympics period as a great opportunity to bring to all Canadians a price in healthful living, a stimulus toward physical fitness and encouragement to our young, not only those with the capacity for potential excellence in international or national competition but those in the schools of the land. I do not limit my suggestion to the great and shining composite high schools in great cities, but all schools. Prizing as it does, and prizing as it must, the health and wellbeing of its people, the government must decide that we shall move forward along these lines with the knowledge that physical fitness has and must be a major national goal, and that health and physical fitness are tied together. I think we can encourage such things as regional training centres which would encourage and stimulate greater activity in this matter of such tremendous importance.

Now, Mr. Speaker, I would like to turn to the other vote, one of tremendous importance; income security and social assistance programs. Compared to many countries in the world I think Canada has a reasonably good record in this regard. I do not know that anyone has taken a poll as to where we stand in the matter of income security and social assistance, but I think we would not stand as low as 21st in that regard. I think we would do much better. As the economy develops particular problems for the poor, the handicapped and the aged, we have constantly to review the goals. In the last report of the minister's department, a section under economic security sets out a very simple statement at the beginning with which we all agree and with which we can not take exception. It reads as follows:

• (1240)

Canada's federal welfare benefit programs were initially designed to ensure that everyone has an adequate income and, over the years, they have been redesigned to meet changing demands.

Item 40a is one of these sudden moves to bring about something, not, I presume, under income security but in the realm of social assistance. I refer to the New Horizons program. The minister has just arrived. He may be somewhat surprised by the laconic brevity of the debate, but I can tell him I did not expect to begin this part of the debate until after the noon hour. However, I am glad to have the minister here where he will at least be a captive audience for the next few minutes. The New Horizons program is new all right. Some nasty people might say it was conjured up just because of the event that took place on October 30, which we all remember well with somewhat different emotions. But in so far as it was thought inspired in an age when the youth cult was very much the "in thing", I commend the idea that those who have reached the golden years deserve special attention.

There are great times and great things for those who are no longer young. In our openness and concern, and indeed our priority, for the young we should not forget those on the other end of the spectrum. Certainly, I think this is commendable. So far as I have been able to study the program, I am not at all sure it has been overwhelmingly successful. I would say probably it is a little early to make any kind of a judgment. If it was necessary that it be introduced when it was—and I make no reference to the October 30 deadline—it would have had to come in as a supplementary estimate. But far more important—and I do not hesitate to say this—than the development of the New Horizons program and the creation of interesting things for senior citizens today is the statement in the first part of the paragraph which I read from the minister's report. I repeat the words:

... programs were initially designed to ensure that everyone has an adequate income ...

I know many of the people of Canada who are in their late sixties, seventies or eighties who are living in homes or attend senior citizens clubs. One of the most pleasant evenings I spent in September was when I attended a gathering of this kind. The evening started with the 70-year olds step dancing. This is a great pastime in Prince Edward Island. The 80 year olds were a bit miffed at the 70-year olds taking over and they did their stuff. The last performers were 92 years of age. They were having a good time. This sort of thing is important. We have reached the stage where no longer do senior members of society remain within the family unit. The state has recognized this fact and has built special homes for these people. Because of the social, intellectual and recreational aspect this is all to the good.

An hon. Member: Did you take part in the dancing also?

Mr. Macquarrie: I was too young. As a matter of fact, it was said that no one under age 60 could attend that particular meeting. I asked if they would make one exception and they said I didn't need to worry because no one would stop me if I came. I wonder how many of these people would have been happier if, in addition to or perhaps instead of, a vote for recreation there had been a review followed by action concerning what these people receive in their pay cheques. We spent the interesting part of today, the question period, largely on a discussion of rising food costs. When these people went back to their apartments in subsidized senior citizens homes or to their private apartments and thought about their expenditures for such things as groceries, shelter and so on and considered their pensions which have become painfully out of line with the realities of the inexorable rise in the cost of living, I feel that some of the happiness they shared in the dancing and singing faded into insignificance. They are very much aware of the ceiling on their pension cheque and the seemingly unending rise in the expenses they face.

The senior citizens of this country have been held in a bind and have become the unwilling victims of a cruel inflation which is hard on all but too painful, and undeservedly painful, on those who are in their declining years and who have been presented with what is in effect a deflated pension by the government. I thought that before now the minister would have presented to this House legislation to increase old age security payments. The pensioners of today are receiving less in terms of real dollars than they were a few years ago, certainly at the time when the present government took office. It is a cruel and callous injustice to go on week after week and month after month failing to make a significant increase in the old age security payments. As I say, not only has the pension not been increased significantly, but there has been a cruel and callous failure to take note of the increase in the cost of living which in effect is a deterioration in the actual return which these people have every month.

I do not know why the minister waits. It is now a quarter of a year since something happened on October 30. No one can analyze with precision and clarity why the election went a particular way. I used to tell my students in my political science class at the university that the one thing that is more difficult than predicting an election outcome is to explain it after it has taken place.

• (1250)

Mr. Bell: You were a good professor.

Mr. Macquarrie: One of my former students, the whip, speaks up. When he was a student in my adult education classes in New Brunswick I also thought he was quite a good student. We are becoming almost genial here.

Mr. Knowles (Winnipeg North Centre): Tell us what you did in Brandon.

Mr. Macquarrie: The chancellor of Brandon University wants me to talk about my career in Brandon, but this might be irrelevant and therefore I will resist the temptation, except to say to the chancellor, if I had the opportunity, when it comes to honorary degree time he should remember some of his friends from the Progressive Conservative party who used to sit very near to him.

Some hon. Members: Hear, hear!

Mr. Macquarrie: I will take a moment for the conviviality to subside. The crying need for an increase should have been made apparent in October. The party of Mackenzie King at its best, in a political sense, was pretty faithful to its father but on a couple of occasions it strayed from the teachings of the sage of Kingsmere. One of those times was in 1957 when they forgot Industry and Humanity and they came out with a $6 increase in pensions. They were knocked all over the country as the six buck boys. It is strange to think that after that painful lesson—and I know it was painful for them because I was here—they would get into a more egregious error and think that 82 cents a month—

Mr. Knowles (Winnipeg North Centre): 42 cents.

Mr. Macquarrie: —would be acceptable to the Canadian people. I thank the chancellor. With my usual generosity, I was giving too much to the people across the way. The lesson was there. The minister has had all sorts of time to prepare this legislation. He has had consultations with the provinces. Why is the legislation not before us? How long are we to wait, how long are the people of Canada to wait and how long are the senior citizens to wait? I say to the minister: how long, O Lord, how long? What now is there to wait for? We are in the middle of the winter of discontent for these people. We read the figures on the increase in the cost of food, but the people who are the recipients of old age security do not need Statistics Canada to tell them that. They know every day what the problem is. I wonder if in all the negotiations and convolutions that are going on between the government and another party some arrangement has not been made to make the budget more palatable by injecting directly some increase in the old age security payments. If the minister believes in it, it should not be delayed. It has already been delayed far too long.

The minister must know the needs of senior citizens. He was one of the able men in the kitchen cabinet and has now been brought forward into the real cabinet. Let his voice be heard and let him say, even to his colleague, the President of the Treasury Board (Mr. Drury), that older people need help and they need it now. It is a great honour for the minister to be chosen, I am sure. Recently his chief has evoked Napoleonic examples. I say to the minister: he who has been chosen as one of the marshalls to accompany the chief to St. Helena should not hasten the day of that exile by delaying this legislation on behalf of the senior citizens a day longer. I tell him that if he will come forward with his legislation, he will see the greatest of co-operation from this side of the House because it will be a genial person like myself who will do his best to assist him to overcome his own dilatory neglect of the older people. So, in that one area at least, we will be moving back toward that forgotten ingredient in the political lexicon, the expression—who remembers it—"the just society." I think the President of the Treasury Board did recall it with a little help from me. May I call it one o'clock, Mr. Speaker.

Mr. Speaker: Is it the wish of the House that we call it one o'clock?

Some hon. Members: Agreed.

[*Translation*]

Mr. Speaker: It being one o'clock, I do now leave the chair until two o'clock.

At 12.58 p.m. the House took recess.

[*English*]

AFTER RECESS

The House resumed at 2 p.m.

Mr. Deputy Speaker: The hon. member for Hillsborough.

Mr. Macquarrie: Mr. Speaker, having spoken at such length, with perception and persuasion, before lunch, I rest my case.

Mr. Norman A. Cafik (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I rise, really in amazement, to speak with respect to motions Nos. 6, 7 and 8. I cannot understand how the hon. member for Yukon (Mr. Nielsen) can really expect the Canadian people to believe that it is sensible to move a motion to reduce the funds to $1 in respect of the New Horizons Program, not only in terms of administrative expenses which are dealt with in Vote 35a, but in Vote 40a which deals with grant funds totalling $6,150,000. This program is clearly in the interests of the elderly citizens of Canada, not only by providing them with a method and a technique for improving their lot in life but by giving them some degree of interest in working on projects which will help them and their communities.

To be more specific in relation to Vote 35a, which is for the sum of $850,000, I just do not understand the purpose of this motion because in the past—

Mr. Nielsen: It isn't a motion; it is a notice so that we can debate the item.

Mr. Cafik: In the recent past there has been considerable discussion about the Opportunities for Youth program and LIP, in terms of whether they were administered in the best possible way. This $850,000 is provided for proper administration of the New Horizons program. I suppose if the Conservatives had their way on this particular motion we would vote the $6,150,000, with no one to administer the program because they would wipe out the $850,000 for administration.

The ratio of operating expenses to grant contributions in this program is 12.14 per cent. This is not an abnormal amount for overhead, especially in the start-up phase when heavy expenditures can be expected for staff, capital outlays and advertising. Originally a figure of less than 15 per cent was aimed at in order to try to contain these expenses. Actually, 12 per cent was provided, and this was rounded off to $850,000. It must be stressed that the department does not have previous experience in this particular type of program upon which it can draw in reaching groups of elderly people, to assist them in becoming involved in community activities. In addition, the program had not yet begun to operate, and there was no practical experience respecting such operating costs. It could well be that once the peak of initial expenditures has been reached, the ratio of operating costs to contributions may be considerably less. However, I think it is only realistic to understand that it could even be more.

In my opinion, 12 per cent in operating costs does not seem unreasonable. This covers such things as overhead, salaries and wages. It is anticipated that there will be a staff of about 15 people involved with an average wage of $11,000 per man year. The estimate provides for $72,000 for transportation and communications cost and $172,000 for information programs involving the publication of bulletins and advertising in newspapers, on radio and television so that our elderly people will know about this program and be able to take advantage of it. There is provision for $425,000 for professional services. That sum will provide for highly qualified staff to be retained, whose services will cost between $12,000 and $20,000 per year in salary. Such persons will be chosen as have skills in working with retired persons' groups to assess the value of projects and assist in their planning. In addition there is a budget of $17,000 for the rental of equipment. Materials and supplies to equip regional offices amounts to $63,000, and other expenditures are provided to the extent of $12,000, with a view to helping local national groups to formulate objectives and policies with respect to the program.

• (1410)

Vote 40a, in the amount of $2,685,000, supplies the balance of funds that were not previously allocated, to make up the total budget under the New Horizons program for the balance of this year to $7 milliom. Such programs are very worthwhile for the elderly people of this country. So far this year 53 grants have been approved for $293,000, involving 7,500 retired persons. Last December the Minister of National Health and Welfare (Mr. Lalonde) announced 78 grants which involved $578,486 and covered some 10,000 people. So, the total number of people deriving benefit from this program now is in excess of 17,000.

Some hon. Members: Hear, hear!

Mr. Cafik: It is anticipated that this program will be used in all provinces of Canada. May I dwell on that point for a moment. The anticipated expenditures by provinces, are as follows: In the Yukon and Northwest Territories, in excess of $4,000; in British Columbia, in excess of $722,000; in Alberta, $418,000; in Saskatchewan, $333,000; in Manitoba, $337,000; in Ontario, $2,271,000; in Quebec, $1,456,000; in New Brunswick, $193,000; in Nova Scotia, $255,000; in Prince Edward Island, $43,000; and in Newfoundland, $113,000, for a total of $6,150,000. It is estimated that this amount will be paid by the Department of National Health and Welfare to provide meaningful activities for our elderly people right across Canada.

I cannot understand how anyone in this House could suggest that this item ought to be reduced to $1.

Some hon. Members: Shame.

Mr. Cafik: Such suggestions make a mockery of all the talk one hears about increasing the old age pension and the guaranteed income supplement. All members, on both sides of the House know of the need in this area.

Mr. Nielsen: Then bring in the legislation.

Mr. Cafik: And that is not all the elderly need. They also need—

Mr. Nielsen: Understanding.

Mr. Cafik: —funds, to enable them to take the initiative with their own projects and make their lives fuller and richer. It is very important that we take cognizance of that, now.

Mr. Nielsen: Bring in the legislation.

Mr. Cafik: I think it is important that we, in this House, subscribe to projects that will benefit these people.

Mr. Nielsen: We do.

Mr. Cafik: I am astonished that those on the other side of the House can question the value of the New Horizons program.

Mr. Nielsen: Rubbish.

Mr. Cafik: It is clearly in the interest of people in the senior age group.

Mr. Nielsen: Rubbish.

Mr. Cafik: I notice the hon. member for Yukon (Mr. Nielsen) says this is rubbish. In that case I suggest—

Mr. Nielsen: The hon. member's speech is rubbish.

Mr. Cafik: —that he vote against the New Horizons program.

Mr. Nielsen: Of course, we will not.

Mr. Cafik: I am confident that they would not support him in his motion to scrap these two programs— nor will I.

Mr. Nielsen: Rubbish.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I understand that, by agreement, we are now debating in one package notices Nos. 6, 7 and 8 on today's notice paper having to do with certain supplementary estimates for the Department of National Health and Welfare. Notices 6 and 7 relate to the general heading of income security and social assistance. I shall have a few words to say on this topic. Notice No. 8 has to do with fitness and amateur sports. My colleague, the hon. member for Sault Ste. Marie (Mr. Symes), will speak about that a little later this afternoon.

It could be contended that the money being asked for under the votes covered by notices 6 and 7 is for a specific purpose, rather a narrow one, as it were; however, since the heading on this vote is a general one, to do with income security and social assistance, I felt that the Chair had no option this morning but that of allowing the hon. member for Hillsborough (Mr. Macquarrie) to range generally over the subject. I am glad the hon. member established that precedent, so that I can do it, too.

I have been impressed with the attention that the new Minister of National Health and Welfare (Mr. Lalonde) has given to the responsibilities of his department. All the noises he has made thus far have been in the right direction. I commend him for his activity. However, Sir, I must impress on him the urgency of getting moving with some of the programs for which he is responsible.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): As I have suggested that he should get moving—even though my next remark may be lifted out of the logical order in which I try to make my speeches—I wish to say to him that he ought, this afternoon before five o'clock, to file with the table the notice of introduction of the government's bill to amend the Old Age Security Act.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): It was promised in the Speech from the Throne and it has been confirmed every time the minister has been questioned about it. We are told that there is to be an increase in the old age security pension; we are led to believe that the increase will be in the basic amount. We have been told it will be a substantial increase. We are further told that the government is concerned about those under 65 years old. We, therefore, hope that the bill will do something in that area, either by lowering the eligible age generally or by providing for the pension to be paid to spouses under 65 in cases where one spouse is already a pensioner.

I do not know how we can get it across to the government that every day counts. Every day on which an old age pensioner tries to make out on his meagre income, every day on which a pensioner learns that the cost of living is going up, is a catastrophe. It is a crisis for those people. I trust that the government is not putting off helping those people until February 19.

Mr. Nielsen: That is exactly what it will do and that will be your carrot.

Mr. Knowles (Winnipeg North Centre): I hope the minister is not planning on that, so that the Minister of Finance (Mr. Turner) when he makes his budget speech, can announce what the Minister of National Health and Welfare is going to do for senior citizens.

Mr. Nielsen: That will be your carrot.

Mr. Knowles (Winnipeg North Centre): That is ten days away.

Mr. Nielsen: That is going to be your carrot.

Mr. Knowles (Winnipeg North Centre): Our older people cannot buy carrots unless they are given an increase in their pensions.

Mr. Nielsen: I am glad to hear the hon. member say so.

Mr. Knowles (Winnipeg North Centre): I say that it would boost morale and lessen some of the anxiety and suffering of our senior citizens in these difficult times if that notice were filed this afternoon.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): It should be done at five o'clock at the latest, because that is the deadline under the rules for such notices to be given on a Friday. If that notice were filed this afternoon the bill would be on the notice paper, and on the order paper right away. It would be printed tomorrow and the people of Canada would know that this promise is being translated into reality. I plead with the Minister of National Health and Welfare not to play the budgetary game and hold it off, but to bring it on right away.

• (1420)

The life of this parliament is not secure. The life of this parliament is in balance. One of the things that will determine whether this parliament will go on, certainly under its present structure, is whether the government acts on this important question. I call for that kind of action this afternoon. I said earlier that I am impressed with the attention the minister is giving to the responsibilities that are his. I suspect that if he were on his own and did not have to get the consent of the Prime Minister (Mr. Trudeau), his colleagues and so on, he would have done some of these things long ago.

The same urgency that I have applied to the question of old age security applies to a number of other things that come under his responsibility. During today's question period, I asked him about the range of escalation of the annual increases with respect to Canada Pension Plan benefits. In his reply, the minister indicated that the government was sympathetic to the idea of raising the present ceiling of 2 per cent to a higher figure but, as he put it, the federal government does not yet have sufficient concurrence from the various provinces. If that means there has to be a federal-provincial conference going into the whole area of social security, for heaven's sake, speed up the holding of that conference and, for heaven's sake, in the meantime do everything that the government can possibly do on the basis of its own federal authority and responsibility.

There are other ministers in the chamber. First, there is the President of the Treasury Board (Mr. Drury). I say to him that he has no excuse for holding back on the escalation of the pensions of retired civil servants and keeping it at that 2 per cent ceiling. On January 24, he told me that had to be tied in some way to the question of its relationship to the Canada Pension Plan. If that is going to be delayed, why should retired civil servants have to wait all this time for this increase?

I say to the Minister of Transport (Mr. Marchand), as I said this morning, that he should talk turkey to Canadian National Railways and talk the same kind of language to the Canadian Pacific Railway also. He should tell these organizations that they should not leave this question of the escalating of their pensions in the state of limbo that it is in at the present time. This whole principle that pensions should be increased, not by some fixed limit as 2 per cent, but enough to enable people to keep up with the rising cost of living, has to be applied to all pensions across the board. I call on the appropriate person, the Minister of National Health and Welfare, who has more to do with pensions than anyone else, to press this point for all he is worth.

I was delighted to read the document tabled a few days ago by the Minister of Veterans Affairs (Mr. MacDonald), the report of the joint study group on the basic rate of pensions under the disability act. That joint committee, God bless its members, is not satisfied with an increase equal to the rise in the cost of living. That committee says that as veterans grow older, they are entitled to share in the increases in the standard of living that others are able to enjoy because of the growth in our economy, the rise in the gross national product, the rise in the wage index and the standard of living. It is a principle that members who have been around here for awhile have heard me proclaiming for a long, long time.

I insist that we will not have pensions that are worthy of the name until there is built into them provision to escalate in such a way that our retired people will be able to keep up, not only with the rising cost of living, but be able to participate in the rising standard of living.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): The Minister of National Health and Welfare has had a real promotion from the kitchen cabinet, as the hon. member for Hillsborough (Mr. Macquarrie) described it this morning, into the cabinet itself. It is a real promotion to be made minister of this department. I insist that he is in one of the most important portfolios in the cabinet, because the whole question of developing some kind of income security and certainty for the lives of our people, particularly in their later years, hangs on what he will do. Therefore, Mr. Speaker, I call upon him to add to the good image he has created and the good impression I get of him. I call upon him to do that with some expedition. He can show this by tabling the notice of his bill to amend the Old Age Security Act this afternoon and moving on some of these other matters as well.

I hope the minister will move as quickly as he can on the escalation of the Canada Pension Plan benefits. Right now, people living across the river in Quebec receive an escalation of 3 per cent per year whereas under the Canada Pension Plan it is 2 per cent. Somehow or other they have managed that without any increase in the premiums that people must pay. There is one province that started it. I do not shout with great joy about 3 per cent because I do not think it is enough, but at least Quebec has established that it should not stay at 2 per cent. I press for zeal and determination on the part of the Minister of National Health and Welfare in this whole field of the escalation of benefits.

I will now get back to the bill that I think we should have in this House on Monday. As we are now going to get rid of the supply bill a lot sooner than we thought would be the case, the coast will be clear. There is no reason to delay dealing with it next week before we get to the February 19 budget and the budget debate. I urge that the effective date in the bill be retroactive to January 1. In the

middle of last year, when an election was in the offing, pension increases were made retroactive, so that precedent has been established. I think that should be done now. Many senior citizens have already had their rents increased because the news is there will be a pension increase. They need a retroactive payment in order to cover some of the increases they have already had to pay.

On another occasion I will have something more to say about retired civil servants, veterans and those who receive pensions from the private sector. It is appropriate to mention these matters here because this is where the lead must come from, from my good and earnest friend, the Minister of National Health and Welfare.

I also remind the minister that every time we have done something about old age pensions in recent years, we have overlooked certain other things that ought to be done. It used to be that whenever there was an increase in old age security, shortly thereafter there was an increase in old age assistance. There was also an increase in the blind persons allowance and the disabled persons allowance. Those ceilings are still at $75 even though the Old Age Security pension has been increased to $82.88. The government argues that those are federal-provincial schemes and that the provinces have the right under the Canada Assistance Plan to supplement them if they want.

However, I have the terrible feeling that in this change, the blind people of Canada have been forgotten in this place. It is not good enough to say to them that a pension of $75 for a blind person is enough because he can get additional so-called welfare that is financed under the Canada Assistance Plan. I agree with those who speak for the blind that they ought to be paid a universal pension as of right, and that the amount ought to be adequate. Likewise with the question of disabled persons allowances. I know some people are covered under the Canada Assistance Plan, and that some people get disability benefits under the Canada Pension Plan.

• (1430)

However, that old disabled persons act is still around, and we still run into people who encounter difficulty getting pensions or allowances to which they are fully entitled because they are not able to prove they are totally incapacitated. We often run into cases where it seems that to get a pension or an allowance under this legislation a person has to be unable to move, unable to feed or look after himself.

I welcome the proposal in the Speech from the Throne to make a beginning on a guaranteed annual income. Although I want to see the day come when it is universal, I am prepared to start with a guaranteed annual income for certain categories of people, namely the categories mentioned in the Speech from the Throne. Mr. Speaker, let us not anticipate that this will not come about until after another election or another two elections. This is needed now. It is one of the reasons this parliament is being kept here at all—so that action will be taken on these various things. And I plead that this action take place without delay.

Some hon. Members: Hear, hear!

Mr. Nielsen: How long are you going to wait?

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): The hon. member asks his political question, and I don't mind it. We are asking ourselves how long we should give these people to come through with what they themselves have promised. As for the pension, we think it should be $150 a month. I suppose they will not go that high. We think the age qualification should be lowered.

The important thing is that the older people of Canada are feeling the pinch; they are feeling it even more today because they have been told what has happened to the cost of living index and they are wondering what parliament intends to do. It would be a real boost to them if the news tomorrow is that there has been filed on the notice paper of the House of Commons an appropriate bill to amend the Old Age Security Act. I have enjoyed saying nice things about the Minister of National Health and Welfare and I think he knows I meant them. I would mean them all the more if he would do as I have suggested—file notice of that bill this afternoon so that tomorrow the older people of Canada might know that their pensions are to be increased on a certain date to a much more reasonable level. This is the sort of thing which should be done without delay.

Mr. Nielsen: May I ask the hon. member a question? If the government does not bring in the legislation requested by the hon. member on Monday, would he and his party vote against the appropriation bill on Monday, amounting to expressing non-confidence in the government?

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I would be much more interested in answering that question if it had come from a representative of a party which had taken a firm stand with respect to old age pensions.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): The Leader of the Opposition (Mr. Stanfield) was asked during the election campaign whether he would support the payment of $150 a month across the board as a basic old age pension. And he said, no.

An hon. Member: He said $175.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): He said no such thing. When he was pressed as to how much of an increase he would support, he said: Enough to cover the full cost of living. The highest figure that was ever extracted from the Leader of the Opposition in the election campaign was the figure of $10 a month.

An hon. Member: Answer the question!

Mr. Knowles (Winnipeg North Centre): Now, why should we throw the Liberals out when we are still trying to get $150, or something like it, from them, while from this side of the House we have no promise at all? Two or three Sundays ago, the Leader of the Opposition was on one of those afternoon television programs and the question was put to him again. He dodged it. He was not prepared to commit his party to an increase in the basic old age pension beyond $10 a month. He and his friends

talk a lot about what they are prepared to do for old age pensioners—they are willing to set aside the business of the House to deal with the question of pensions, and so on. I do not know what we shall get from from the Liberals. But it has been promised that the increase will be substantial. The pension amounts to $82.88 at the present time. We shall have to decide, when we get the bill, what "substantial" means. But at least there is a clear indication from that side of the House that we will get something. There is no indication from the Progressive Conservative party that they will do anything at all beyond $10 a month.

The hon. member for Yukon wants to know whether we would vote those people out and put him and his friends in on the basis of their $10 a month.

Mr. Nielsen: Oh no, that was not the question.

Mr. Knowles (Winnipeg North Centre): While the hon. member is trying to formulate his question, may I say that I hope the question by the hon. member for Edmonton West (Mr. Lambert) got on record in *Hansard*. He wants to know if we have found the money for $150 a month, which is a clear indication that he does not favour the $150. There is one thing about the hon. member for Edmonton West: he honestly states the position of his party. And he is not in favour of the $150.

Mr. Nielsen: May I address my question again to the hon. member for Winnipeg North Centre?

Mr. Deputy Speaker: Order. I ask both hon. members to resume their seats. Since the hon. member for Winnipeg North Centre is not prepared to yield to the hon. member for Yukon, the hon. member for Yukon cannot be recognized.

Mr. Knowles (Winnipeg North Centre): I am sorry, Mr. Speaker. I was prepared to yield. I just wanted first to comment on the interjection from the hon. member for Edmonton West. I am quite happy to take a question from the hon. member for Yukon.

Mr. Nielsen: My question to the hon. member—and he appeared to miss it, judging from the breadth of his comments—was this: if the government does not act as suggested, and bring in by Monday legislation along the lines he proposes, are he and his party prepared to vote against the appropriation bill? This would have the effect of turfing out the government, but not necessarily of putting this party in power.

Mr. Knowles (Winnipeg North Centre): We shall be happy to let the Official Opposition know our strategy when it is time to make it known. The hon. member cannot get away with these indirect questions. He tries to tie the question whether or not we get the notice by tomorrow to the way in which we shall vote on the supply bill. The question of the supply bill stands on its own. We happen to think that this parliament should be made to work. We happen to think that the business of government should carry on.

Some hon. Members: Hear, hear!

An hon. Member: Don't evade the question.

Mr. Knowles (Winnipeg North Centre): Just a minute; I did not come here yesterday. You can't get me that way. If the government lets us down on old age pensions we will deal with the government when we decide to do so, and in the right way. But that is a different thing from withholding this money which is intended for unemployment insurance payments, LIP payments, New Horizon programs, fitness and amateur sport and all the other things.

Mr. Danforth: Money for agriculture?

Mr. Knowles (Winnipeg North Centre): Yes, money for agriculture. The hon. member for Yukon does not know about western farmers. We are not like hon. members to our right. We are not prepared, as they are, to attempt to bring a halt to the ongoing business of government just in the hope that they might get over there on the treasury benches and make a worse mess than is being made by hon. members sitting there at the present time.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I can congratulate the hon. members from the Conservative party for curtailing the week's filibuster they had planned to carry on with respect to these nine motions, so that we may get at the supply bill today or Monday. But I say to them that the supply bill stands on its own feet. It represents the ongoing business of government. There are the programs in it which I have mentioned, and which need to be financed, and we intend to vote for each of these items.

Mr. Hees: We know how you feel. Do not bother with the alibis.

• (1440)

Mr. Knowles (Winnipeg North Centre): Do not talk to me about alibis; my friends make them by the thousands. We are not going to vote for reducing the "New Horizons" item to $1. We are not going to vote for reducing the fitness and amateur sport item to $1. We are not going to vote for reducing the agricultural items or any of the others. We think the business of government must go on, and therefore we are prepared to vote this money. However, we are saying to the government—and I think the government knows this—that they have to act on pensions in a proper way or they know what will happen.

Mr. Barnett J. Danson (York North): Mr. Speaker, it gives me pleasure to rise to participate in this debate. In fact, when I come to think of it, it doesn't give me very great pleasure, since the purpose of the motions proposed by the hon. member for Yukon (Mr. Nielsen) is to delay funds for very worthwhile programs, something that I do not approve. If the hon. member would pause to think about it when he comes back into the chamber, the effect of his proposals would be to kill these programs.

Let us think for a moment what these programs really do. They are extremely worthwhile. The hon. member opposite is sitting down at the far end of the chamber trying to make deals with the hon. member for Winnipeg North Centre (Mr. Knowles), and is playing little games with the lives of senior citizens. There is one of those organic relationships going on down there at the moment.

Mr. Hees: You mean playing games with the life of the government, don't you, Barney?

Mr. Danson: The effect of these motions, as I say, would be to kill these worthwhile programs which are primarily directed toward our senior citizens, people who have my highest priority and I think the highest priority of all members of the House. We do not play games or play politics with our elderly citizens.

Mr. Hees: You only play games with the NDP.

Mr. Danson: Neither do we engage in auction sales with the old age pensioners.

Mr. Lambert (Edmonton West): Are you trying to be a prophet, Barney?

Mr. Danson: The hon. member for Edmonton West (Mr. Lambert) may think we are not being serious about this. He was a member in the last House and he knows that my priority, the priority of the hon. member for Winnipeg North Centre, indeed I think the priority of all members of the House, was the senior citizens. We have to think about them in a very selfish way. It does give more dynamism to our lifestyle if we live in a society where, as senior citizens, we know that we are looked after in security and with dignity; we can then live a more free-style life and take our chance when we are young and are somewhat more flexible.

Mr. Hees: Aren't you flexible now?

Mr. Danson: Yes, I am, and I am sure I will be for a long time. I am sure the hon. member is not suggesting that I am not flexible. But the point is we are still able to control our options. No one has ever suggested that life is easy, but when we are older we do not have the same chance as when we are young. That is why the old people must be looked after now. Therefore, I do not think we should play games by delaying legislation and embarrassing the government on a matter as important as this, and this applies particularly to the New Horizons program.

I do not say that because it is the most important program or the most significant thing that has ever happened in the history of this country, but because it is a very precious program. The greatest priority of all is the fundamental economic security of our senior citizens. But there is a lot more to it than that. There is a life style, a richness of life, which allows these people to do things they were not able to do before. I happen to think that it is a great program.

I was delighted to hear the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. Cafik) say that some 17,000 people are now involved in the program. I was glancing at the minister's press release of December 18 last, which outlines some of the programs that are to be implemented right across the country. They are not massive programs. For example, there is a grant of $5,100 for a program in St. John's, Newfoundland; a grant of $3,900 for one in Whitbourne; another for $1,170 for Kensington, P.E.I.; another for $1,765 for Miscouche in P.E.I. There are programs right across the country. For example, in my own riding there are one or two small programs, but there are programs from coast to coast for small groups of people.

We also have to look at these programs in human terms. During the last election campaign—or, rather, during the last election; I do not recall there being a campaign—I was called down to Willowdale United Church in my constituency to meet a group of senior citizens there. They were not all members of the church because the group was non-denominational and used the church facilities to play card games such as euchre to reminisce. They had some interesting stories to pass on and they told me they would like to put them in a book. They wondered if somehow, through some government program, they could secure the services of a stenographer or secretary who would type these stories so they could be mimeographed. There were about 100 people there and none of them knew about the New Horizons program. It is, of course, still fresh in our minds and we still have a lot to learn about it from experience. So, for a very small sum of money, here would be an opportunity to engage a lot of people in a project that might prove very worthwhile. The stories and reminiscences that they have might be very valuable to our generation and future generations. But there is another dimension to it. These people who presently wake up on a Monday morning and ask what they are going to do until their euchre game on Wednesday are going to be able to say that they have to be ready for their project on Wednesday. Each day, therefore, is no longer a dull day, another day waiting for the euchre game on Wednesday. They will have a different focus each week, which is something that is very worthwhile.

There is another town in my riding, the town of Vaughan, which is really a township made up of a lot of small towns and farming area. The senior citizens there have formed a Senate. We have our own Senate of senior citizens, too, but this is a different sort of Senate. They have representatives from the towns of Woodbridge, Maple, Thornhill, Concord and Nashville who come together and decide among themselves what kind of programs are needed in the area. So that they do not duplicate the work, the group from Nashville takes on one program and the group from Woodbridge takes on another. This is a great idea and prompted me to suggest to the minister that it would be very worthwhile to have an advisory council such as in the town of Vaughan for all of the senior citizens programs.

A lot of benefit can be derived just from meeting and talking about problems. This provides input and the whole thing is co-ordinated by the director of recreation in the municipality, who is probably in his mid to late twenties. He is as excited about the program as are the old people themselves. It appeared to me that we could expand this idea even further and get our senior citizens more involved in the program if we had a national advisory council so that the thrust of the program is maintained and oriented in ways with which the senior citizens can identify. Then, perhaps regional advisory boards of senior citizens could be set up to provide a channel of communication with the minister who is primarily concerned with their interests. This is very important, not only to the success of the program, but so that the senior citizens themselves feel tuned in to the institutions of their country as well as to their government.

We have tried to do the same sort of thing with your young people through the Opportunities for Youth program and local initiatives programs. People who were trying to destroy the institutions of our society a few years ago now feel for the first time that society cares about them, is interested in them and that our institutions are relevant to them. I am not really too concerned about senior citizens coming to Ottawa to tear down the Parliament Buildings or to start bonfires at city hall. We are talking about an enriching program that is important to them in later years when often they feel shunted aside. Through these advisory groups they are given a channel of communication to their government. We are representing them and they no longer feel alienated. They do get their message through. There is an interplay and a connection between senior citizens and their governments, as there should be between all citizens. Let us not forget them. The New Horizons program offers that potential, and I hope the minister will take this as a suggestion and establish these advisory groups of senior citizens.

• (1450)

It was rather interesting to meet with senior citizens. They are a great bunch. We had a couple of meetings and they talked about some interesting programs they wanted to undertake, such as travelling to Niagara Falls, Quebec City, and some even wanted to go to Vancouver. I thought that was great. Those are things they should be able to do. I agree with the purpose of the program itself, and feel that perhaps we should help them organize. It also helps put their problems into perspective. They thought life had been pretty tough on them.

We had one meeting at the church and one at the town hall in Maple. They said that everyone there got there by car. This was true. I suggested that perhaps they should start thinking about this method of travelling to Niagara Falls, Quebec City and Vancouver. We have another section in Woodbridge which is made up of summer cottages in which a lot of the older people are now living. It is a big event for these people to get to downtown Toronto, and for some even to get to the post office in Woodridge. Perhaps there is no problem for some of these senior citizens in getting out, but for others it is a big event to even get out of their homes and down the street. They do not have cars.

These are the same people who are making the trade-offs that many senior citizens have to make today between nutrition and medicine. I spoke a couple of weeks ago in the House about this. These meetings had a strange effect on other senior citizens. They began to put their problems in some sort of perspective, and began to realize that they were not so badly off. They began to talk about doing something for other senior citizens who were in worse shape than they were, perhaps because of this trade-off between medication and food. These people would get together and make a deal with a few of the local druggists. They would actually get into the auction business and play one against the other, trying to find the one who would give them the best deal on drug costs. These people have become quite excited about this program.

This is the potential of the New Horizons program. This is the sort of thing it is doing, and this is the sort of thing to which these motions are intended to apply. It saddens me to think that a man such as the hon. member for Yukon (Mr. Nielsen), who has had such experience in this House, would stoop to this type of tactic.

No one can question the credentials of the hon. member for Winnipeg North Centre (Mr. Knowles) in respect of his experience with senior citizens. I am sure he is as impatient as all of us, but I am sure that if we really think about this in all fairness and in an unbiased, non-political way, he and others will appreciate the record of the Liberal government as far as senior citizens are concerned.

When I heard I was to speak this afternoon on this matter I looked up the record and reviewed it. I wanted to refresh my mind as to some of the things that happened in respect of old age security. When the Liberal government was formed in 1963 under Mr. Pearson, the universal old age security pension was $65 a month and was paid to a person aged 70 or over. In 1964, Mr. Pearson's government raised the old age pension to $75 a month and a 2 per cent escalation clause was included to offset the cost of living. That was done in 1966. In 1970, the old age security pension was set at $80 per month, and in the same year pensions became payable to persons 65 years of age and over. That was as a result of the action taken in 1966. This year the government introduced an escalation clause to fully adjust the old age pensions to increases in the cost of living. I think this has been a major and a significant move. People speak about the small amount of money involved, but the principle is extremely important. This escalation was built in, just as the member for Winnipeg North Centre says it should be built into other areas of our pensions system.

Mr. Harney: Mr. Speaker, I rise on a point of order.

Mr. Deputy Speaker: The hon. member for Scarborough West (Mr. Harney) rises on a point of order.

Mr. Harney: Mr. Speaker, I wonder whether the hon. member now addressing the House would accept a question?

Mr. Danson: Yes, Mr. Speaker, I would be delighted to accept a question from the hon. member for Scarborough West.

Mr. Harney: Mr. Speaker, I wonder if the hon. member would give us any idea of his estimate of the amount of increase in the old age pension that would be needed to obviate the necessity for the trade-offs he has spoken of between nutrition and medicine?

Mr. Danson: It would be significant.

Some hon. Members: Oh, oh!

Mr. Danson: I have never been satisfied, and I suppose I never will be in this area, but I hope I will be satisfied that we have done all we can as a government. I think the Minister of National Health and Welfare (Mr. Lalonde) knows my feeling and the feeling of many members of our caucus. We have to do the best we can. There are other trade-offs in taxation, and as to whether we look after people on a universal basis or on a selective basis. These are trade-offs that we have to make.

Mr. Knowles (Winnipeg North Centre): Would you go for $150?

Mr. Danson: The amount must be significant and you can read anything you want from that statement. I am confident that the amount will be significant, but I must say that I have no prior knowledge.

In any event, we introduced the guaranteed income supplement and provided for a maximum payment of $30 a month to old age pensioners having no other income. As in the case of old age security pensions, this was indexed, for cost of living purposes, at 2 per cent per year. In 1970, the maximum guaranteed income supplement was increased to $55 a month, and this year the government both increased the maximum to $70 per month and indexed the guaranteed income supplement payment to fully reflect increases in the cost of living.

Since 1963, therefore, under the combined headings of old age security and the guaranteed income supplement, Liberal governments have increased benefits payable to a single old age pensioner from $65 a month to $150 a month plus full cost of living adjustment if she or he has no other income. Several other benefits and programs, all of them introduced by Liberal governments, enabled retirees and senior citizens to look forward to a dignified life in old age.

Mr. Woolliams: We remember six-buck Harris.

Mr. Danson: We have come a long way since the six-buck days, and compared to the days of 10-buck Bob, I think this was very generous.

There is the Canada Pension Plan, for example, which was introduced in 1966 and will be fully operational by 1976. The plan will pay out a retirement benefit of 25 per cent of a worker's annual average earnings up to $5,100, in addition to providing a disability pension, a benefit for dependents for those disabled and unable to work, a pension for widows, orphans and disabled workers, and a lump sum death benefit. This plan guarantees for the first time that pension benefits will be payable to all Canadian workers, over and above the old age security payment, regardless of the vagaries of coverage under private pension plans. In its white paper on income security, the government announced its intention of keeping the Canada Pension Plan consistent with the growth in wages and salaries in the Canadian economy.

There are also the medical care program and the Canada Assistance Plan, both initiated by Liberal governments. These are the first things we have done with a degree of consistency, if not with all the haste that the hon. member for Winnipeg North Centre would want, and that many of us would wish. I think we are making considerable progress and the pace of it is accelerating. I think we can be grateful for that without, at the same time, ever being satisfied.

I suggest that we get on with the business of the House and with the legislation that is before us, because there are things to be done. There is good legislation and we are proud of the performance of the Minister of National Health and Welfare, a new member of the House, since he assumed that portfolio. I think all of those on this side of the House, and the people in Canada, can be grateful for having him serve in that role. I think we should get on with the job.

• (1500)

[*Translation*]

Mr. Gilles Caouette (Charlevoix): Mr. Speaker, I do not intend to deal at great length with the matter before us, because, after all, the supplementary estimates being discussed at the present time are highly justifiable.

Although one may criticize the purposes for which such estimates are earmarked or say that too much or too little money is provided, I find it quite ridiculous that the Progressive Conservative party should want to reduce some one dollar items. I sincerely believe that the members of that party would be the last to support such a proposal. In fact, their main purpose, and that is unfortunate, is to play politics. Their purpose is not to get good administration but rather to create confusion among others and achieve some political gains.

For my part, I only ask that the government have these items disposed of as soon as possible in order to be in a position to introduce adequate bills, and that not only for purely political purposes, but rather in consideration of the rights of the old people for whom those estimates are intended.

Mr. Speaker, is there anything to prevent the government from introducing such bills as soon as possible? The members of the Liberal party are keen to blame the Progressive Conservative members, telling them: You are delaying the business of the House, you do not want us to act quickly. This results in a deplorable waste of time because nothing more than motions or innocuous bills are put before the House.

As far as we are concerned, we are waiting for the government to take unequivocal positions, especially on old age security pensions. We can never pin them down about the amounts to be paid to the old people; they rather enjoy, every four or five years, introducing bills intended to create political pressures on individuals, instead of discussing the amount of the votes or the real solution to the problems.

I wonder why the government does not introduce bills stipulating, for instance, that the old age security pensions be increased to keep pace with the rise in the cost of living. Instead, it prefers to introduce the same old bills, postponing their adoption to introduce others later on, but refusing to take positive steps. In fact, the present budgets are another crushing proof that the governments, past and present, are incapable of setting up sensible estimates.

They still enjoy throwing figures around from time to time, but never taking into account concrete facts, that is the increase in the cost of living. For instance, the old people could be given the right to automatically higher pensions, based on rising costs.

Mr. Speaker, we are still discussing the supplementary estimates for the year ending March 31 and, as the hon. member for Winnipeg-North Centre (Mr. Knowles) said a while ago, we are waiting for the government to take a position and quickly. Decisions will not be made easier nor will the Canadian people live any better because

things are dragged out and deadlines are postponed. Decisions must be made today, as soon as possible. We must stop arguing about minor problems such as that which is before us now because we know that money has already been or soon will be spent. We must also—I refer to the Progressive Conservatives in particular—we must also stop playing petty politics.

Hon. members should act as administrators, they should deal effectively with the needs and claims of their electors and the government should introduce positive bills.

We are once more discussing the New Horizons Program and in view of the imitation of an administration that may exist at present, I wonder whether we can be assured that the appropriations will be better administered than those concerning the Local Initiatives Program. One asks questions. It is all very fine to put out a political feeler by suggesting that these are necessary credits, but when we come to the administration or to the distribution of these credits, we find that never, in any area, they do really serve to help the people.

We want the government to do positive work, progressive work which respects the needs of the individual not 10 years later, but at the moment when it is necessary to meet these needs. We are waiting with impatience for the government to introduce bills which will respect the needs of individuals when individuals have those needs and not on a delayed basis as has always happened in the past.

Mr. Speaker, these were the simple remarks I had to make on these estimates and I hope especially that the Progressive Conservatives will stop their petty political manoeuvring and allow the government to pass these estimates as soon as possible so that we may really be able see if the government intends to introduce positive bills.

[*English*]

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, as I look around the House on this quiet Friday afternoon I would suggest we could obviate the problem raised in respect of the question period this morning if we gave Mr. Speaker discretion to call the question period occasionally on Friday afternoon. The front bench on the government side is fairly empty, but those members do not contribute a great deal to the question period in any event.

I listened with a great deal of interest to the hon. parliamentary secretary who introduced the debate for the government. He was ably supported by the hon. member for Winnipeg North Centre (Mr. Knowles). I listen with great interest every time the hon. member for Winnipeg North Centre speaks. I admire his humanitarianism. I agree with his feelings about the plight of the aged people in this great country. I was surprised, however, at his sudden conversion in wanting the old age pensioners' case brought forward now. We wanted it brought forward a month ago, and nothing has happened in this parliament in the last month which I would place in a higher priority than the Old Age Security Act.

I would also support the hon. member for Yukon (Mr. Nielsen). If the hon. member for Winnipeg North Centre wishes to put his money where his mouth is and come forward with a statement that he will not support the supply motion unless an amendment is brought in in respect of old age security, I think he will receive agreement from this side of the House and again will be able to have his way with the House. It always alarms me when a discussion occurs such as that between the hon. member for Yukon and the hon. member for Winnipeg North Centre. I assume they were debating who would be House leader next week.

I believe that an amendment to the Old Age Security Act should be brought in immediately. Early in the session we heard that it was to be brought in very soon. It has not yet been introduced. We are wondering if this urgent legislation is not being debated because the Prime Minister (Mr. Trudeau) and the Minister of Finance (Mr. Turner) want to have it contained in the budget, or not passed until the budget, in order to try to blackmail opposition members into accepting the budget of the Minister of Finance.

Now I shall refer to the statements made by the party opposite about our $1 motion. As they well know, and I wish they would stop trying to misinform the people of Canada in this regard, this is a procedural motion which is the only way open to the opposition to ensure that supply estimates are discussed. It seems to me that it is the duty of all members of the House to discuss how the taxpayers' money is to be spent. It is a pleasure for me to speak in this debate on the supplementary estimates concerning welfare. As I have said, this motion gives parliament an opportunity to discuss welfare in both a broad and a narrow sense. There may be those in the House who do not agree that welfare or other areas of finance should be discussed. They believe we should agree to whatever is put before us by the bureaucrats, that it is not our business and one must be a professional even to discuss our society and its present ills.

• (1510)

Needless to say, such are not my thoughts. Programs involving the spending of tax dollars and involving the people of Canada are our business. The business of parliament is whatever parliament decides it is, and parliament has decided that this is the matter we should discuss now.

During the September-October, 1972, period which had been decreed to be a time of dialogue between the Prime Minister and the voters, several other non-establishment characters got into the act and discovered *inter alia* that the people of Canada were very interested in the subject of welfare and particularly in the maladministration of public disbursements in this field. They were concerned that welfare was costing the taxpayers of Canada, at all levels, over $6 billion per year with no apparent remedial result.

It is most of all the fact that there is no apparent remedial result accruing from this enormous expenditure that gives us all a feeling of helplessness and hopelessness with this government. All their measures concerning the poor and the needy are on a palliative basis. No cure is ever contemplated or attempted. This government is actually a kind of Typhoid Mary going around infecting people and then trying to alleviate their disease whilst infecting still more.

I believe that the most devastating fault among the legion of faults of this administration is their inability to

produce any incentive to get the welfare recipient off welfare and give him back his self-respect. The head of a household cannot hold his head high when he is not in fact the breadwinner. Yet the current rules in many cases penalize the citizen who tries to supplement the family income by working. It simply results in a net loss of income.

Perhaps this might be a propitious time for me to decry the unfortunate habit that more and more people, among them some of the media, are adopting in referring to the unemployment scheme as welfare. One hears all too often reports about "unemployment insurance and other welfare projects". To those who take anything other than the most cursory interest in the unfortunates of our society, it is crystal clear that unemployment insurance is totally different from welfare. For one thing, the benefits are much higher. I hope that this slight digression will be forgiven, but it always bothers me when these two schemes, quite dissimilar in concept, are considered to be similar. It distresses me particularly when it appears to be part of an over-all plan to have them considered of the same genre. It is, of course, symbolic of the floundering and confusion of the self-appointed elitists of the treasury benches that they are confused when faced with the realities of life in the real world, the working world.

I realize that trying to sort out the crazy-quilt, the overlapping of one scheme with another of the alleged social programs of this government, is not easy and I should like to see this government present a plan to simplify the mess. May I suggest that the Progressive Conservative income development plan should be studied. There are many distinguished observers of the economic and social scene who are writing learned papers concerning such concepts as the income development plan.

Methods of achieving the goals of the income development plan are sometimes different. The one that seems to me to be the most promising if one values simplicity, and I do, is the negative income theory. It seems to me that if a simpler system were devised we could then redeploy our scanty numbers of trained social workers into the fields for which they are trained. These specialists should be free to counsel those who need conselling, to help the helpless, to encourage the discouraged. Skilled social workers at present spend far too much of their valuable time assisting the less fortunate to decipher, to decode the latest ukase from Ottawa to determine under which rule the needy can be kept warm, the hungry fed.

When considering what may be to this government the problem of the poor and, to more understanding members, the plight of the poor, the House should bear in mind that the poor do not live under rules and laws devised by the poor. They live under laws and rules devised by other people. They do not ask or wish to be poor. I have no doubt that all the poor people would prefer not to be so. But they do not make the rules of the game. We do. If our country is as rich as we like to boast it is, we are doing a remarkably bad job of handling its finances.

We simply must find a way to enable these people to break out of the financial ghetto in which we incarcerate them. They do not want, and surely we do not want, merely to keep them existing in perpetual poverty. Can we never find a way to give them what is most needed—which is hope, not charity? They do not ask to live in idleness; they do not want to be considered different and inferior; they want to join the rest of our society. Let us help them.

I would now like the House to consider for a few minutes the leverage effects that welfare costs have on the municipalities, towns and cities that are required to find part of the money needed to finance welfare, although their role is so proscribed as to make them unable to do anything about the primary root cause of it all which, of course, is the ailing economy.

Under the present financial agreements and arrangements, municipal authorities' taxing fields are so narrow, and within their narrow confines are now so high that extraordinarily heavy burdens fall upon home owners and small businesses. When an emergency situation exists, as it does at present, and welfare costs rise and the cost of municipal sharing rises, where are the municipalities and small towns to raise funds? Traditionally, their revenue comes from property taxes and business tax. Many of them are too small to be able to put on sales taxes. The cost of administration requires a larger base.

Municipal revenues do not rise automatically as the federal government's revenues rise. The federal government can now count, or almost count, on having a substantial increase in revenue without raising taxes at all. The increased revenue will flow in automatically due to the inflation that they have brought about and we are fast approaching the stage at which the federal government will feel if they need more revenue they simply have to increase inflation.

As was pointed out by our leader during the recent campaign, the government is the only organization in this land that has a vested interest in maintaining an inflationary spiral. I know that their cost-sharing arrangements and grants do help in a sense and that the federal government always keeps the lower levels of government in a subservient position. The lower levels of government always must come like children, cap in hand, to the rich uncle in Ottawa to beg, wheedle and negotiate for next year's allowance. "Big Daddy" here in Ottawa decides how much he will dispense, always on a short-term basis.

• (1520)

Anyone who has been involved in the collection and disbursement of funds at the municipal level—and many of us in this House have—and those who have apprenticed on school boards or city and municipal councils soon realize that there are at least two kinds of money in this country. There is the very hard money, the closely accounted for money, the money whose expenditure requires full explanation. That is the kind of money that municipalities get from their ratepayers. Then there is the other kind, the kind that has a sort of unreal quality similar to Monopoly play momey. It is collected in ever increasing quantities without any relevant requirement ever being considered or discussed. That is the automatic inflation that causes the increase and is never approved.

It is disconcerting, to say the least, to pare a school district budget by enlarging the pupil-teacher ratio, a Draconian measure indeed, and then suddenly to discover that a spur of the moment federal program will pour

money into less worth-while projects in the same district. While a school board is letting go one or two school teachers because of the lack of $20,000, someone will be getting a cheque for $20,000 to paint a mural in the school hallway. Here I am speaking generally and not of any particular case. But we could mention a hundred projects of no appreciable value to our society that, if dispensed with, the money provided for them could help children receive a decent education through the normal channels. It is hard to believe that the municipal dollar and the federal dollar are each worth the same 100 cents.

I have introduced the picture of municipal financing so that hon. members might realize what a shattering blow it is, to those charged with financial responsibility at lower levels, to be required to pay any part of welfare costs when such costs rise rapidly as the economy falters. The costs of welfare in small cities take up such an enormous proportion of their budgets that budgeting becomes a farce. If the federal government's budget indicates that we are in for another round of inflation or a further increase in unemployment, the unemployed of course may first collect unemployment insurance benefits but when their benefits run out they go on welfare. That is something not budgeted for.

We have been told that in holding this debate we are voting only a dollar for several plans. That, Mr. Speaker, is utter rubbish. It is this extreme dissatisfaction with the present financial and taxing methods that causes me to look with considerable favour upon the income development plan. The government must know that an entirely unfair burden is placed upon the lower levels of government. I do not have a closed mind about the income development plan. If the government is able to devise a better plan, I hope it will not hesitate to bring it forward. What is important is that the government should realize that the present system is unfair, undemocratic and guarantees that all Canadians do not and will not have equal opportunities in this land.

Mr. Ross Whicher (Bruce): Mr. Speaker, this morning an editorial in the *Globe and Mail* was titled, "If necessary, an election." I do not wish to read the whole of it, simply because it is too lengthy. Nevertheless, there are a couple of paragraphs in it that should be read for the benefit of hon. members. And, Mr. Speaker, let us not forget that this was written by the chief editorial writer of the *Globe and Mail*. It reads in part as follows:

> Conservative leader Robert Stanfield made the unemployed one of the principal themes of his speech—

Mr. Woolliams: I rise on a point of order, Mr. Speaker. It is not that I have any objection to listening to this editorial in the *Globe and Mail*—I read such editorials, just like everybody else—but it is a rule of this House that editorials should not be read in debate. I think that should be brought to the attention of the distinguished hon. member.

The Acting Speaker (Mr. Boulanger): The point of order is well taken if the hon. member is referring to an article that he has called an editorial. However, I think I should listen a little longer to know what is being quoted.

Mr. Whicher: Mr. Speaker, you are very fair. As a matter of fact, the hon. member who brought this matter to your attention was very fair. I have nothing against his interrupting, but I wish he would interrupt some of his own colleagues whenever they read much more than I did. It is not necessary that I quote this editorial; as a matter of fact, I think I could almost quote it from memory, verbatim. But because it is an article in the *Globe and Mail* and because it refers to the leader of the opposition I want to be correct in every detail. Therefore, with your permission, Mr. Speaker, I shall continue to read. It reads as follows:

> Conservative leader Robert Stanfield made the unemployed one of the principal themes of his speech in the throne speech debate. He offered to shelve temporarily that debate if the government would immediately bring in legislation to increase old age pensions and clarify the Unemployment Insurance Act. His verbal concern for the unemployed has occupied him urgently since.
>
> Those were the words. The performance has been to delay, often with time wasting and childish tactics, the bill to provide the money to pay unemployment benefits. This delay was carried to the point where—the Senate insisting on some time to consider the matter—benefits actually were delayed for Canadians who needed them.
>
> Such behaviour so disregarded the needs of the country that three Conservative Members of Parliament broke with their party to support the government's bill. This in spite of the overwhelming desire of the Conservatives to bring down the government.

I do not think any more need be said about that matter. These are not my words; they are the words of one of the chief editorial writers in Canada, certainly one of the chief editorial writers in the great city of Toronto. So far as I am concerned, not only with regard to the debate during the past month but with regard to the present debate those words put the cards squarely on the table. The fact is that our hon. friends in the opposition—and of course they are our friends—accuse of us of not knowing what is going on in the country, and probably too often we accuse them of the same thing. In this particular instance they have obstructed the government in every possible way and have obstructed it in every possible way since we returned here last January 4.

The statement by my hon. friend opposite that the amendment introduced by one of the Conservative members, asking that these votes be reduced to $1, was the only way that they could discuss these measures in the House of Commons is 100 per cent nonsense. They brought in this delaying tactic so they could obstruct the government in every possible way. There is no other explanation.

Let me remind you, Mr. Speaker, that on October 30 last a large percentage of the people of Canada voted for the great Conservative party and the Conservatives were successful in obtaining 107 seats. But sometimes the way they talk and criticize the government would lead one to believe that they had won about 135 seats and were the party in power instead of the one that sits to the right of Mr. Speaker.

• (1530)

May I remind you, Sir, and all hon. members present, that Liberal members do not sit in the House today with their heads down. If anybody won the election, we won it because we obtained more seats than any other party in

the House and a greater percentage of the vote than any other party in Canada. The government is attempting to govern in an organized fashion, not just for the Liberal party, not for the socialist party, not for the Créditistes, but to the best of our ability for all Canadians from Vancouver to Newfoundland.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): Don't speak nonsense.

Mr. Whicher: That is why we are here today voting on such great programs as the New Horizons program involving senior citizens, a program that was not even dreamed about when my friends to the left of Mr. Speaker sat in the seats of government some years ago.

Provision is made for amateur sport, which will benefit the youth of this country, not the youth of the United States or of other countries. This money will not be spent on Viet Nam or for sending wheat to India; it will be spent on young Canadians in their teens and on those perhaps as old as 30 or 40 so that we can develop better fitness and amateur sport in Canada. I think such a program is good.

Mr. Lambert (Edmonton West): You should; you have agreed to support it.

Mr. Whicher: The Conservative motion in opposition to vote 45a seeks to reduce to $1 the $1 million program of the Department of National Health and Welfare for fitness and amateur sport. This is how much that party wants to make available to our youth.

Mr. Lambert (Edmonton West): Nonsense. The money is already spent.

Mr. Whicher: I hear the hon. member say it is nonsense.

Mr. Lambert (Edmonton West): Yes. It is already spent.

Mr. Whicher: May I remind you, Sir, that yesterday evening I heard the hon. member for Edmonton West (Mr. Lambert) say, when talking about the large sums of money which would be lent to the provinces and municipalities of Canada, that the money was not spent. He was complaining because it was not spent. That is what he suggested yesterday. He suggested that this government has no right to vote moneys for two or three years ahead.

Mr. Lambert (Edmonton West): Mr. Speaker, may I ask the hon. member a question?

Mr. Whicher: Why did he say that?

The Acting Speaker (Mr. Boulanger): Order, please. The hon. member is rising to ask a question. Does the hon. member who has the floor agree to accept it?

Mr. Whicher: Mr. Speaker, I will be glad to answer as soon as I have finished.

Mr. Lambert (Edmonton West): All right. The hon. member does not seem to know the difference between governor general's warrants and estimates.

Some hon. Members: Oh, oh!

[Mr. Whicher.]

The Acting Speaker (Mr. Boulanger): Order, please. Hon. members have behaved well so far. The hon. member who has the floor has a very special way of expressing himself, but the Chair is experiencing some difficulty in following the discussion.

Mr. Lambert (Edmonton West): So is everybody else.

Mr. Whicher: The hon. member suggests I do not know what I am talking about. But I do know the difference between relevant and irrelevant facts and I suggest the hon. member should study that question.

Mr. Danforth: Here we go again with the same old argument.

Mr. Whicher: If I may continue speaking about this grant for our athletes, its purpose is to assist the better Canadian athletes who wish to continue both their educational and competitive careers. As athletes move into higher levels of competition, more and more time must be spent on training: this leaves little opportunity for working in order to raise funds for educational purposes. Surely that is self-evident, Mr. Speaker. We hope that athletes from all across Canada will take part in the Olympic games to be held in Montreal in 1976. It is our duty, surely, as legislators—not as Liberal legislators but as Members of Parliament—to help all the young people of Canada so that they can put on a creditable showing in Canada or anywhere else in the world.

Some hon. Members: Hear, hear!

Mr. Whicher: Completed applications are received in duplicate by Sport Canada. Approximately 16,000 application forms were distributed to national sports governing bodies, educational institutions, provincial governments and previous applicants, relative to the 1973 grants. Perhaps I ought to remind hon. members that those grants do not go to any particular area of the country; they go to our athletes in the ten provinces and two territorial districts; they are for our sons and daughters, grandsons and granddaughters. Conservative members who have spoken against this proposal are obstructing to the nth degree. I do not include all Conservatives because many have not spoken. The Conservatives who have spoken do not support this opportunity that the government has brought before parliament.

Much has been said about the Olympic games which will be held in Canada in 1976. I know this subject is controversial. As a Canadian, I hope that the city of Montreal is very successful in its endeavour.

Some hon. Members: Hear, hear!

Mr. Whicher: If it is successful, and surely we all hope for that, that city may have the laugh on the rest of the country. Montreal was not awarded the Olympics just by accident; the city officials went out and worked for it and the city evidently was prepared to finance the games. I say, God bless them in their endeavour. We are obligated to provide athletes not just from Montreal but from Vancouver, Hamilton, Galt, the Northwest Territories, Newfoundland and all across Canada. This grant will help our athletes and allow them to continue training.

I do not intend to talk much longer about these votes. I listened with attention to my hon. friend from Winnipeg North Centre (Mr. Knowles) who this afternoon lambasted the Minister of National Health and Welfare (Mr. Lalonde) for not bringing forward the old age pension legislation today, or one month ago or whenever he felt it should have been introduced.

I listened carefully as my socialist friend suggested that the minister should name the figure that the old age pensioners are to receive. I do not blame government officials for not mentioning the amount of money that senior citizens are to receive. However, as a backbencher of the Liberal party I am by no means afraid to mention figures. I feel, Mr. Speaker, that our senior citizens deserve every cent that Canada can afford. But I say to my socialist friends, when they say the pension for people 65 years of age and over should be at least $150, that they are whistling Dixie; that Canada cannot afford it; that some of our senior citizens are quite wealthy.

Surely the hon. member knows that Canadians cannot afford to pay such a sum. Whenever somebody suggests such programs for Canada I wonder where the money is to come from. I appreciate the sentiments of my friend from Winnipeg North Centre when he advocates increased old age pensions, additional funds for CNR pensions, improved Canada Pension Plan payments, and so on—we all agree with those sentiments—but sympathy in the heart of mankind is not confined to members of the socialist party; it is to be found even in Conservatives and certainly exists in the hearts of Liberals because they have done more for pensioners than any other party in the history of Canada.

Some hon. Members: Hear, hear!

Mr. Whicher: Having said that, I impress upon my friends across the way and upon those in my own party that we can only afford to give what our younger people can afford to pay. At the present time the old age pension system in Canada is better than that of any country in the world. Tax exemptions in Canada are higher than those of any country in the world. Hospitalization and medicare provisions are just as good as those of any other country.

Having said that, I would be the first to agree that pensions should be increased. However, I suggest—I suppose I will be the only Liberal backbencher to say this—that when the Minister of National Health and Welfare brings in the bill to provide additional funds for our senior citizens he must remember that somebody has to pay for the increase. I hope he will use judgment and remember that the sons and daughters of senior citizens must pay for increased pensions.

• (1540)

In conclusion, let no one say after I have finished or at any other time that I am against additional benefits for our senior citizens. My mother, father, mother-in-law and father-in-law are senior citizens and pensioners. Naturally, no one would like to see them receive more pension than I would. Therefore my sympathy is with pensioners. However, as the father of five children my sympathy is also with the youth of this country. Having said that, I am very pleased to be able to vote for a bill that provides $1 million not just for my children but for all children across Canada in order to make them more fit and also to improve amateur sport across this great nation of ours.

Some hon. Members: Hear, hear!

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I rise to discuss the $1 million supplementary estimate put forward by the government for the fitness and amateur sport program, as well as the Conservative motion that no more than $1 be spent on this program.

I have found the debate very interesting, especially the earlier debate on the supplementary estimate for the $1 million New Horizons program. I discussed this issue with a number of senior citizens last weekend. They were quite keen and enthusiastic about the program. They have some plans ready. The friends of the pensioners and the old age people in Canada, the Conservatives, have moved that no more than $1 be spent on this program. Not only have they slapped the faces of the pensioners but they have moved the same type of motion in respect of the program for the young people of Canada.

I find this very ironic, especially in the context of the issue of fitness and amateur sport, because it was a Conservative government in 1961 that introduced the Fitness and Amateur Sport Act. The purpose of the act was to encourage, promote and develop fitness and amateur sport in Canada. What has been the success of that act? The act was instigated from the revelation of lack of physical fitness among Canadians of all age groups, especially the young. It was designed to alleviate this problem in Canada. If you look at the breakdown of expenditures under the act since 1961, you will see that most of the money has gone to the top; in other words, in financing competitions rather than going down to the base, that is, broadening participation in amateur sports.

We have the problem of lack of physical fitness in Canadians. We have a problem with sports in general. There is a conflict between professional sports in this country and amateur sports and which is to have precedence in government priorities and the support of the Canadian people. We also have the problem that we are fast becoming a nation of spectators with regard to sports.

I would like to examine for a few minutes some of the reasons for this problem. One reason can be traced to the school system throughout this country. I was formerly a school teacher. I observed the physical education programs in the schools. I noted that their primary emphasis was not on the student body as a whole but on developing students who could excel in team sports such as football and basketball. The ordinary student who does not have great physical or sports prowess is soon discouraged; all the attention is lavished on those students who can excel in these sports. The extracurricular sports activity in schools is downplayed and downgraded.

Another problem is lack of opportunity for the public to make use of sports facilities, especially those in schools. Only recently did local boards of education open up the schools in the evenings in order for the general public to participate. Many school boards are still reluctant to do so. There is lack of opportunity with regard to available facilities. We have only to think of many of our summer

sports: where are the facilities for year around training or opportunity to enjoy these sports?

Another problem in this whole milieu of sports in Canada has to do with the commercialization of sport. All too often sport is run as a business in Canada. The guiding motive is not excellence but profit. One need only look at the hockey industry to see what I mean. What started as Canada's game is now controlled by foreign investors. We can recall the difficulty of the World Hockey Association in trying to wrest players from the National Hockey League. That in itself is a misnomer; it should be called the "American hockey league."

We can think of the problems of the city of Vancouver in trying to obtain a hockey franchise. The early applications from Vancouver noted that they could attract sell-out crowds if they had a hockey team. However, the reason given for not getting the franchise until much later was that there was not a large enough television audience. In other words, the profit came before the sport.

Decisions regarding our national game are made outside Canada. This commercial aspect of sport, including hockey and other games, also dominates and controls our national amateur sport. The Canadian Amateur Hockey Association is still dominated by the National Hockey League. Young boys playing organized hockey still have to register with the CAHA. Through the sponsorship of amateur teams and associated activities we still see the overriding control of the professional clubs in the area of amateur sport.

We should examine the contracts into which some young players are forced. I know a young lad in Sault Ste. Marie who had a contract that was approximately akin to slavery. If my memory serves me correctly, we abolished slavery in Canada in the 1830s. When you look at the fine print clauses in this young man's contract you can understand why he had to spend a lot of money on a lawyer trying to break that contract in court.

Another reason the amateur sport situation in Canada is not as good as it should be is the scholarship program. We must ask ourselves what we put first, academics or sports. Is the student who excels in sport to be denied a scholarship to a university or elsewhere because of his academic ability? The government should rethink its position on this matter. The government in 1971 initiated a grant and aid program to help those who could not qualify for a scholarship. There were 392 students who received grants and aid. Hockey Canada received over 1,000 applications in 1971 from hockey players who wished to continue their studies. But because of these academic sports qualifications only 85 of them were granted scholarships. So we find more and more Canadians every year going to the United States and taking up sports scholarships from American universities in order to further their studies and their sports careers.

• (1550)

I understand the government currently has before it over 3,500 applications from young people desiring scholarships and other forms of aid so they may participate in sports activities such as the Pan-American games and the Olympics. The value of these scholarships ranges from $600 to $1,800. Many of the scholarships have been put to good use even though they fall far short of what young athletes require. I have heard of athletes who have lived in university residences in order that they might have more time available to swim in the university pools, to save travel time back and forth to these facilities.

I have heard of students who have hired private tutors so that they can accelerate their studies and spend extra time in Australia where better facilities for swimming are available. This is indicative of a fault in our whole amateur sports program. We lend money to young athletes and then expect them to find the facilities of which there is such a desperate shortage in this country. I hope the government will reconsider its position and try to build more of these facilities so as to help people who obtain scholarships or grants.

The government has not come to terms with amateurism or professionalism in this country and I think it is about time it did. Thank goodness, last year the Olympic oath was changed so that young people who obtain scholarships can register for the games. Before the rule was changed, it was an offence to do so. But when we are talking about scholarships we are talking about an elite group, those who are going to universities. Why has the government not experimented more with grants to those outside the universities? Today such grants make up only a marginal part of the program. Under the present arrangements, working-class children who do not attend universities are discriminated against. Although they may excel at certain kinds of sport, these young people are handicapped because they do not possess the wherewithal to go on to higher education.

Attention should also be paid to the neglect of coaches in this country. Many of our coaches operate on a part-time, volunteer basis. It is not possible to find more dedicated people anywhere. At the same time, they lack the training which is desired. One has only to compare the hockey program in Russia with the hockey program in Canada for this to become clear. These volunteer coaches often find that a family situation develops which makes it no longer possible for them to devote their time to young people. We spend money to encourage young people to advance in amateur sport, yet we neglect the vital question of who is training them and how qualified these trainers are.

To be successful, athletes need support programs; they need coaches, facilities, medical advice. And by failing to grant money to these aspects of sport, to the provision of these facilities, the government has created a program which is not living up to our expectations. Why should a sprinter at Carleton University, for example, be obliged to sprint up and down the halls because there is no indoor track at the college? Athletes have to do their own work. The government hands out money but it does not provide the required facilities.

The expectations placed today on athletes in our society is extremely high. Many athletes do not know how to go about living up to them. There is a high dropout rate and the public becomes enraged and discouraged by Canada's performance in world competition. The government has provided the stimulus but it has failed to provide adequate support. I hope to see this amateur sport effort moving toward an integrated program. What we are doing

now is jumping into the fray and learning from our mistakes, instead of seeking advice first from the athletes themselves and others with expertise.

I support the supplementary estimates. I think the program is a beginning. But I urge the government to widen the opportunities available to students and to non-students. I urge the government to finance necessary support programs such as coaching and the provision of physical facilities such as I have mentioned. Finally, I would ask the government to seek advice from those involved in this field so that it may produce a comprehensive, progressive and planned program for sport in Canada.

[*Translation*]

The Acting Speaker (Mr. Laniel): Does the hon. member for Compton (Mr. Latulippe) wish to speak to the motions now before the House?

Mr. Henry Latulippe (Compton): Yes, Mr. Speaker.

I would be glad to say a few words about the expenses indulged in with the savings of Canadians. We are now considering supplementary estimates amounting to hundreds of millions of dollars with a view to straightening out our economy.

Mr. Speaker, our economy is becoming more and more complicated. However, we have to find out where funds are most needed and then meet those needs. In that regard my colleagues of other parties have talked about the old age security pension.

I am—

The Acting Speaker (Mr. Laniel): Order. I am sorry to interrupt the hon. member, but it being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper—

[*English*]

* * *

BUSINESS OF THE HOUSE

Mr. MacDonald (Egmont): In rise on a point of order, Mr. Speaker. Before we leave government business may I ask the acting House leader, whoever he or she may be, whether the arrangements agreed to earlier in terms of concluding the notice stage and moving to committee of the whole still hold good as far as Monday is concerned?

The Acting Speaker (Mr. Laniel): The hon. member for Winnipeg North Centre (Mr. Knowles).

An hon. Member: Oh, oh! There he is.

Mr. Knowles (Winnipeg North Centre): May I, as one of those who was a party to those discussions, indicate that there was agreement that early on Monday we would finish the debate on these nine notices and move to second reading of the bill.

Mr. Lang: I thank the hon. member for that information. I did not understand the earlier discussion about what the agreement was and I do not understand it now. But I am glad agreement has been reached.

Mr. Knowles (Winnipeg North Centre): May I add there will not be any recorded votes on the nine notices. If any vote is desired it will come later on, on the bill itself or in committee.

• (1600)

Mr. MacDonald (Egmont): Mr. Speaker, we are grateful for these comments from the "government House leader" to my left.

The Acting Speaker (Mr. Laniel): Order. Is the Chair to understand that this is to be made an order, or that an order be made on Monday?

Mr. Lefebvre: On a point of order, Mr. Speaker, this was made a House order at the request of the hon. member for Yukon (Mr. Nielsen) earlier this day.

The Acting Speaker (Mr. Laniel): It being four o'clock p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, notices of motions, private bills.

PRIVATE MEMBERS' PUBLIC BILLS

INDIAN ACT

AMENDMENT TO LOWER VOTING AGE TO EIGHTEEN FOR BAND ELECTIONS

Mr. Maurice Foster (Algoma) moved that Bill C-16, to amend the Indian Act, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

He said: Mr. Speaker, in rising to speak on the amendment before the House this afternoon in the form of Bill C-16, I am very happy to be able to have the bill before the House. Although it has been listed on the order paper during the two previous sessions, this is the first time it has had an opportunity to be debated.

The purpose of this bill is very simple. It is to lower the voting age from 21 years to 18 years in elections for positions of chief and band councillor on Indian reserves. The idea behind the bill is so straightforward and logical that I am confident the debate will be brief and to the point and that the House will give its consent to sending the bill to the Standing Committee on Indian Affairs and Northern Development for study and report.

I say that the idea behind my bill is straightforward because in Canada today the legal voting age for federal elections and for most provincial elections is 18 years. Three years ago, in June of 1970, we amended the Canada Elections Act and thereby lowered the voting age for federal elections from 21 to 18 years. At that time we recognized that such a reform was long overdue. The young people who were then unable to vote were considered adults for many other purposes, such as marriage, having families, driving cars, even serving in the Canadian armed forces, as well, of course, as paying taxes. They were also subject to the laws of criminal prosecution in

this country. Yet up to that time they were cut out from the decision-making process in that they could not vote in federal elections.

Recognizing this inconsistency, and realizing that young people have become politically more mature, more aware of society and the world around them—in large part because of our modern technology and communications—we accorded them the privilege of expressing their voice in a federal vote. In 1971 the province of Ontario likewise passed legislation to lower the voting age for provincial elections to 18 years. More recently it has passed legislation to provide for citizens to vote in municipal elections at 18.

This means that young adults of Indian bands are free to mark their ballots in federal elections and in provincial elections but not in their own band council elections. They are not allowed to participate in this democratic process on their own reserves. Surely the anomaly is obvious. Why should young band members on Indian reserves be prevented from voting for the representatives of their band councils when they are viewed as responsible enough to vote for their Member of Parliament? As of December 31, 1971, the latest official figure available, I understand some 10,000 Indians between the ages of 18 and 21 years who were registered band members were not permitted to vote. The figure is undoubtedly higher today. Over 10,000 young people who are considered adults in almost every other way, including being able to vote federally and provincially, have no voice in their own reserve elections. What kind of equality is this, Mr. Speaker?

The native people have not been silent on this subject. Let me relate to the House an incident that occurred in my own riding in the fall of 1971, shortly before I introduced this bill for the first time. The young adults of the Mississauga Indian reserve voted in the provincial election of 1971. However, when they came to the polling booths for their band council election they were turned out and were not allowed to vote. Naturally they were very upset and wrote to me, to the department and to the Minister of Indian Affairs asking why they were not granted the right to vote.

The native people of Algoma are not alone in recognizing this discrepancy. Numerous inquiries and letters have been sent to Members of Parliament and to the Department of Indian Affairs and Northern Development, queries from Indians and non-Indians alike, asking when further voting reforms will take place in this area.

I understand that several bands have taken formal action by sending petitions to the federal government, including the Saugeen reserve, the Six Nations reserve, the Thames and Chippewas of the Thames, from Ontario, the Montreal Lake and Beardy's band from Saskatchewan and the Ermineskin band from Alberta. All these bands passed council resolutions asking that the voting age be lowered to coincide with provincial and federal voting ages. Individual representatives of Indian associations have also discussed this proposal on numerous occasions.

It is only logical to allow these 10,000 young adults this democratic right to vote in elections on Indian reserves. For it is only when they are given the opportunity to participate that they can prove that they are responsible, mature citizens. It is time we eliminated the contradiction that must be in their minds, namely, why in some situations they are adults whereas in others they are viewed as not being adults.

The intent of the bill is to resolve this anomaly and to give these young citizens their democratic voting rights. I would ask the House to support the bill that is before us this afternoon.

Miss Flora MacDonald (Kingston and The Islands): Mr. Speaker, I too should like to see the democratic process observed for the largest number of Canadians possible and I commend the hon. member for Algoma (Mr. Foster) for introducing this bill. However, I want to see that democratic process exercised with the full consent of the Indian people themselves.

We have all seen and know the outcome and effect of legislation that has been introduced in this House without the views of the Indian people having been canvassed or consulted. We know the reaction to the white paper of 1969. It seems to me that once again we are perhaps being presented with a piece of legislation that did not originate with the Indian people or in which they were not asked to participate.

• (1610)

The Indian people of Canada are not limited to one band or to one region. They and their rights exist across the entire nation. It seems to me that this bill could have the effect of interfering with the internal workings of the band councils without their views being presented or without an opportunity for them to be heard. I should like to know whether the National Indian Brotherhood has been consulted on this matter and whether there has been consultation with member organizations in the various provinces. Are they all in agreement that this is what should happen in respect of local council elections, or is this just a view presented here this afternoon?

Hon. members of this party would readily accept a move to have the voting age in respect of band councils lowered to 18 provided we have the assurance that this is the wish of the Indian people. Too often in the past we here have been guilty of proceeding with legislation which we thought was in their best interests, without having made sure that this was so and that it was being introduced with their agreement. I believe the principle should be established once and for all in this House that any changes to the Indian Act and any moves that might affect the fundamental rights and practices of the Indian people should be carried out only after the widest opportunity has been given them to express their views and to formulate their position.

I would therefore ask the hon. member for Algoma to seek the consent of the House immediately to have this bill referred to the standing committee in order that representatives of the Indian Brotherhood all across the country can make their views known in order that we can be reassured once and for all that this is the wish of the Indian people. Perhaps the hon. member would amend his motion and ask that this bill be referred to that standing committee.

Mr. Wally Firth (Northwest Territories): Mr. Speaker, I am most interested in this bill presented by the hon. member for Algoma (Mr. Foster), and I should like to speak in favour of it. At the same time, let me say to this House that I think it is disgraceful that in 1973, in the House of Commons of Canada, the Indian people must have an act passed to give a basic human right. In this day and age this is a disgrace.

I agree in some measure with what the hon. member for Kingston and The Islands (Miss MacDonald) has said, in that this bill perhaps may not be the result of negotiation or consultation with Indian people in this country. To repeat, I think it is a disgrace that a House of Commons act must be passed before the Indian people are given this democratic right.

The Indian people of North America have a terrific democratic system which has been in operation for thousands of years. Some constitutions in this part of the world have adopted ideas from the democratic process enjoyed by the Indian people of the Six Nations. Let me give you an example. One of the largest villages in the Northwest Territories, Fort Rae, has a population of approximately 1,000 to 1,200 Dog Rib Indians. They practice a democratic process from which most of us could learn. This is true not only of elections of chiefs but in respect of the passage of important matters.

The white society does not seem to realize the position of an Indian chief. It is my understanding, having been raised in an Indian village, that the chief is a servant of the people. He does not make decisions on his own and cannot come forward and say things shall be done. He can make decisions only after he has consulted with all his people.

The hon. member for Kingston and The Islands does have a valid point. However, I think at this time it would be silly to delay this matter longer in order to have consultation. This question involves a basic human right of which these people should not be deprived. The Indian people of this country have made many contributions in many areas of society. Pharmaceutical societies in America recognize that there are about 400 drugs used in medicine on the market today that were discovered and first used by the Indian people. I suggest these people can make further contributions to society if given the opportunity.

Canada has the second or third highest standard of living in the world, yet we have a situation in which the Indian and Eskimo peoples are the poorest of all the poor in Canada. We should all work together to remedy that situation. I suggest the Indian people can make further contributions to society if given the opportunity but it is not very easy for them to do so in their present poverty-stricken situation. These people must use their energies in order just to survive.

I commend the hon. member for Algoma for bringing forward this bill. I support it fully, not because I have consulted with the Indian people about this matter but because I know, having been born and raised an Indian, that this is a right of which they have been deprived. I have been an Indian all my life and will remain an Indian. I think the only time one has a true understanding of the feelings of Indians, Eskimos or other peoples is when they learn their language, appreciate their customs, their foods and other aspects of their culture. In speaking with 38 years' experience as an Indian, my feeling is that this is an important bill and I call upon members of this House to support it.

Indians have made many contributions in the areas of medicine, democracy, value of life, unity of brotherhood and sports. Perhaps I should give a further example of the democratic process at Fort Rae. When a major decision has to be made, the chief puts the situation to the people. He allows three or four days, or perhaps a week, for every member of the band to express his view before any decision is taken. This puts the chief in the position of being a servant of the people. In many cases he is looked upon as a ruler or a dictator, but the fact is completely the opposite.

I do not intend to take up any more time of the House. I hope hon. members will give their full support to this bill.

Mr. Len Marchand (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I should like to make a few remarks on this bill. First let me say I am in full agreement with it and believe it should be referred to the committee as soon as possible. I have contacted the Minister of Indian Affairs and Northern Development (Mr. Chrétien) who has indicated his agreement and that he thinks it is a very good move. I have also contacted the president of the National Indian Brotherhood on an informal basis. He also indicated full agreement and said he would like to see this measure enacted into law.

I know there has been a commitment by the government to consult with Indian people about any major changes in policy and legislation. That commitment still stands. The consultation process is being carried on actively in so far as major policy areas are concerned.

• (1620)

I feel this is an area in which many young Indian people, as the hon. member for Algoma (Mr. Foster) pointed out, are being denied a basic right. They can vote in provincial and federal elections at age 18 but cannot vote in their own band elections. I know the young people in my home area on the Vernon and Kamloops reserves, including the people in the 12 bands I represent, feel very strongly that they should have the basic right to vote in their own band elections. So this is a very popular issue. It is not one involving a major change to the Indian Act. I believe it is something we could accomplish very quickly in this House.

I should like to give an undertaking to hon. members, including the hon. member for Algoma, that when this matter goes before the committee I shall take it upon myself to see that there is consultation with the National Indian Brotherhood and other organizations across the country in a formal way in order to find out what their views are in respect of such a bill.

After consultation with a number of people, I believe this measure would be a very positive response to enable the young people to take part in the basic democratic process of electing councillors and chiefs of their bands. It seems ludicrous to the young Indian people of 18 years of age and over that they can vote in federal and provincial

elections but cannot vote in their own band elections. Therefore, without any further comment I hope that this bill will be referred to the committee.

Mr. Elias Nesdoly (Meadow Lake): Mr. Speaker, I shall not take up very much of the time of the House. I am totally in favour of this bill. As one who comes from a very progressive province where the voting age has been lowered for some years to include persons 18 years of age, I think the same privilege ought to be accorded to the Indian people of Saskatchewan and across the whole of Canada.

The hon. member for Kingston and The Islands (Miss MacDonald) was a little concerned about the fact that Indian people were not consulted. This is not a compulsory act. If the voting age should be lowered to 18 it would not mean that in effect they must vote if they do not wish to do so. I know there are people in my province of various religious denominations who do not vote in any election. This is their privilege and prerogative. In fact, when I visited various homes during the last election campaign many people told me that they did not intend to vote for any of us because they did not believe any of us were any damn good. I suppose there are Indian people, whether 18, 19 or 25 years of age, who would not vote in any event.

This is merely a right and privilege which all Canadians have. It is not mandatory. This is a very simple amendment which I hope will pass. I wish, however, that the hon. member for Algoma (Mr. Foster) had gone a little deeper into the Indian Act and suggested other amendments such as amendments which would lay some basis for aboriginal land rights, which would lay some basis for better protecting and developing their treaty rights, which would lay some basis for a full and equal settlement of their land claims, and amendments which would perhaps provide for native control and development of projects with the help of federal funds and resources but under the control of the native people. Perhaps there could be amendments which could deal with the whole issue of education so far as the native people are concerned.

The Acting Speaker (Mr. Laniel): Order, please. I do not wish to limit or restrict the hon. member, but I have difficulty following him and relating his remarks to the bill that is under consideration at this time. Of course, the bill relates to Indians but it concerns the lowering of the voting age. I do not think this debate should provide an opportunity for general argument or the suggestion of other solutions to different problems.

Mr. Nesdoly: Thank you, Mr. Speaker. I am afraid I was carried away a little. However, I am totally in favour of lowering the voting age to 18. It is a right which every Indian should have, just as every Canadian has. They would still have the privilege of not exercising this right if they did not wish to do so. With that note I shall sit down and take part in the vote.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, we are greatly pleased to support Bill C-16, to lower to 18 the voting age of Indians.

We agree that all Indians whatsoever should enjoy equal treatment. It is unfortunate that this should not always have been the case. In fact, they should enjoy the same rights as all other Canadians and we do not see how they should be denied such rights.

Today, Indians have developed much more than they did in the past. We find among them, as in all other groups, people of great culture and highly developed skills.

I believe they should be granted every advantage of which others have availed themselves. They should enjoy them and we are happy to give unqualified support to the bill before us, bringing a little more justice to a class of society which has not fared as well as it should.

We would like them to enjoy the same advantages as the other Canadians and have the right, at election time, to say what they think through the exercise of their franchise. We cannot deny them this right, because it is only fair. We must be fair to all groups of citizens; the Indians must enjoy the same rights and prerogatives as the other citizens.

I shall not say any more. I thank the hon. member who has kindly introduced Bill C-16 which we support fully. I conclude my remarks so as to let others participate in the debate. We agree that this bill should be referred to committee or passed immediately.

[*English*]

The Acting Speaker (Mr. Laniel): Is the House ready for the question? Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to, bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Walker: Mr. Speaker, because of the progress that has been made, unless the House disagrees I would suggest that since this bill has been referred to the committee the House might agree to call it five o'clock.

Mr. Bell: That is a very good idea, Mr. Speaker. I hope the government has noticed that the progress was made because of co-operation here and that they will co-operate when we have private bills before the House which should go to committee.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, may I just say, "Hear, hear!"

The Acting Speaker (Mr. Laniel): Is it agreed that we call it five o'clock?

Some hon. Members: Agreed.

At 4.35 p.m. the House adjourned, without question put, pursuant to Standing Order.